ANNUAL COMPREHENSIVE FINANCIAL REPORT

for the fiscal years ending
September 30, 2023 and 2022

PSTA
Pinellas Suncoast Transit Authority

2023
APTA
TRANSIT SYSTEM OF THE YEAR
PSTA

ST. PETERSBURG, FLORIDA

Pinellas Suncoast Transit Authority

St. Petersburg, Florida

Annual Comprehensive Financial Report

For Fiscal years Ended September 30, 2023 and 2022

Vision

To be the people's first choice for transportation and a driving force for social, environmental, and economic vitality in the community through innovation and partnership.

Our Mission

To safely connect people to places.

Prepared by the Finance Department

PINELLAS SUNCOAST TRANSIT AUTHORITY

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INTRODUCTORY SECTION

March 27, 2024

Gina Driscoll, Board Chair and
Members of the Board of Directors of the Pinellas Suncoast Transit Authority and
Citizens of our Service Area

Dear Board Chair, Board Members and Citizens:

We are pleased to submit to you the Annual Comprehensive Financial Report of the Pinellas Suncoast Transit Authority (PSTA or Authority) for the fiscal year ended September 30, 2023, and 2022.

State law requires that all independent special districts publish each fiscal year a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America (GAAP) and audited in accordance with auditing standards generally accepted in the United States of America by a firm of licensed certified public accountants.

This report has been compiled and prepared by the Authority's management. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management of the Authority has established a comprehensive internal control framework that is designed both to protect the Authority's assets from loss, theft, or misuse and to compile sufficient, reliable information for the preparation of the Authority's financial statements in conformity with GAAP. The Authority's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Cherry Bekaert LLP, a firm of licensed certified public accountants, has audited the Authority's basic financial statements. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Authority for the fiscal year ended September 30, 2023, and 2022, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and any significant estimates made by management; and evaluating the overall financial statement presentation.

The independent auditor concluded, based upon the audit, that there was reasonable basis for rendering an unmodified opinion that the Authority's financial statements for the Fiscal years ended September 30, 2023 and 2022 are fairly presented in conformity with GAAP.

Pinellas Suncoast Transit Authority
3201 Scherer Drive • St. Petersburg, FL 33716 • Telephone 770-540-1800
psta.net

The Annual Comprehensive Financial Report is presented in three sections: Introductory, Financial and Statistical. The Introductory section contains this letter of transmittal that provides an overview of the Authority, economic environment, financial performance, and other pertinent financial information.

The Financial Section includes the report of independent auditor, Management's Discussion and Analysis (MD&A), the basic financial statements and notes thereto, and required supplementary information.

Management's discussion and analysis (MD&A) immediately follows the report of independent auditor and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

The Statistical Section sets forth financial trends, revenue capacity, demographic, economic and operating, and debt capacity information.

The Authority is also required by federal and state regulations to undergo an audit of federally and state funded programs that it administers. The standards governing the Single Audit engagement require the independent auditor to report on the audited government's internal controls and compliance with laws, regulations, contracts and grants applicable to each major federal and state program. The reports related specifically to the Single Audit are within the regulatory section of this document.

Profile of the Authority

The Pinellas Suncoast Transit Authority (PSTA) was created in 1984 via a merger of the St. Petersburg Municipal Transit System and the Central Pinellas Transit Authority to provide Pinellas County with a cohesive public transit system. Today, a fleet of 193 buses and 20 trolleys serve 46 fixed routes including two express routes to Hillsborough County.

Pinellas County is 280 square miles with approximately 978,777 residents. Pinellas County is located along the west coast of Florida and includes a corridor of smaller beach communities along the Gulf of Mexico. Pinellas County is the second smallest county in the state of Florida; however, it is the most densely populated county in the state and is nearly three times more densely populated than the next closest county. The Authority serves most of the unincorporated area and 19 of the County's 24 municipalities. This accounts for approximately 98% of the county's population and 97% of its land area. The cities of St. Pete Beach, Treasure Island, Kenneth City, Belleair Beach, and Belleair Shore are not members of the Authority; however, St. Pete Beach and Treasure Island do contract for trolley service.

During fiscal year 2023, the Authority directly operated vehicles traveled a total of 9.4 million revenue miles, providing approximately 661,594 hours of revenue service, and 9.6 million passenger trips.

PSTA also has contracted partners that provide public transit services on the Authority's behalf. Together with our partners the Authority provided an estimated 11.6 million revenue miles, providing approximately 808,524 hours of revenue service, and 10.5 million passenger trips.

Operating expenses are covered primarily through ad valorem taxes, state and federal funds and passenger fares.

Officials

The Authority is governed by a board of directors comprised of thirteen elected officials, and two non-elected officials, one of which is appointed by the Pinellas County Board of Commissioners and the other by the St. Petersburg City Council.

Services and Service Delivery

The Authority provides virtually all public transportation services in Pinellas County. These services include fixed route, demand response, and specialized services. The Authority maintains over 4,447 bus stops, 655 shelters, 4 customer service centers, and a fleet of 213 fixed route vehicles.

Persons with disabilities who are unable to use regular bus service may be eligible for a PSTA Access ADA paratransit specialized service. Paratransit services provide people with disabilities with rides to doctors' appointments, work, school, and other critical destinations. This door-to-door service is tailored for those who because of their disability are unable to independently use PSTA's regular accessible buses.

PSTA has continued to build on Mobility on Demand for same day door to door service for paratransit customers. This gives passengers the opportunity to take a same day trip they could not plan for in advance, such as for urgent medical, getting a sick child home from school, or when doctor, grocery or social outings take longer than anticipated. In fiscal year 2023, PSTA was awarded a Florida Commission for the Transportation Disadvantaged Innovative Service Development grant for regional TD services.

PSTA continues to operate the Direct Connect Program that allows riders to use providers such as Uber, Lyft, United Taxi or Wheelchair Transport to travel within Pinellas County to or from a series of 26 locations. From there, riders connect with the regular PSTA public transit system. PSTA was the first in the country to partner mass transit with ride hailing, providing higher quality mobility in areas where it doesn't make sense to run public transit.

All ridership data is being tracked for our bus operations using Automatic Passenger Counters (APC). The fiscal year 2023 ridership for each mode compared to fiscal year 2022 data is presented below using the APCs.

Mode	30-Sep-23	30-Sep-22	Percent of Change
Bus Operations	9,999,781	8,465,048	18.13%
Paratransit	210,343	183,090	14.89%
Mobility Programs	279,547	213,116	31.17%
Total	10,489,671	8,861,254	18.38%

PSTA's Sustainable Strategic Plan (SSP) is to focus on a healthy community and workforce, environmental sustainability and a financially sustainable public transportation that supports our community.

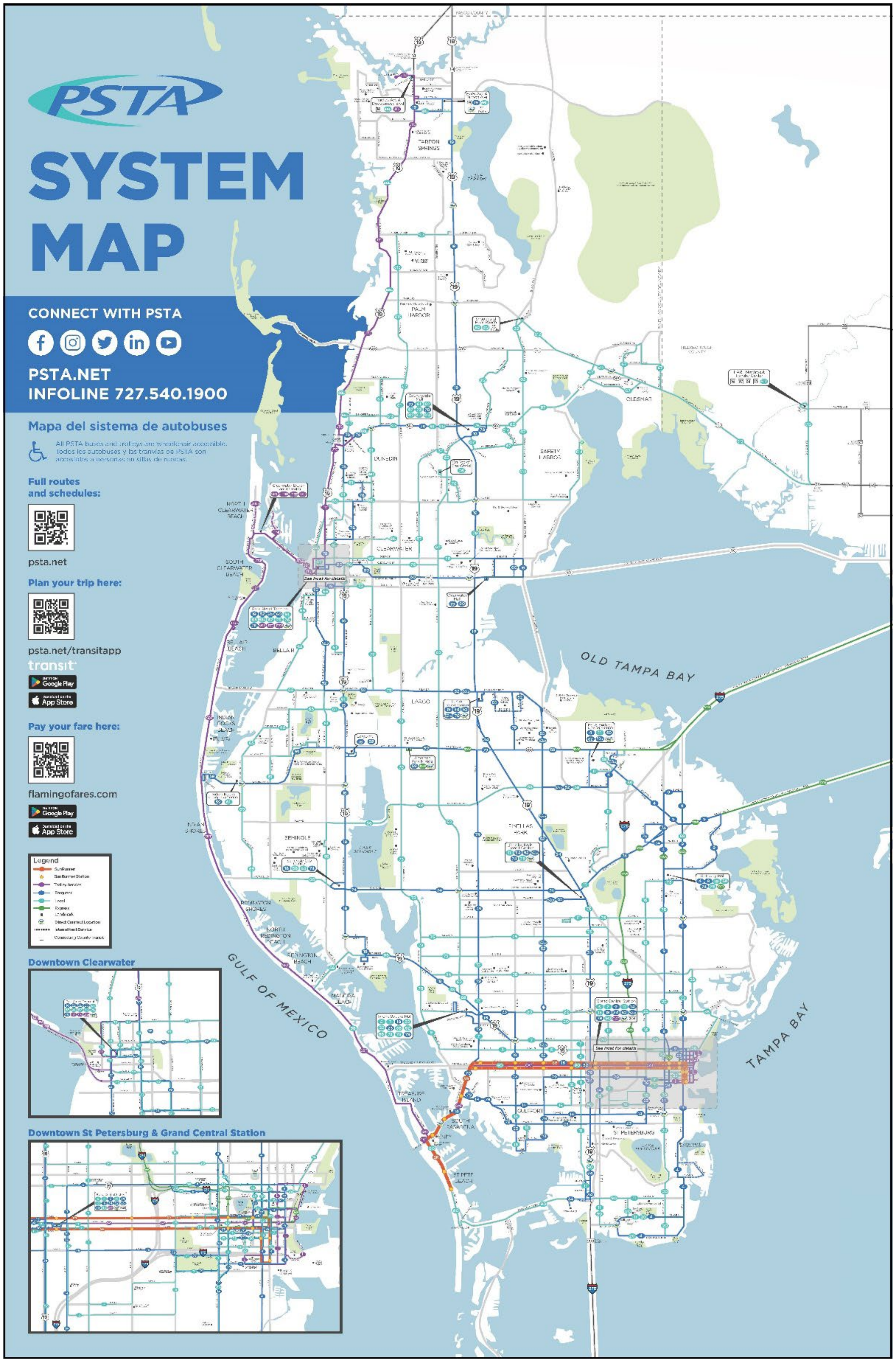
The SSP identifies existing sustainability practices in each of these areas and new policies, practices, and projects that can be implemented to ensure a more sustainable future for PSTA and our community. PSTA's provision of providing a transportation alternative to the single occupancy vehicle is and always will be our primary sustainability initiative. The implementation of the SSP will demonstrate PSTA's commitment to sustainability in every aspect of our agency both internally and for our larger Pinellas County community in lasting and meaningful ways.

To support the mission, vision, and strategic plan PSTA has a Performance Management Program. The Program identifies PSTA's performance measurement metrics, the CEO quantitative evaluation system, department level measurements, and an employee quantitative evaluation system. Specifically, PSTA at the organizational level is measured on five key components including community support, financial stability, customer satisfaction, employee engagement and commitment to performance.

This commitment to transparency and visibility of PSTA's performance metrics is generating increased engagement, inter-departmental coordination, and sense of ownership among staff.

The overall performance ratio for fiscal year 2023 was 97 out of 100.

Local Routes Operated in Fiscal Year 2023



Budget

Each year the Board is required to adopt an annual budget before the beginning of the fiscal year. The budget serves as a financial plan in support of the Authority's mission and strategic plan. It includes the fiscal year operating budget and capital plan necessary to accomplish the operational initiatives, along with a multi-year capital plan covering five years. The process for developing the Authority's budget begins with budget review and planning in February through May, and through a series of meetings and analysis from June through September, results in an operating budget and a prioritized capital budget.

The PSTA Board adopted the fiscal year operating and capital budget totaling $188.0 million. The fiscal year 2024 budget is $63.2 million or 50.7% over the fiscal year 2023 budget projections with the majority of the increase related to capital projects including receipt of 40 sustainable electric replacement buses out of the 60 ordered under an adopted strategy to replace with zero emission buses, electric infrastructure to support the electric buses, SunRunner Buses Rapid Transit Improvements, and design of the Clearwater Transit Center. The operating budget increased 4.5% year over year primarily due to contractual union increases. This financial plan allows the Authority to focus resources where transit works best based on a data-driven, customer sensitive and innovative approach.

Capital assets are funded by grants and local funds on a pay-as-you-go basis. The Authority does not anticipate issuing debt to fund capital assets in fiscal year 2024.

Factors Affecting Financial Planning

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective.

COVID-19:

In fiscal year 2023 PSTA utilized $17.8 million in American Rescue Plan (ARP) funding. All of this funding is utilized for transportation related salaries and time administering the grant. PSTA anticipates all the funds will be fully utilized by fiscal year end 2026.

Local Economy: The regional economy normally enjoys a slightly favorable economic environment compared with other cities in Florida and local indicators point to continued stability. The regional economy has a diverse economic base that includes tourism, agriculture, construction, finance, healthcare, technology, and the Port of Tampa. Major industries with headquarters or divisions located within the regional area's boundaries or in close proximity include telephone and electric service companies, computer hardware and electrical controls manufacturers, tourist attractions, fertilizer manufacturers, MacDill Air Force Base, an Amazon Fulfillment Center, and the Port of Tampa. Institutions of higher learning located in the regional area include the University of South Florida, the University of Tampa, St. Petersburg College, Eckerd College, and the Stetson University College of Law.

The area's Metropolitan Statistical Area unemployment rate of 3.0% as of September 30th is lower than the national rate of 3.8% and higher than the statewide rate of 2.7%. The region's growth and economic diversity are expected to be the basis for continued health of the local economy in coming years.

The Authority's ability to fund its operations is heavily dependent on a millage levy generated from property taxes. The millage rate for fiscal year 2023 was 0.7500. For fiscal year 2024, the PSTA Board approved maintaining the maximum millage rate of 0.7500 mills.

Financial Policies: During fiscal year 2023, there were no revisions to the Liability Debt Management, Cash Reserve and Investment Policies.

Long-Range Financial Planning: Due to the significant investment in buses and bus facilities used for service delivery and the necessary funding required to refurbish and to replace those assets when needed, the Authority has resources in a capital reserve that are used primarily as a required match to grants. As of September 30, 2023, the Authority's unrestricted net position totaled $8.5 million.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to PSTA for its Annual Comprehensive Financial Report for the fiscal year ended September 30, 2022. This was the tenth consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Annual Comprehensive Financial Report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current Annual Comprehensive Financial Report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

Acknowledgements

The preparation of this report would not have been without the efficient and dedicated service of the entire staff of the Finance Division. We wish to express our appreciation to all members of the Division who assisted and contributed to the preparation of this report. Credit also must be given to the governing Board of Directors for their unfailing support for maintaining the highest standards of professionalism in the management of the Pinellas Suncoast Transit Authority's finances.

Respectfully Submitted,

Deborah C. Leous
Chief Financial Officer

Brad Miller
Chief Executive Officer

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Pinellas Suncoast Transit Authority
Florida

For its Annual Comprehensive
Financial Report
For the Fiscal year Ended

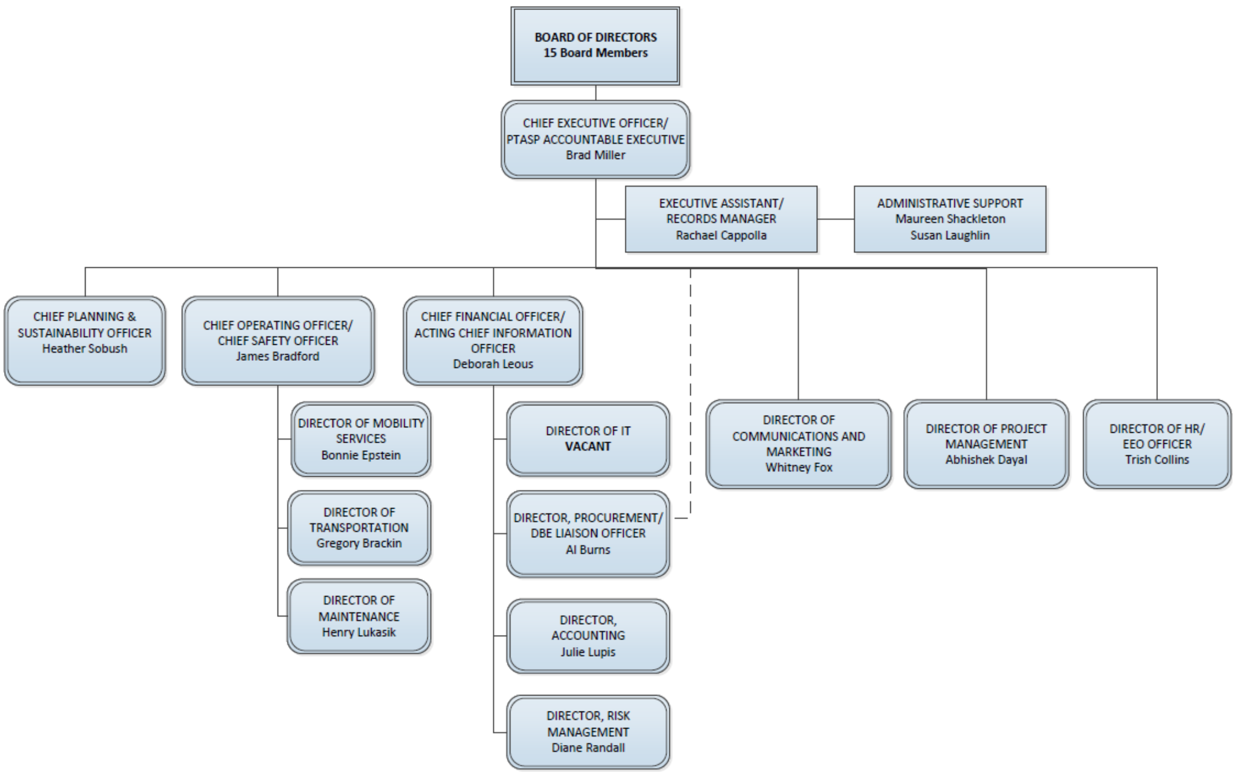
September 30, 2022

Christopher P. Morrill

Executive Director/CEO

Organization Chart
As of September 30, 2023

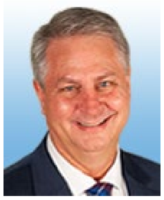
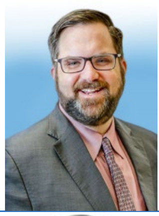
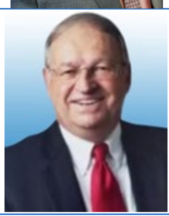
PSTA ORGANIZATION



BOARD OF DIRECTORS

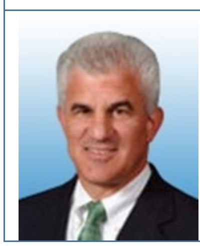
Pinellas Suncoast Transit Authority

	BOARD MEMBER/ ELECTED OFFICES	*APPOINTING BODIES*	*CONTACT INFORMATION*
	**Chairperson** Gina Driscoll St. Petersburg Council Member	St. Petersburg	P.O. Box 2842 St. Petersburg, FL 33731 Telephone: (727) 551-3306 E-mail: gina.driscoll@stpete.org
	**Vice-Chair** Dan Saracki Oldsmar Mayor	Oldsmar Safety Harbor Tarpon Springs	100 State Street West Oldsmar, FL 34677 Telephone: (813) 749-1100 E-mail: dsaracki@myoldsmar.com
	**Secretary/Treasurer** Rene Flowers Pinellas County Commissioner	Pinellas County Commission	315 Court Street Clearwater, FL 33756 Telephone: (727) 464-3614 E-mail: rflowers@pinellas.gov
	David Allbritton Clearwater Councilmember	Clearwater	600 Cleveland Street Clearwater, FL 33756 Telephone: (727) 224-4000 E-mail: david.allbritton@myclearwater.com
	Richard Bennett North Redington Beach Commissioner	Belleair Beach# Belleair Shore# Indian Rocks Beach Indian Shores Madeira Beach North Redington Beach Redington Beach Redington Shores St. Pete Beach# Treasure Island#	190 – 173rd Avenue East North Redington Beach, FL 33708 Telephone: (727) 391-4848 Email: rbenn0469@aol.com
	Vince Cocks Pinellas County Citizen	Pinellas County Commission	2950 63rd Ave. S St. Petersburg, FL 33712 Telephone: (727) 455-0944 E-mail: vincecocks@gmail.com

	BOARD MEMBER/ ELECTED OFFICES	APPOINTING BODIES	CONTACT INFORMATION
	Deborah Figgs-Sanders St. Petersburg Councilmember	St. Petersburg	P.O. Box 2842 St. Petersburg, FL 33731 Telephone: (727) 551-3305 E-mail: Deborah.Figgs-Sanders@stpete.org
	Jeff Gow Dunedin Commissioner	Dunedin	P.O. Box 1348 Dunedin, FL 34697-1348 Telephone: (727) 298-3006 E-mail: jgow@dunedinfl.net
	Chris Latvala Pinellas County Commissioner	Pinellas County Commission	315 Court Street Clearwater, FL 33756 Telephone: (727) 464-3278 E-mail: clatvala@pinellas.gov
	Jim Olliver Seminole Vice-Mayor	Belleair Belleair Bluffs Gulfport Kenneth City# Seminole South Pasadena	9199 – 113th Street Seminole, FL 33772 Telephone: (727) 391-0203 x102 E-mail: jolliver@myseminole.com
	Kathleen Peters Pinellas County Commissioner	Pinellas County Commission	315 Court Street Clearwater, FL 33756 Telephone: (727) 464-3568 E-mail: kpeters@pinellascounty.org
	Patti Reed Pinellas Park Councilwoman	Pinellas Park	5141 78th Avenue North Pinellas Park, FL 33781 Telephone: (727) 369-0618 E-mail: preed@pinellas-park.com
	James (Jamie) Robinson City of Largo Commissioner	Largo	P.O. Box 296 Largo FL 33779 Telephone: (727) 587-6702 E-mail: jarobins@largo.com

	BOARD MEMBER/ ELECTED OFFICES	***APPOINTING BODIES***	***CONTACT INFORMATION***
	Brian Scott Pinellas County Commissioner	Pinellas County Commission	315 Court Street Clearwater, FL 33756 Telephone: (727) 464-3360 E-mail: bscott@pinellas.gov
	Joshua Shulman St. Petersburg Citizen	St. Petersburg	2450 Sunset Point Rd, Suite C Clearwater, FL 33765 Telephone: (727) 474-9922 E-mail: josh@sherpawealthpartners.com

- These cities are not members of the Transit Authority (St. Pete Beach and Treasure Island receive service via contract)

	CHIEF EXECUTIVE OFFICER	***CONTACT INFORMATION***
	Brad Miller Pinellas Suncoast Transit Authority 3201 Scherer Drive St. Petersburg, FL 33716	Telephone: (727) 540-1800 Fax: (727) 540-1913 E-mail: bmiller@psta.net
	GENERAL COUNSEL	***CONTACT INFORMATION***
	Alan Zimmet Bryant Miller Olive One Tampa City Center, Suite 2700 Tampa, FL 33602	Telephone: (813) 273-6677 Fax: (813) 223-2705 E-mail: azimmet@bmolaw.com

Directory of Officials
As of September 30, 2023

Brad Miller, Chief Executive Officer

James Bradford, Chief Operating Officer

Deborah C. Leous, Chief Financial Officer

Deborah C. Leous, Acting Chief Information Officer

Heather Sobush, Chief Planning & Sustainability Officer

Alvin Burns, Director of Procurement and Financial Planning & Analysis/DBE Liaison Officer

Patricia Collins, Director of Human Resources/ EEO Officer

Abhishek Dayal, Director of Project Management

Bonnie Epstein, Director of Mobility on Demand

Whitney Fox, Director of Communications & Marketing

Henry Lukasik, Director of Maintenance

Julie Lupis, Director of Accounting

Diane Randall, Director of Risk Management

Greg Brackin, Director of Transportation

SECTION II

FINANCIAL SECTION

Report of Independent Auditor

To the Board of Directors
Pinellas Suncoast Transit Authority
St. Petersburg, Florida

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the Pinellas Suncoast Transit Authority, aka: PSTA (the "Authority"), as of and for the years ended September 30, 2023 and 2022, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Authority as of September 30, 2023 and 2022 and, the respective changes in financial position and its cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Emphasis of Matter

As discussed in Note 1 to the financial statements, the Authority adopted the provisions of Governmental Accounting Standards Board Statement No. 96, *Subscription Based IT Arrangements*. As a result of the latter, net position has been restated. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Authority's basic financial statements. The accompanying schedule of expenditures of federal awards and state financial assistance is presented for the purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and Chapter 10.550, Rules of the Auditor General-Local Governmental Entity Audits, respectively, and is also not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, such information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinion on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 26, 2024, on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Authority's internal control over financial reporting and compliance.

Cherry Bekaert LLP

Tampa, Florida
March 26, 2024

PINELLAS SUNCOAST TRANSIT AUTHORITY

Management's Discussion and Analysis

For the Year Ended September 30, 2023 and 2022
(Unaudited)

INTRODUCTION

The following Management's Discussion and Analysis (MD&A) of the Pinellas Suncoast Transit Authority's ("The Authority") financial performance provides an overview of the financial activities for the fiscal years ended September 30, 2023 and 2022. Information contained in this MD&A has been prepared by the Authority's management and should be considered in conjunction with the financial statements and the notes of the financial statements.

The notes are essential to a full understanding of the data contained in the financial statements. This report also presents certain required supplementary information regarding pension and other post-employment benefits.

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial statements within this annual report consists of four parts: MD&A, basic financial statements, notes to the financial statements, and required supplementary information. The basic financial statements include the Statements of Net Position, the Statements of Revenues, Expenses and Changes in Net Position, and the Statements of Cash Flows.

Analysis of the Statements of Net Position and the Statements of Revenues, Expenses and Changes in Net Position illustrate whether the Authority's financial position has improved as a result of the year's activities. The Statements of Net Position presents information on all of the Authority's assets, deferred outflows, liabilities, and deferred inflows, with the difference between the two reported as net position. Over time, the increases and decreases in net position may serve as an indicator of whether the financial position of the Authority is improving or deteriorating. The Statements of Revenues, Expenses and Changes in Net Position reflect how the operating and non-operating activities of the Authority affected changes in the net position of the Authority. These activities are recorded under the accrual basis of accounting reflecting the timing of the underlying event regardless of the timing of related cash flows. The Statements of Cash Flows presents information on the Authority's cash and cash equivalent activities for the fiscal year resulting from operating activities, noncapital financing activities, capital and related financing activities and investing activities. The net result of these activities added to the beginning of the year cash balance reconciles to the cash and cash equivalent balance at the end of the current fiscal year.

The financial statements also include notes that further explain certain information in the financial statements and provide more detailed data, as well as required supplementary information for other postemployment benefits and pension plans.

Although the financial statements provide useful information in assessing the financial health of the Authority, consideration of other factors not shown on the financial reports should be evaluated to assess the Authority's true financial condition. Factors such as changes in the Authority's tax base and the condition of the Authority's asset base are also important when assessing the overall financial condition of the Authority.

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Government entities typically account for activities by utilizing "fund" accounting. A fund is a grouping of related accounts that is used to maintain control or restrict the use of resources that have been segregated for specific activities or objectives. The Authority uses only one fund, an enterprise fund, which reports all business type activities of the Authority.

FISCAL YEAR 2023 FINANCIAL ANALYSIS OF THE AUTHORITY

- For fiscal year 2023 the net position of the Authority is $132.6 million. Of this amount, $123.8 million is the net investment in capital assets, $239.0 thousand is restricted grantor resources, and $8.6 million is unrestricted. The amount of current assets that have been set aside via board policy are $19.1 million for a two-month operating reserve and $6.6 million for a self-insurance reserve for the following fiscal year. A 5-year capital plan has been approved by the Board of Directors that includes the use of $15.9 million in reserves for capital asset replacement.

- Total assets increased by $11.3 million or 5.9% in fiscal year 2023 primarily due to the substantial completion of the SunRunner Bus Rapid Transit project.

- The change in liabilities at the close of the fiscal year reflects an increase of $15.1 million or 24.8%, primarily due to an increase in the net pension liability of $8.9 million, an increase of other long-term liabilities of $5.2 million consisting of compensated absences, claims and judgements and lease liabilities.

- Based on the most recent actuarial valuation as of September 30, 2023, prepared by the Authority's independent actuary, PSTA risk management liabilities for general liability and workers' compensation increased by approximately $1.6 million or 28.6% to $7 million.

- The Authority's total net position decreased by $4.2 million or 3.0% from fiscal year 2022. The increases in assets and change in deferred outflows of resources were less than the changes in liabilities and deferred inflows. Deferred outflows decreased by $1.1 million or 8.4% and deferred inflows decreased by $810.4 thousand or 14.2% due to lease related amounts.

FISCAL YEAR 2022 FINANCIAL ANALYSIS OF THE AUTHORITY

- For fiscal year 2022 the net position of the Authority is $136.7 million. Of this amount, $116.7 million is the net investment in capital assets, $165.9 thousand is restricted grantor resources, and $19.9 million is unrestricted. The amount of current assets that have been set aside via board policy are $18.3 million for a two-months operating reserve and $5.5 million for a self-insurance reserve for the following fiscal year. A 5-year capital plan has been approved by the Board of Directors that includes the use of $11.0 million in reserves for capital asset replacement.

- Total assets increased by $7.0 million or 3.7% in fiscal year 2022. Current assets increased by $231.5 thousand or 0.3%, and noncurrent assets increased by $6.8 million or 5.6%.

- The change in liabilities at the close of the fiscal year reflects an increase of $22.4 million or 36.8%, primarily due to an increase in the net pension liability of $23.0 million, offset by decreases in current liabilities.

- Based on the most recent actuarial valuation as of September 30, 2022, prepared by the Authority's independent actuary, PSTA risk management liabilities for general liability and workers' compensation increased by approximately $853.8 thousand or 18.5% to $5.5 million.

- The Authority's total net position increased by $6.5 million or 4.8% from fiscal year 2021. The increases in assets and deferred outflows of resources exceeded the changes in liabilities and deferred inflows. Deferred outflows increased by $2.3 million or 16.9% and deferred inflows decreased by $19.7 million or 77.6% due to pension related amounts.

THE AUTHORITY'S CONDENSED STATEMENTS OF NET POSITION

	2023	as restated 2022		Dollar Increase (Decrease)	Percentage Change	as restated 2021	
Assets:							
Current assets	$ 71,387,516	$ 69,659,859	(3)	$ 1,727,657	2.5%	$ 69,428,330	(1)
Lease receivable	1,520,045	1,967,694		(447,649)	(17.3%)	2,380,150	(1)
Capital assets	128,419,989	118,414,040	(3)	10,005,949	8.4%	111,247,730	
Total assets	201,327,550	190,041,593		11,285,957	5.9%	183,056,210	
Deferred outflow of resources	12,337,513	13,466,002		(1,128,489)	(8.4%)	11,194,104	(2)
Liabilities:							
Current liabilities	11,664,070	10,586,393	(3)	1,077,677	10.2%	12,737,687	(1)
Noncurrent liabilities	64,544,338	50,486,525	(3)	14,057,813	27.8%	25,889,988	
Total liabilities	76,208,408	61,072,918		15,135,491	24.8%	38,627,675	
Deferred inflow of resources	4,893,429	5,703,781		(810,352)	(14.2%)	25,417,113	(1,2)
Net position:							
Net investment in capital assets	123,753,715	116,646,494	(3)	7,107,221	6.1%	109,960,579	
Restricted	239,035	165,935		73,100	44.1%	165,935	
Unrestricted	8,570,476	19,918,466		(11,347,990)	(57.0%)	20,079,013	(1)
Total net position	$ 132,563,226	$ 136,730,895	(3)	$ (4,167,669)	(3.0%)	$ 130,205,525	

(1) FY21 has been restated to conform to GASB 87

(2) FY21 has been restated to show the net effect of an error correction

(3) FY22 has been restated to conform to GASB 96 - see note 3 for more information.

PINELLAS SUNCOAST TRANSIT AUTHORITY

Management's Discussion and Analysis

For the Year Ended September 30, 2023 and 2022
(Unaudited)

THE AUTHORITY'S OPERATING FINANCIAL ACTIVITY

As noted earlier, PSTA uses only one fund, an enterprise fund, to comply with Generally Accepted Accounting Principles (GAAP) and Governmental Accounting Standards Board (GASB) mandated reporting requirements. The Authority's operations consist of providing virtually all public transportation services in Pinellas County, Florida. These services include fixed route, demand response, and specialized services.

The Statements of Revenues, Expenses and Changes in Fund Net Position show how the Authority's net position changed during the current and previous Fiscal year as a result of operations. These changes are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, some revenues and expenses reported in these statements will only affect future cash flows.

The Following Summary Represents the Fiscal Year 2023 Operating Results Compared to Fiscal Year 2022:

Revenues

- Total operating and non-operating revenues for fiscal year 2023 totaled $113,780,387 a $8,955,782 increase or 8.5% over fiscal year 2022.
- Passenger fares, including demand response fares, increased $716,073 or 9.9% as ridership increased year over year.
- Advertising decreased 629,853 or 60.0% because of the implementation effects of GASB 87.
- State operating assistance decreased $1,447,687 or 27.7% due to utilizing State grant funds that were set aside during the pandemic while CARES Act funding was utilized in its place during fiscal 2022.
- Other Federal grants decreased by $3,047,442 or 12.6% primarily due to the reduction in remaining Federal Transit Administration (FTA) ARP Act grant funding.
- Special project assistance - state grants increased $2,754,390 or 89.0% primarily due to the Transit Disadvantaged program funding program and funding for the Route 100X, 300X and North County Flex routes that was suspended while CARES, CRRSA and ARP funding was being utilized.
- Special project assistance – local grants increased $20,312 or 1.3% due to increased funding for the Jolley Trolley, Suncoast Beach Trolley and Downtown St. Petersburg Looper service.
- Property tax revenues increased $8,306,915 or 13.6% due to an increase in property values.
- Investment income increased $1,833,929 or 544.3% due to increased interest rates.
- Fuel tax refunds increased $63,169 or 9.6% due to increased fuel purchases.
- The net change in other revenues (expenses) of $385,255 or 334.5% was primarily due the GASB 87 lease accounting impact.

PINELLAS SUNCOAST TRANSIT AUTHORITY

Management's Discussion and Analysis

For the Year Ended September 30, 2023 and 2022
(Unaudited)

Expenses

- Total operating expenses of $122,958,680 increased $21,227,505 or 20.9% over fiscal year 2022. The increase was due primarily to cost increases in salaries and related fringe benefits, diesel fuel, Paratransit Access and Mobility on Demand as ridership increased and increases in actuarially determined pension benefits and general liability claims.

- Operations expenses increased $10,418,283 or 21.2%. The increase was primarily due to the increased salaries based on union contracts, and to the increased actuarially determined pension benefits.

- Purchased transportation increased $2,835,520 or 15.8% due increased ridership in Paratransit Access and Mobility on Demand.

- Maintenance expenses increased $3,331,719 or 26.6% primarily due to increased fuel costs, repair parts for revenue vehicles and increased actuarially determined pension benefits.

- Administration and finance expenses increased $4,195,307 or 20.4% primarily due to increased general liability claims, increased actuarially determined claims costs, filled personnel vacancies, and an actuarially determined increase in pension benefits.

- Marketing expenses increased $446,676 or 26.4% primarily due filled vacant positions, an actuarially determined increase in pension benefits, and other professional and technical services.

Capital Grants and Other Related Revenues

Capital grants and other related revenues increased by $4,673,311 or 40.9% with the substantial completion of the SunRunner, the region's first bus rapid transit system.

The Following Summary Represents the Fiscal Year 2022 Operating Results Compared to Fiscal Year 2021:

Revenues

- Total operating and non-operating revenues for fiscal year 2022 totaled $104,824,606 a $8,585,948 increase or 8.9% over fiscal year 2021.

- Passenger fares, including demand response fares, increased $6,403,912 or 793.0% as a result of charging fares for the entire fiscal year. PSTA was fare free during the COVID-19 pandemic until July 2021.

- Advertising income increased $295,479 or 39.2%.

- State operating assistance increased $5,219,615 or 410.60% due to utilizing State grant funds that were set aside during the pandemic while CARES Act funding was utilized in its place

- Other Federal grants decreased by $7,891,431 or 24.6% primarily due to the reduction in remaining Federal Transit Administration (FTA) CARES, CRRSA and ARP Act grant funding.

- Special project assistance - state grants increased $322,367 or 11.6% primarily due to the Transit Disadvantaged program funding program and funding for the Route 100X, 300X and North County Flex routes that was suspended while CARES and CRRSA funding was being utilized.

- Special project assistance – local grants increased $125,363 or 8.4% due to increased funding for the Jolley Trolley, Suncoast Beach Trolley and Downtown St. Petersburg Looper service.

- Property tax revenues increased $4,163,801 or 7.3% due to an increase in property values.

- Investment income increased $155,228 or 85.4% due to increased interest rates.

- Fuel tax refunds increased $29,647 or 4.7% due to increased fuel purchases.

- The net change in other revenues (expenses) of $238,033 or 68.0% was primarily due to the insurance proceeds for a lightning strike that were recorded in the prior year.

Expenses

- Total operating expenses increased $18,059,210 or 21.6% over fiscal year 2021. The increase was due primarily to cost increases in salaries and related fringe benefits, diesel fuel, Paratransit Access and Mobility on Demand as riders returned coming out from COVID-19 pandemic and increases in actuarially determined pension benefits.

- Operations expenses increased $9,403,415 or 23.7%. The increase was primarily due to the increased cost of diesel fuel, salaries due to union contract amendments and settlements, and to the increased actuarially determined pension benefits.

- Purchased transportation increased $4,270,563 or 31.3% due increased ridership in Paratransit Access and Mobility on Demand.

- Maintenance expenses increased $724,538 or 6.1% primarily due to increased actuarially determined pension benefits and by increases in salaries along with related fringe benefits.

- Administration and finance expenses increased $3,099,172 or 17.8% primarily due to filled personnel vacancies, an actuarially determined increase in pension benefits, Regional Fare Network operating costs previously paid by Hillsborough Area Regional Transit Authority, and the purchase of Flamingo tickets and passes.

- Marketing expenses increased $561,522 or 49.59% primarily due to an increase in salary and fringes and expenses related to SunRunner.

Capital Grants and Other Related Revenues

Capital grants and other related revenues decreased by $14,513,294 or 56.0% with no trolleys or buses being received in fiscal year 2022 as compared to fiscal year 2021.

PINELLAS SUNCOAST TRANSIT AUTHORITY

Management's Discussion and Analysis

For the Year Ended September 30, 2023 and 2022
(Unaudited)

THE AUTHORITY'S STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

	2023	as restated 2022		Dollar Increase (Decrease)	Percentage Change	as restated 2021	
Operating revenues:							
Passenger fares	$ 6,593,371	$ 6,321,793		$ 271,578	4.3%	$ 626,777	
Demand response	1,334,171	889,677		444,495	50.0%	180,781	
Advertising revenue	420,102	1,049,955		(629,853)	(60.0%)	754,476	(1)
Total operating revenues	8,347,644	8,261,425		86,220	1.0%	1,562,034	
Nonoperating revenues:							
Federal maintenance assistance	721	-		721	0.0%	-	
State operating assistance	3,784,640	5,232,327		(1,447,687)	(27.7%)	12,712	
Other federal grants	21,185,941	24,233,383		(3,047,442)	(12.6%)	32,124,814	
Special project assistance - state grants	5,848,944	3,094,554		2,754,390	89.0%	2,772,187	
Special project assistance - local grants	1,642,233	1,621,921		20,312	1.3%	1,496,558	
Property tax revenues	69,583,333	61,276,418		8,306,915	13.6%	57,112,617	
Investment income	2,170,851	336,922		1,833,929	544.3%	181,694	
Fuel tax refunds	718,992	655,823		63,169	9.6%	626,176	
Other, net	497,088	111,833	(2)	385,255	344.5%	349,866	
Total nonoperating revenues	105,432,743	96,563,181		8,869,562	9.2%	94,676,624	(1)
Total operating and nonoperating revenues	113,780,387	104,824,606		8,955,782	8.5%	96,238,658	
Operating expenses:							
Operations	59,472,711	49,054,428		10,418,283	21.2%	39,651,013	
Purchased transportation	20,734,458	17,898,938		2,835,520	15.8%	13,628,375	
Maintenance	15,863,349	12,531,630		3,331,719	26.6%	11,807,092	
Administration and finance	24,747,615	20,552,308	(2)	4,195,307	20.4%	17,453,136	
Marketing	2,140,547	1,693,871		446,676	26.4%	1,132,349	
Total operating expenses	122,958,680	101,731,175		21,227,505	20.9%	83,671,965	
Depreciation and amortization	11,261,713	9,719,527	(2)	1,542,186	15.9%	8,431,424	
Total operating expenses and depreciation	134,220,393	111,450,702		22,769,691	20.4%	92,103,389	
Gain (Loss) before capital grants	(20,440,006)	(6,626,096)		(13,813,909)	208.5%	4,135,269	
Capital grants and other related revenues	16,089,019	11,415,708		4,673,311	40.9%	25,929,002	
Contributed capital - local government	183,318	1,735,758		(1,552,440)	(89.4%)	1,875,172	
Increase (decrease) in net position	(4,167,668)	6,525,370		(10,693,041)	(163.9%)	31,939,443	
Net position, beginning of year	136,730,895	130,205,525		6,525,370	5.0%	98,266,082	
Net position, end of year	$ 132,563,226	$ 136,730,895	(2)	$ (4,167,672)	(3.0%)	$ 130,205,525	(1)

(1) FY21 has been restated to conform to GASB 87.
(2) FY22 has been restated to conform to GASB 96.

PINELLAS SUNCOAST TRANSIT AUTHORITY

Management's Discussion and Analysis

For the Year Ended September 30, 2023 and 2022
(Unaudited)

CAPITAL ASSETS AND LONG-TERM DEBT ADMINISTRATION

The Authority has invested $128.4 million in capital assets (net of accumulated depreciation and amortization). Approximately 44% of the investment represents revenue-generating equipment and 36% represents the building and improvements at the close of fiscal year September 30, 2023.

Capital Assets, Net of Accumulated Depreciation

Significant projects in fiscal year 2023 include the construction on the SunRunner Bus Rapid Transit (BRT) project and the start of design for the Multimodal Clearwater Transit Center the receipt of zero emission electric buses and construction of the first phase of the electric infrastructure to support the charging of the electric buses.

Additional information regarding capital assets can be found in Note 5 to the financial statements.

						Percent of Total			
		2023			2022	2023	2022		2021
Land	$	6,961,677		$	6,961,677	5%	6%	$	6,961,677
Buildings and improvements		46,074,826	(1)		25,706,553 (1)	36%	22%		27,275,353
Revenue equipment		56,257,128			46,075,729	44%	38%		31,680,384
Furniture and other		2,271,608			2,750,569	2%	2%		1,258,298
Lease assets		3,942,881			11,757	3%	1%		-
Lease assets - SBITAs		263,870			1,013,312 (2)	0%	1%		-
Capital assets in progress		12,647,999			35,894,443	10%	30%		44,072,018
Total	$	128,419,989		$	118,414,040	100%	100%	$	111,247,730

(1) Buildings and improvements do not include right to use asset buildings and improvements. They are under lease assets.
(2) FY22 has been restated to conform to GASB 96.

Long-Term Debt Administration

The Authority has leases and SBITA (subscription-based information technology agreement) liabilities that are the sole source of long-term debt. The Authority's long-term debt totaled $4,554,110 and $1,007,085 for fiscal years ended September 30, 2023 and 2022, respectively.

		2023		2022			2021
Lease liability	$	3,927,090	$	11,962		$	-
Lease liablity - SBITAs		627,020		995,123	(1)		-
Total Long-Term Debt	$	4,554,110	$	1,007,085		$	-

(1) FY22 has been restated to conform to GASB 96.

Economic Factors and Next Year's Budget and Rates

While 2023 brought an official close to the Pandemic, inflation and reduced COVID-19 relief funds presented a challenge. Despite the highest inflation in 30 years, the fiscal year 2024 budget held costs outside of personnel flat, and to adjust for the contractual union increases after cost reductions and increased areas of revenue led to route adjustments on low performing routes. By taking these actions the fiscal 2024 operating budget is balanced with a 1.1% increase over the fiscal year 2023 budget, and PSTA will be able implement some key projects that positively impact the community.

The fiscal 2024 budget includes the final design of the Multimodal Clearwater Transit Center and the start of construction. This project represents an increase of non-traditional sources of revenue such as partnerships with local government agencies for capital projects. Other key projects include the purchase of zero emission electric replacement buses, and a second phase of electric infrastructure improvements to support the bus charging.

PSTA's SunRunner Bus Rapid Transit project opened in fiscal year 2023 and on-going operational costs are included in the budget as well Florida Department of Transportation operating grant funds. With savings from the project a new station is included in the budget along with three additional SunRunner buses.

In addition, PSTA is budgeting $7.5 Million in ARP funding that will be used for Transportation personnel salaries. This represents a significant decrease over previous years as dependence on the COVID-19 relief funding is reduced.

The economic environment within which PSTA operates is stable with increased visitor travel to Florida and the Tampa Bay Region. Regional real estate markets continue to attract new residents to the area. The budget assumes a 11.7% increase in Property Tax Revenue over fiscal year 2023.

FISCAL YEAR 2024 BUDGET SUMMARY

The PSTA Board approved the fiscal year 2024 budget on September 27, 2023. The fiscal year 2024 Operating and Capital budget totals $188,042,997 compared to the fiscal year 2023 budget of $158,016,200. This is a $30,026,797 or 19.0% increase over the fiscal year 2023 budget. In fiscal year 2024, total operating budget expenses of $114,511,920 and operating and non-operating revenues of $114,539,670 will result in an operating surplus of $27,750 that will be transferred to reserves for future operating and capital needs.

The Authority also developed a multi-year operating plan covering fiscal year 2024 through fiscal year 2028.

In addition, the Authority developed a five-year Capital Improvement Program Budget covering fiscal year 2024 through fiscal year 2028 with available funding for capital acquisition of vehicles and equipment, construction of the Multimodal Clearwater Transit Center and energy related projects including solar panels.

Requests for Information

This financial report is designed to provide a general overview of the Pinellas Suncoast Transit Authority's finances for all those with an interest in the Authority's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the office of the Chief Financial Officer, Pinellas Suncoast Transit Authority, and 3201 Scherer Drive, St. Petersburg, Florida 33716.

PINELLAS SUNCOAST TRANSIT AUTHORITY
Statements of Net Position
September 30, 2023 and 2022

Assets	2023	as restated 2022
Current assets:		
Cash and cash equivalents	$ 56,511,207	$ 51,014,533
Accounts receivable, net of allowance of $0 and $0	2,701,665	3,115,283
Lease receivable	447,649	412,456
Grants receivable	7,304,719	11,569,567
Inventories	3,777,311	3,142,486
Prepaid expenses	644,965	405,534
Total current assets	71,387,516	69,659,859
Noncurrent assets:		
Lease receivable	1,520,045	1,967,694
Capital assets:		
Land	6,961,677	6,961,677
Buildings and improvements	78,226,519	55,392,473
Revenue equipment	137,804,822	121,145,920
Furniture and other	10,841,890	10,758,254
Capital assets in progress	12,647,999	35,894,443
Right to use asset - equipment	13,310	13,310
Right to use asset - buildings	127,707	-
Right to use asset - leasehold improvements	249,079	-
Right to use asset - vehicles	3,557,000	-
Right to use asset - SBITAs	1,389,841	1,378,329
	251,819,844	231,544,406
Less accumulated depreciation	122,269,669	112,763,796
Less accumulated amortization	1,130,186	366,570
Net capital assets	128,419,989	118,414,040
Total non current assets	129,940,034	120,381,734
Total assets	201,327,550	190,041,593
Deferred Outflows of Resources		
Deferred outflow of resources - other post-employment benefit related amounts	270,187	331,393
Deferred outflow of resources - pension related amounts	12,067,326	13,134,609
Total deferred outflow of resources	12,337,513	13,466,002

See accompanying notes to financial statements.

PINELLAS SUNCOAST TRANSIT AUTHORITY
Statements of Net Position
September 30, 2023 and 2022

Liabilities	2023	as restated 2022
Current liabilities:		
Accounts payable	5,815,653	6,261,989
Accrued expenses	2,133,311	1,838,259
Total other post-employment benefit liability	134,934	190,922
Compensated absences	62,729	55,565
Claims and judgments	2,018,261	1,713,526
Unearned revenue	1,154,642	147,048
Net pension liability due within one year	-	8,568
Lease liability	57,477	2,413
SBITA liability	287,063	368,103
Total current liabilities	11,664,070	10,586,393
Noncurrent liabilities:		
Total other post-employment benefit liability	1,595,397	1,674,343
Compensated absences	3,495,871	3,096,624
Claims and judgments	5,026,172	3,766,538
Net pension liability	50,217,328	41,312,451
Lease liability	3,869,613	9,549
SBITA liability	339,957	627,020
Total noncurrent liabilities	64,544,338	50,486,525
Total liabilities	76,208,408	61,072,918
Deferred Inflows of Resources		
Deferred inflow of resources - leases	2,174,878	2,632,523
Deferred inflow of resources - other post-employment benefit related amounts	948,857	960,856
Deferred inflow of resources - pension related amounts	1,769,694	2,110,402
Total deferred inflow of resources	4,893,429	5,703,781
Net Position		
Net investment in capital assets	123,753,715	116,646,494
Restricted grantor resources and contractually restricted cash	239,035	165,935
Unrestricted	8,570,476	19,918,466
Total net position	$ 132,563,226	$ 136,730,895

See accompanying notes to financial statements.

PINELLAS SUNCOAST TRANSIT AUTHORITY
Statements of Revenues, Expenses, and Changes in Net Position
For the Years Ended September 30, 2023 and 2022

	2023	as restated 2022
Operating revenues:		
Passenger fares	$ 6,593,371	$ 6,321,793
Demand response	1,334,171	889,677
Advertising revenue	420,102	1,049,955
Total operating revenues	8,347,644	8,261,425
Operating expenses:		
Operations	59,472,711	49,054,428
Purchased transportation	20,734,458	17,898,938
Maintenance	15,863,349	12,531,630
Administration and finance	24,747,615	20,552,308
Marketing	2,140,547	1,693,871
Total operating expenses, before depreciation	122,958,680	101,731,175
Operating loss before depreciation	(114,611,036)	(93,469,750)
Depreciation	10,498,097	9,352,957
Amortization	763,616	366,570
Total depreciation and amortization	11,261,713	9,719,527
Operating loss	(125,872,749)	(103,189,277)
Nonoperating revenues (expenses):		
Federal maintenance assistance grants	721	-
State operating assistance grants	3,784,640	5,232,327
Other federal grants	21,185,941	24,233,383
Special project assistance – state grants	5,848,944	3,094,554
Special project assistance – local grants	1,642,233	1,621,921
Property tax revenues	69,583,333	61,276,418
Investment income	2,170,851	336,922
Fuel tax refunds	718,992	655,823
Other, net	497,088	111,833
Total nonoperating revenues	105,432,743	96,563,181
Gain (loss) before capital grants	(20,440,006)	(6,626,096)
Capital grants and other related revenues	16,089,019	11,415,708
Contributed capital - local government	183,318	1,735,758
(Decrease) / Increase in net position	(4,167,669)	6,525,370
Net position, beginning of year	136,730,895	130,205,525
Net position, end of year	$ 132,563,226	$ 136,730,895

See accompanying notes to financial statements.

PINELLAS SUNCOAST TRANSIT AUTHORITY
Statements of Cash Flows
For the Years Ended September 30, 2023 and 2022

	2023	as restated 2022
Cash flows from operating activities:		
Receipts from customers	$ 8,761,262	$ 8,607,676
Payments to suppliers	(47,598,404)	(41,321,427)
Payments to and on behalf of employees	(64,247,771)	(59,622,657)
Net cash used in operating activities	(103,084,913)	(92,336,408)
Cash flows from noncapital financing activities:		
Property tax revenues	69,583,333	61,276,418
Operating and special project assistance grants	35,975,526	30,735,020
Fuel tax refunds	718,992	655,826
Non-transportation revenue	32,527	490
Net cash provided by noncapital financing activities	106,310,378	92,667,754
Cash flows from capital and related financing activities:		
Purchases of capital assets	(17,839,716)	(13,290,364)
Capital grants	17,848,413	13,998,577
Principal paid on debt from leasing activities	(398,273)	(384,554)
Interest paid on debt from leasing activities	(22,560)	(395)
Proceeds from sale of capital assets	2,490	15,557
Net cash used in capital financing activities	(409,646)	338,821
Cash flows from investing activities:		
Proceeds from leasing activities	412,456	28,710
Investment income	2,268,399	338,414
Net cash provided by investing activities	2,680,855	367,124
Net increase (decrease) in cash and cash equivalents	5,496,674	1,037,291
Cash and cash equivalents, beginning of year	51,014,533	49,977,242
Cash and cash equivalents, end of year	$ 56,511,207	$ 51,014,533
Reconciliation of operating loss to net cash used in operating activities:		
Operating loss	$ (125,872,749)	$ (103,189,279)
Adjustments to reconcile operating loss to net cash used in operating activities:		
Depreciation and amortization	11,261,713	9,719,527
(Increase) decrease in assets and deferred outflows:		
Accounts receivable	413,618	346,252
Inventory	(634,825)	(425,544)
Prepaid expenses	(239,431)	106,092
OPEB and pension related deferred outflows	1,128,489	(2,271,898)
Increase (decrease) in liabilities and deferred inflows:		
Accounts payable	183,772	(181,745)
Accrued expenses	295,052	(950,588)
Compensated absences	406,411	91,223
Claims and judgments payable	1,564,369	853,792
OPEB and pension related liabilities and deferred inflows	8,408,668	3,565,760
Net cash used in operating activities	$ (103,084,913)	$ (92,336,408)
Schedule of noncash transactions:		
Purchase of capital assets included in accounts payable	112,164	742,272
Contributed capital assets	1,735,758	1,735,758
Total Noncash Investing, Capital and Financing Activities	$ 1,847,922	$ 2,478,030

See accompanying notes to financial statements.

(1) Summary of Significant Accounting Policies

The accounting policies and practices of the Authority have been designed to conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to a government enterprise fund. The following is a summary of the more significant accounting policies:

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

The accompanying financial statements are reported using the flow of economic resources measurement focus and the accrual basis of accounting. Revenues are recognized in the period in which they are earned, and expenses are recognized in the period incurred, regardless of when the related cash flows take place. Property taxes are recognized as revenue in the year for which they are levied, and grants are recognized as revenue as soon as all eligibility requirements have been met, including that the eligible expenses have been incurred.

(b) Cash Equivalents and Investments

Cash equivalents are defined as short-term highly liquid debt investments that are both readily convertible to known amounts of cash and have original maturities of three months or less at the date of purchase. Cash temporarily idle during the year was invested at BankUnited, Citibank, and Synovus. On September 30, 2023 and 2022, the Authority's deposits were entirely covered by federal depository insurance or by collateral pledged with the State Treasurer pursuant to Chapter 280, *Florida Statutes*. Under this Chapter, in the event of default by a participating financial institution (a qualified public depository), all participating institutions are obligated to reimburse the governmental entity for the loss. This mix of asset allocation provides a strong diversity for a balanced portfolio and has allowed for increased interest income through a competitive bidding process. The Authority has no investments measured at fair value; only money market bank deposits and certificates of deposit, measured at cost.

(c) Accounts Receivable

All trade and other receivables are shown net of an allowance for uncollectible accounts. The receivables are analyzed by management at the end of the year to estimate the amount of the allowance, as applicable.

(d) Grants Receivable

Grants receivables represent expenditures for grant eligible items for which reimbursement has not yet been received.

(e) Leases

The lease receivable and liability are measured at the present value of the fixed lease payments expected to be received or made during the lease term, using PSTA's incremental borrowing rate. The deferred inflow of resources and intangible right-to-use assets are equal to the lease receivable and liability, respectively, adjusted for payments received or made at or before the lease commencement date. Subsequently, the lease receivable is reduced by the principal portion of lease payments received, and the deferred inflow of resources is recognized as revenue over the life of the lease term. The lease liability is reduced by the principal portion of the lease payments made and the right-to-use asset is amortized on a straight-line basis over the lease term.

(1) Summary of Significant Accounting Policies - Continued

Lease liabilities are included in lease and subscription liabilities and the right-to-use assets are reported with capital assets on the accompanying statement of net position.

PSTA remeasures the lease receivable, right-to-use asset and deferred inflow of resources, if certain changes occur that are expected to significantly affect the amount of the lease receivable or lease liability.

(f) Subscription-Based Information Technology Arrangements (SBITA)

In May 2020, the GASB issued GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. This standard defines a subscription-based information technology arrangement; establishes that a SBITA results in a right-to-use asset (an intangible asset) and a corresponding subscription liability; provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SIBTA; and requires note disclosure regarding a SBITA.

The Authority adopted the requirements of the guidance effective October 1, 2021 and has applied the provisions of this standard to the beginning of the earliest comparative period presented. See note 3.

PSTA recognized a subscription liability and an intangible right-to-use subscription asset at the commencement of the term. The subscription liability is measured at the present value of future payments and the intangible right-to-use asset is equal to the liability, adjusted for payments made at the start of the subscription term. The liability is reduced by the principal portion of payments made and the asset is amortized on a straight-line basis over the lease term, Subscription liabilities are included in lease and subscription liabilities and the intangible assets are reported with capital assets on the accompanying statement of net position.

(g) Inventories and Prepaid Expenses

Inventories, principally fuel and maintenance parts, are stated at cost (using the moving weighted average cost method).

Certain payments to vendors or other parties reflect the cost for contracts or services applicable to future accounting periods and are recorded as prepaid expenses. The cost of prepaid items is recorded as expenses when consumed rather than when purchased.

(h) Capital Assets

Capital assets are recorded at cost. Capital assets, which include property and equipment, are defined as assets with an initial, individual cost of $5,000 or more with an estimated useful life greater than one year. Major renewals and betterments are treated as capital additions. Expenses for maintenance, repairs, and minor renewals are expensed as incurred. Contributed assets are stated at acquisition value at the date of receipt.

Depreciation and amortization is calculated using the straight-line method over the estimated useful life of the asset as follows:

(1) Summary of Significant Accounting Policies - Continued

Property Classification	Estimated Useful Life Range
Buildings	5 - 40 years
Improvements	5 - 20 years
Revenue equipment	3 - 12 years
Furniture and other	3 - 10 years
Lease assets	Term of the lease
Lease assets - SBITAs	Term of the lease

(i) Compensated Absences

The Authority's policy permits substantially all employees to accumulate a limited amount of earned but unused vacation, certain sick-pay benefits and certain other qualifying absences, which will be paid to the employee upon separation from service. Vacation, eligible sick pay, and other qualifying absences, which have been earned but not paid, have been accrued in the accompanying financial statements.

(j) Pensions

In the statements of net position, liabilities are recognized for the Authority's proportionate share of each pension plan's net pension liability. For purposes of measuring the net pension liability, deferred outflows/inflows of resources, and pension expense, information about the fiduciary net position of the Florida Retirement System (FRS) defined benefit plan and the Health Insurance Subsidy (HIS) and additions to/deductions from FRS's and HIS's fiduciary net position have been determined on the same basis as they are reported by the FRS and HIS plans. For this purpose, plan contributions are recognized as of employer payroll paid dates and benefit payments and refunds of employee contributions are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

(k) Other Post-Employment Benefits (OPEB)

In the statement of net position, a liability is recognized for the Authority's total OPEB liability as determined by an actuarial review of the healthcare coverage purchased by retirees to continue participation in the Authority's health plan. The Authority is responsible for covering the excess of retiree claims over premium payments made by retirees to the Authority, which creates another post-employment benefit. OPEB expense is recognized immediately for changes in the OPEB liability resulting from current-period service cost, interest on the total OPEB liability and changes of benefit terms.

(l) Unearned Revenue

Unearned Revenue is considered a liability until it becomes relevant to the business at hand, such as payment received for work not performed or revenues received which have not been earned.

(1) Summary of Significant Accounting Policies - Continued

(m) Claims and Judgments

In the statements of net position, liabilities are recognized based upon an actuarial study performed annually by an outside professional.

(n) Deferred Outflows/Inflows of Resources

In addition to assets, the statements of net position report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to future periods and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The deferred outflows of resources reported in the Authority's statement of net position are related to other post-employment benefit related amounts and the Authority's participation in the Florida Retirement System Pension Plan and the Retiree Health Insurance Subsidy Program. These amounts will be recognized as increases in post-employment benefit expense and pension expense in future years.

In addition to liabilities, the statements of net position report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to future periods and so will *not* be recognized as an inflow of resources (revenue) until that time. The deferred inflows of resources reported in the Authority's statement of net position are related to other post-employment benefit related amounts and the Authority's participation in the Florida Retirement System Pension Plan and the Retiree Health Insurance Subsidy Program, with the addition of leases this Fiscal year. These amounts will be recognized as reductions in post-employment benefit expense, pension expense, and lease expense in future years.

(o) Net Position

Net investment in capital assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation and related liabilities against those capital assets.

Restricted net position - Consists of net position with constraints placed on the use either by (1) external groups, such as creditors, grantors, contributors, or laws or regulations of other governments or (2) law through constitutional provisions or enabling legislation.

Unrestricted net position - All other components of net position that do not meet the definition of "restricted" or "net investment in capital assets".

(p) Grants

The federal government, State of Florida, Forward Pinellas (the Pinellas Metropolitan Planning Organization), have made available grants to the Authority related to the development of public transit facilities, which are restricted to acquiring qualifying capital assets and funding certain operating expenses.

Capital grants are reported in a separate line item in the statements of revenues, expenses, and changes in net position. Proceeds equal or greater than $5,000 from the sale of capital assets

(1) Summary of Significant Accounting Policies - Continued

originally purchased with funds from federal grants must be reinvested in capital asset purchases approved by the Federal Transit Administration (FTA).

(q) Use of Estimates

The preparation of the financial statements, in accordance with GAAP, 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 revenue and expenses during the reporting period. Significant items subject to estimates and assumptions include depreciation, the reserve for workers' compensation, general liability claims, pension related amounts, and post-employment benefits other than pensions. Actual amounts could differ from those estimates.

(r) Operating Revenues and Expenses

Operating revenues and expenses generally result from providing services in connection with the Authority's principal ongoing operations. The principal operating revenues are fare box revenues, which are fees for public transportation. Operating expenses include the cost of providing the services and depreciation expense on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenue and expense.

(s) Fare Revenues

Cash fares are recorded as revenue at the time services are performed. Pass fares are recorded as revenue at the time passes are sold, with the exception of passes sold on Flamingo in which revenue is recorded as earned when the service is performed.

(t) Property Tax Revenue

The Authority is a special taxing district that is authorized to levy an ad valorem tax on the taxable real property in the transit area not to exceed 0.7500 mills. The approved ad valorem tax rates for fiscal years 2023 and 2022 were 0.7500.

Property tax collections are governed by Chapter 197, *Florida Statutes*. The Pinellas County Tax Collector bills and collects all property taxes levied within the county. Discounts are allowed for early payment of 4.0% in November, 3.0% in December, 2.0% in January, and 1.0% in February. If property taxes are not paid by April 1, the county adds a 3.0% penalty on real estate taxes and 1.5% penalty on personal property taxes.

The Pinellas County Tax Collector advertises and sells tax certificates on all real property for delinquent taxes. The Pinellas County Tax Collector must receive payment before the certificates are issued. Any person owning land on which a tax certificate has been sold may redeem the tax certificate by paying the Pinellas County Tax Collector the face amount of the tax certificate plus interest and other costs. The owner of the tax certificate may, at any time after taxes have been delinquent (April 1) for two years, file an application for tax deed sale.

The county, as a certificate owner, may exercise similar procedures two years after taxes have been delinquent. Tax deeds are issued to the highest bidder for the property that is sold at public auction. The Pinellas County Tax Collector remits current taxes collected through at least four distributions to the Authority in the first two months of the tax year and at least one distribution each month thereafter.

(1) Summary of Significant Accounting Policies - Continued

- **Property Tax Calendar**

June 1, 2022 - Taxes are based on assessed property value at this date as determined by the Pinellas County Property Appraiser.

July 1, 2022 - Property assessment roll and certificates of value provided to the Authority by the Pinellas County Property Appraiser.

July 28, 2022 - Proposed millage rate is approved by the Board of Directors and provided to the Pinellas County Property Appraiser who mails notices to the taxpayers.

October 1, 2022 - Beginning of the year for which property taxes have been levied.

October 5, 2022 - Property tax millage rate resolution approved by the Board of Directors.

November 1, 2022 - Property taxes are due and payable.

April 1, 2023 - Unpaid property taxes become delinquent.

June 1, 2023 - Tax certificates are sold by the Pinellas County Tax Collector.

(2) Description of Business

The Pinellas Suncoast Transit Authority was formed by an act of the Florida Legislature in 1984 and became effective by majority vote of the electorate in a referendum election of the transit area in Pinellas County, Florida. The Authority is an independent taxing authority whose purpose is to provide effective, modern mass transit service to Pinellas County, Florida. The Authority is governed by a 15-member board of directors made up of elected officials and citizens. The board members are appointed by the county and member cities in accordance with a formula provided by the enabling legislation and serve a three-year term.

(3) Change in Accounting Principle

The Authority adopted GASB Statement No. 96, Subscription-Based Information Arrangements. This pronouncement requires the restatement of the September 30, 2022 net position as follows:

(3) Change in Accounting Principle - Continued

Total Subscription Asset, September 30, 2022, as Previously Reported	$	-
Cumulative Effect of Application of GASB Statement No. 96		1,378,329
Total Subscription Asset, September 30, 2022, as Restated	$	1,378,329
Total Accumulated Amortization Subscription Asset, September 30, 2022, as Previously Reported	$	-
Cumulative Effect of Application of GASB Statement No. 96		(365,017)
Total Accumulated Amortization Subscription Asset, September 30, 2022, as Restated	$	(365,017)
Total Short-Term Subscription Liability, September 30, 2022, as Previously Reported	$	-
Cumulative Effect of Application of GASB Statement No. 96		(368,103)
Total Short-Term Subscription Liability, September 30, 2022, as Restated	$	(368,103)
Total Long-Term Subscription Liability, September 30, 2022, as Previously Reported	$	-
Cumulative Effect of Application of GASB Statement No. 96		(627,020)
Total Long-Term Subscription Liability, September 30, 2022, as Restated	$	(627,020)
Total Prepaid Services, September 30, 2022, as Previously Reported	$	80,120
Cumulative Effect of Application of GASB Statement No. 96		(80,120)
Total Prepaid Services, September 30, 2022, as Restated	$	-
Net Position, September 30, 2022, as Previously Reported	$	136,792,827
Cumulative Effect of Application of GASB Statement No. 96		(61,932)
Net Position, September 30, 2022, as Restated	$	136,730,895

(4) Cash and Cash Equivalents

On September 30, 2023 and 2022, the carrying value of the Authority's cash and cash equivalents was as follows:

Type	2023	2022
Cash on hand	$ 25,000	$ 25,000
Petty cash	550	550
Demand deposits	9,066,283	5,818,383
Money Market bank deposits	26,343,202	24,806,590
Certificates of deposit	21,076,171	20,364,010
Total cash and cash equivalents	$ 56,511,207	$ 51,014,533

The investment returns through fiscal year end September 30, 2023, totaled an average of 226 basis points compared to an average of 51 basis points through fiscal year end September 30, 2022.

(4) Cash and Cash Equivalents – Continued

(a) Custodial Credit Risk

On September 30, 2023 and 2022, all of the Authority's deposits were entirely covered by federal depository insurance or by collateral pledged with the State Treasurer pursuant to Chapter 280, Florida Statutes. Under this Chapter, in the event of default by a participating financial institution (a qualified public depository), all participating institutions are obligated to reimburse the governmental entity for the loss.

(b) Credit Risk

The Authority's Investment Guidelines were reviewed and approved by the Board in August 2017 and reviewed and approved by the Finance and Performance Management Committee in September 2022 with no changes. Pursuant to Florida Statute 218.415 and the Authority's Investment Guidelines, investments of surplus funds may be made in the following:

- State of Florida Board of Administration Local Government Surplus Funds Trust Fund (Florida PRIME)
- State of Florida Board of Administration Comingled Asset management (CAMPMM)
- Direct Obligations of the US Treasury
- Non-negotiable Interest-Bearing Savings Accounts, Demand Deposit Accounts or Time Certificates of Deposit
- Repurchase Agreements
- Commercial Paper
- Asset Backed Corporate Notes
- Securities and Exchange Commission (SEC) registered Money Market Funds
- Investment Pools/Mutual Funds

As of September 30, 2023, and 2022, the Authority's cash equivalents consisted of interest-bearing money market accounts and non-negotiable certificates of deposit held by a financial institution.

The investments are not classified as to credit risk because they are not evidenced by securities that exist in book or entry form. The components of investment return include $2,170,851 and $336,922 of interest income on cash and cash equivalents for the years ended September 30, 2023 and 2022, respectively.

(c) Interest Rate Risk

Interest rate risk is the risk that the fair value of the Authority's investments will decrease as a result of an increase in interest rates. As a means of limiting its exposure to fair value losses arising from rising interest rates, the investment policy states that the Authority is to consider the safety of principal, liquidity, and finally yield. Also, as a means of limiting its exposure,

(4) Cash and Cash Equivalents – Continued

the Authority's investment policy prohibits investments in U.S. Treasuries with maturities greater than five years. As of September 30, 2023, the Authority's fixed income holdings consisted of two 6-month non-negotiable certificates of deposits for $5,000,000 each, with a maximum maturity date of February 5, 2024, and an interest rate of 5.4% and two 6-month non-negotiable certificates of deposits for $5,000,000 each, with a maximum maturity date of March 1, 2024 and an interest rate of 5.5%. As of September 30, 2022, the Authority's fixed income holdings consisted of two 12-month non-negotiable certificates of deposits for $5,000,000 each, with a maximum maturity date of December 22, 2022, and an interest rate of .20% and two 3-month non-negotiable certificates of deposits for $5,000,000 each, with a maximum maturity date of November 2, 2022 and an interest rate of 2.2%.

(d) Concentration of Credit Risk

During fiscal year 2023 and 2022, the Authority Investment Guidelines has recommended limits on the amount the Authority may place with each type of investment and with issuers as follows:

Diversification Guidelines

	Investment	Portfolio Maximum	Issuer Limitation	Maximum Maturity
A.	State of Florida Board of Administration Local Government Surplus Funds Trust Fund (Florida Prime)	30%	N/A	N/A
B.	State of Florida Board of Administration Commingled Asset Management Program Money Market Funds (CAMP MM)	20%	N/A	N/A
C.	Direct Obligations of the U.S. Treasury and instruments backed by the full faith and credit of the U.S. Federal Government	75%	N/A	5 years
D.	Interest Bearing Savings Accounts, Demand Deposit Accounts, Negotiable Order of Withdrawal Accounts, or Certificates of Deposit	100%	N/A	2 yrs. for CDs
E.	Repurchase Agreements	20% **(1)**	10%	60 days
F.	Commercial Paper	10%	5%	5 years
G.	Asset-Backed Corporate Notes	10%	3%	5 years **(2)**
H.	SEC-Registered Money Market Mutual Funds	10%	10%	90 days **(3)**
I.	Investment Pools/Mutual Funds	10%	10%	N/A

(1) With the exception of one (1) business day agreements and overnight sweep agreements.
(2) Total Asset-Backed Corporate Notes shall have a weighted average duration up to 2 years.
(3) The maximum length to maturity (average weighted) shall be 90 days.

(5) Capital Assets

Capital asset activity for the years ended September 30, 2023, and 2022, was as follows:

	October 1 2022	Additions	Transfers, Disposals and Impairments	September 30 2023
Nondepreciable assets:				
Land	$ 6,961,677	$ -	$ -	$ 6,961,677
Capital assets in progress	35,894,443	16,771,496	40,017,940	12,647,999
Total nondepreciable assets	42,856,120	16,771,496	40,017,940	19,609,676
Depreciable assets:				
Buildings and improvements	55,392,473	22,853,812	19,766	78,226,519
Revenue equipment	121,145,920	17,550,275	891,373	137,804,822
Furniture and other equipment	10,758,254	235,283	151,647	10,841,890
Lease assets - Equipment	13,310	-	-	13,310
Lease assets - Buildings	-	127,707	-	127,707
Lease assets - Leasehold Improvements	-	249,079	-	249,079
Lease assets - Vehicles	-	3,557,000	-	3,557,000
Lease assets - SBITA	1,378,329	11,512	-	1,389,841
Total depreciable and amortized assets	188,688,286	44,584,668	1,062,786	232,210,168
Total at historical cost	231,544,406	61,356,164	41,080,726	251,819,844
Less accumulated depreciation and amortization for:				
Buildings and improvements	29,685,920	2,485,539	19,766	32,151,693
Revenue equipment	75,070,191	7,368,876	891,373	81,547,694
Furniture and other equipment	8,007,685	643,682	81,085	8,570,282
Lease assets - Equipment	1,553	2,662	-	4,215
Lease assets - Buildings	-	12,771	-	12,771
Lease assets - Leasehold Improvements	-	24,908	-	24,908
Lease assets - Vehicles	-	355,700	-	355,700
Lease assets - SBITA	365,017	367,575	-	732,592
Total accumulated depreciation and amortization	113,130,366	11,261,713	992,224	123,399,855
Capital assets, net	$ 118,414,040	$ 50,094,451	$ 40,088,502	$ 128,419,989

(5) Capital Assets - Continued

Capital asset activity for the years ended September 30, 2022 and 2021, was as follows:

	October 1 2021	Additions	Transfers, Disposals and Impairments	September 30 2022
Nondepreciable assets:				
Land	$ 6,961,677	$ -	$ -	$ 6,961,677
Capital assets in progress	44,072,018	14,936,226	23,113,801	35,894,443
Total nondepreciable assets	51,033,695	14,936,226	23,113,801	42,856,120
Depreciable assets:				
Buildings and improvements	55,264,432	241,034	112,993	55,392,473
Revenue equipment	108,488,375	21,272,684	8,615,139	121,145,920
Furniture and other equipment	9,632,977	2,158,409	1,033,132	10,758,254
Lease assets - Equipment	-	13,310	-	13,310
Lease assets - SBITA	-	1,378,329 (1)	-	1,378,329 (1)
Total depreciable and amortized assets	173,385,784	25,063,766	9,761,264	188,688,286
Total at historical cost	224,419,479	39,999,992	32,875,065	231,544,406
Less accumulated depreciation and amortization for:				
Buildings and improvements	27,989,079	1,809,834	112,993	29,685,920
Revenue equipment	76,807,991	6,877,339	8,615,139	75,070,191
Furniture and other equipment	8,374,679	665,784	1,032,778	8,007,685
Lease assets - Equipment	-	1,553	-	1,553
Lease assets - SBITA	-	365,017 (1)	-	365,017 (1)
Total accumulated depreciation and amortization	113,171,749	9,719,527	9,760,910	113,130,366
Capital assets, net	$ 111,247,730	$ 30,280,465	$ 23,114,155	$ 118,414,040

(1) FY22 ending balance has been restated to conform to GASB 96 - see note 3 for more information.

(6) Net Position

Unrestricted net position at September 30, 2023 and 2022, consists of the following:

	2023	2022
Unrestricted net position	$ 8,570,476	$ 19,918,466

Restricted net position represents the Federal Transit Administration's interest in a disposed grant asset for which the Authority received permission to use in a like-kind exchange in the future, and a contractual requirement under the Authority's health plan to maintain a minimum balance within an imprest account to pay future claims. The balances at September 30, 2023 and 2022, are as follows:

	2023	2022
Grantor resources and contractually restricted cash	$ 239,035	$ 165,935

(7) Long-Term Liabilities

Activity relating to the Authority's long-term liabilities during the years ending September 30, 2023 and 2022 consists of the following.

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year	More Than One Year
Balance at September 30, 2023						
Compensated absences	$ 3,152,189	$ 4,506,403	$ 4,099,991	$ 3,558,600	$ 62,729	$ 3,495,871
Claims and judgements	5,480,064	3,442,300	1,877,931	7,044,433	2,018,261	5,026,172
Lease liability	11,962	3,933,786	18,658	3,927,090	57,477	3,869,613
Lease liability - SBITAs	995,123	-	368,103	627,020	287,063	339,957
Total long term liabilities	$ 9,639,338	$ 11,866,244	$ 6,348,438	$ 15,157,144	$ 2,425,531	$ 12,731,613
Balance at September 30, 2022						
Compensated absences	$ 3,060,966	$ 4,111,735	$ 4,020,512	$ 3,152,189	$ 55,565	$ 3,096,624
Claims and judgements	4,626,272	2,853,725	1,999,933	5,480,064	1,713,526	3,766,538
Lease liability	-	11,962	-	11,962	2,413	9,549
Lease liability - SBITAs	-	995,123	-	995,123	368,103	627,020
	-					
Total long term liabilities	$ 7,687,238	$ 7,972,545	$ 6,020,445	$ 9,639,338	$ 2,139,607	$ 7,499,731

Net pension liability of $50,217,328 and $41,321,019 for September 30, 2023 and 2022 respectively and the other post-employment benefit liability (OPEB) of $1,730,331 and $1,865,265 for September 30, 2023 and 2022 respectively are excluded from the long-term liabilities table above, yet are included in the long-term liabilities balance on the Statement of Net Position. The detail of those liabilities are included in footnotes 9 and 10 respectively.

(8) Risk Management

The Authority maintains self-insured programs for damage to vehicles and general liability claims for amounts up to $200,000 and workers' compensation claims for amounts up to $250,000. The Authority carries insurance coverage for excess liability limited to $2,000,000 per occurrence for vehicle and general liability claims. The Authority's excess workers' compensation program provides protection consistent with Florida Statutes. For the past four years, insurance settlements have not exceeded insurance coverage and there were no significant reductions in insurance coverage from the previous year.

The liabilities for these self-insurance programs are currently recorded as claims and judgments were determined by actuarial valuation not discounted and include estimates for incurred but not reported claims. Non-incremental claims adjustment expenses are also included as part of the liability for claims.

The Authority's health plan is fully insured with a maximum cost of $11,107,272 and $10,214,284 for the years ending September 30, 2023 and 2022, respectively. If medical claims are lower than expected, the Authority's cost will be lower than the maximum. There is no liability for claims in excess of those maximum limits because the plan is fully insured.

The incurred claims in the following reconciliation of claims liabilities include prior years' estimated claims settled without payment and year-end adjustment to estimated claims liability.

(8) Risk Management - Continued

		Workers' Compensation		General Liability		Total
Claims reserve - September 30, 2020	$	854,617	$	3,056,231	$	3,910,848
Claims incurred		741,887		1,164,738		1,906,625
Claim payments		(461,681)		(729,520)		(1,191,201)
Claims reserve - September 30, 2021	$	1,134,823	$	3,491,449	$	4,626,272
Claims incurred		653,258		2,200,467		2,853,725
Claim payments		(686,042)		(1,313,891)		(1,999,933)
Claims reserve - September 30, 2022	$	1,102,039	$	4,378,025	$	5,480,064
Claims incurred		618,656		2,823,644		3,442,300
Claim payments		(455,938)		(1,421,993)		(1,877,931)
Claims reserve - September 30, 2023	$	1,264,757	$	5,779,676	$	7,044,433

		2023		2022
Claims and judgments				
Due within one year	$	2,018,261	$	1,713,526
Due in more than one year		5,026,172		3,766,538
	$	7,044,433	$	5,480,064

(9) Defined Benefit Pension Plans

The Florida Retirement System (FRS) was created by Chapter 121, Florida Statutes, to provide a defined benefit pension plan for participating public employees. The FRS was amended in 1998 to add the Deferred Retirement Option Program under the defined benefit plan and amended in 2000 to provide a defined contribution plan alternative to the defined benefit plan for FRS members effective July 1, 2002. This integrated defined contribution pension plan is the FRS Investment Plan. Chapter 112, Florida Statutes, established the Retiree Health Insurance Subsidy (HIS) Program, a cost-sharing multiple-employer defined benefit pension plan, to assist retired members of any State-administered retirement system in paying the costs of health insurance.

Essentially all regular employees of the Authority are eligible to enroll as members of the State-administered FRS. Provisions relating to the FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and FRS Rules, Chapter 60S, Florida Administrative Code; wherein eligibility, contributions, and benefits are defined and described in detail. Such provisions may be amended at any time by further action from the Florida Legislature. The FRS is a single retirement system administered by the Florida Department of Management Services, Division of Retirement, and consists of the two cost-sharing, multiple-employer defined benefit plans and other nonintegrated programs. An annual comprehensive financial report of the FRS, which includes its financial statements, required

(8) Defined Benefit Plan - Continued

supplementary information, actuarial report, and other relevant information, is available from the Florida Department of Management Services' website.

(www.dms.myflorida.com/workforce_operations/retirement/publications)

The Authority's pension expense totaled $14,461,274 and $5,791,663 for both the FRS Pension Plan and HIS Plan for the fiscal years ended September 30, 2023 and 2022, respectively. The Authority's pension liability totaled $50,217,328 and $41,321,019 for the FRS Pension Plan and HIS Plan for the fiscal years ended September 30, 2023 and 2022, respectively. The Authority's deferred inflows totaled $1,769,694 and $2,110,402 for both the FRS Pension Plan and the HIS Plan for the fiscal years ended September 30, 2023 and 2022, respectively. The Authority's deferred outflows totaled $12,067,326 and $13,134,609 for both the FRS Pension Plan and HIS Plan for the fiscal years ended September 30, 2023 and 2022, respectively.

Florida Retirement System Pension Plan

(a) Plan Description

The Florida Retirement System Pension Plan (FRS Plan) is a cost-sharing multiple-employer defined benefit pension plan, with a Deferred Retirement Option Program (DROP) for eligible employees. The general classes of membership are as follows:

Regular Class – Members of the FRS who do not qualify for membership in the other classes.

Elected County Officers Class – Members who hold specified elective offices in local government.

Senior Management Service Class (SMSC) – Members in senior management level positions.

Special Risk Class – Members who are special risk employees, such as law enforcement officers, meet the criteria to qualify for this class.

Employees enrolled in the FRS Plan prior to July 1, 2011, vest at six years of creditable service and employees enrolled in the FRS Plan on or after July 1, 2011, vest at eight years of creditable service. All vested members, enrolled prior to July 1, 2011, are eligible for normal retirement benefits at age 62 or at any age after 30 years of service, except for members classified as special risk who are eligible for normal retirement benefits at age 55 or at any age after 25 years of service. All members enrolled in the FRS Plan on or after July 1, 2011, once vested, are eligible for normal retirement benefits at age 65 or any time after 33 years of creditable service, except for members classified as special risk who are eligible for normal retirement benefits at age 60 or at any age after 30 years of service. Employees enrolled in the FRS Plan may include up to four years of credit for military service toward creditable service. The FRS Plan also includes an early retirement provision; however, there is a benefit reduction for each year a member retires before his or her normal retirement date. The FRS Plan provides retirement, disability, death benefits, and annual cost-of-living adjustments to eligible participants. DROP,

(9) Defined Benefit Pension Plans (*Florida Retirement System Pension Plan)* - Continued

subject to provisions of Section 121.091, Florida Statutes, permits employees eligible for normal retirement under the FRS Plan to defer receipt of monthly benefit payments while continuing employment with an FRS participating employer. An employee may participate in DROP for a period not to exceed 96 months after electing to participate, except that certain instructional personnel may participate for up to 120 months. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest. The net pension liability does not include amounts for DROP participants, as these members are considered retired and are not accruing additional pension benefits.

(b) Benefits Provided

Benefits under the FRS Plan are computed on the basis of age and/or years of service, average final compensation, and service credit. Credit for each year of service is expressed as a percentage of the average final compensation. For members initially enrolled before July 1, 2011, the average final compensation is the average of the five highest Fiscal years' earnings; for members initially enrolled on or after July 1, 2011, the average final compensation is the average of the eight highest Fiscal years' earnings. The total percentage value of the benefit received is determined by calculating the total value of all service, which is based on the retirement class to which the member belonged when the service credit was earned. Members are eligible for in-line-of-duty or regular disability and survivors' benefits. The following chart shows the percentage value for each year of service credit earned.

Class, Initial Enrollment, and Retirement Age/Years of Service:	% Value
Regular Class members initially enrolled before July 1, 2011	
Retirement up to age 62 or up to 30 years of service	1.60
Retirement up to age 63 or up to 31 years of service	1.63
Retirement up to age 64 or up to 32 years of service	1.65
Retirement up to age 65 or up to 33 years of service	1.68
Regular Class members initially enrolled on or after July 1, 2011	
Retirement up to age 65 or up to 33 years of service	1.60
Retirement up to age 66 or up to 34 years of service	1.63
Retirement up to age 67 or up to 35 years of service	1.65
Retirement up to age 68 or up to 36 years of service	1.68

As provided in Section 121.101, Florida Statutes, if the member is initially enrolled in the FRS before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is 3% per year. If the member is initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of 3% determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by 3%. FRS Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

(9) Defined Benefit Pension Plans (*Florida Retirement System Pension Plan)* - Continued

(c) Contributions

The Florida Legislature establishes contribution rates for participating employers and employees. Effective July 1, 2011, all FRS Plan members (except those in DROP) are required to make 3% employee contributions on a pretax basis. The employer contribution rates by job class in the tables below were applied to employee salaries to determine monthly contributions.

The Authority's contributions to the FRS Plan were $4,055,636 and $3,705,628 for the years ended September 30, 2023 and 2022, respectively.

Contribution Rates - Employer - 2023

Job Class	October 1, 2022 - June 30, 2023	July 1, 2023 - September 30, 2023
Regular	11.91%	13.57%
Special Risk	27.83%	32.67%
Special Risk Administrative Support	38.65%	39.82%
Elected County Officers	57.00%	58.68%
Senior Management	31.57%	34.52%
DROP Participants	18.60%	21.13%
Above rates include HIS Plan subsidy of:	1.66%	2.00%

Contribution Rates - Employer - 2022

Job Class	October 1, 2021 - June 30, 2022	July 1, 2022 - September 30, 2022
Regular	10.82%	11.91%
Special Risk	25.89%	27.83%
Special Risk Administrative Support	37.76%	38.65%
Elected County Officers	51.42%	57.00%
Senior Management	29.01%	31.57%
DROP Participants	18.34%	18.60%
Above rates include HIS Plan subsidy of:	1.66%	1.66%

(d) Pension Costs

On September 30, 2023 and 2022, the Authority reported a liability of $32,543,832 and $29,986,852, respectively, for its proportionate share of the FRS Plan's net pension liability. The net pension liability was measured as of June 30, and the total pension liability used to calculate the net pension liability was determined by an annual actuarial valuation as of July 1.

(9) Defined Benefit Pension Plans (*Florida Retirement System Pension Plan)* - Continued

The Authority's proportion of the net pension liability was based on the Authority's contributions received by FRS during the measurement period for employer payroll paid dates from July 1 through June 30, relative to the total employer contributions received from all of FRS's participating employers. At June 30, 2023, the Authority's proportion was 0.08167%, which was an increase of 0.00108% from its proportion measured as of June 30, 2022. At June 30, 2022, the Authority's proportion was 0.08059%, which was an increase of 0.0033% from its proportion measured as of June 30, 2021.

For the year ended September 30, 2023, the Authority recognized pension expense of $7,494,026 for its proportionate share of FRS's pension expense. In addition, the Authority reported its proportionate share of FRS's deferred outflows of resources and deferred inflows of resources from the following sources:

FRS Deferred Inflows/Outflows – 2023

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Economic Experience	$ 3,055,585	$ -
Changes in Actuarial Assumptions	2,121,477	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	1,359,118	-
Changes in Proportion and Differences Between Entity Contributions and Proportionate Share of Contributions	2,234,106	97,291
Entity Contributions Subsequent to the Measurement Date	1,167,478	-
Total	$ 9,937,765	$ 97,291

$1,167,478 reported as deferred outflows of resources related to pensions resulting from Authority contributions to the FRS Plan subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended September 30, 2024. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized as an increase (decrease) in pension expense as follows:

9) Defined Benefit Pension Plans (*Florida Retirement System Pension Plan)* - Continued

Year Ended September 30	Amount
2024	$ 1,618,523
2025	340,892
2026	5,902,764
2027	648,088
2028	162,729
Thereafter	-

For the year ended September 30, 2022, the Authority recognized pension expense of $4,941,707 for its proportionate share of FRS's pension expense. In addition, the Authority reported its proportionate share of FRS's deferred outflows of resources and deferred inflows of resources from the following sources:

FRS Deferred Inflows/Outflows - 2022

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Economic Experience	$ 1,424,202	$ -
Changes in Actuarial Assumptions	3,693,006	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	1,980,028	-
Changes in Proportion and Differences Between Entity Contributions and Proportionate Share of Contributions	2,788,291	171,420
Entity Contributions Subsequent to the Measurement Date	1,040,806	-
Total	$ 10,893,333	$ 171,420

(9) Defined Benefit Pension Plans (*Florida Retirement System Pension Plan)* - Continued

(e) Actuarial Assumptions

The total pension liability in the July 1, 2023 and the July 1, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Valuation Date	July 1, 2023	July 1, 2022
Measurement Date	June 30, 2023	June 30, 2022
Inflation per year	2.40%	2.40%
Salary Increases, including inflation	3.25%	3.25%
Investment Rate of Return Net of Pension Plan Investment Expense, Including Inflation	6.70%	6.70%
Actuarial Cost Method	Individual Entry Age	Individual Entry Age

Mortality rates were based on PUB-2010 base table varies by member and sex, projected generationally with scale MP 2018. The actuarial assumptions used in the valuation were based on the results of the most recent experience study ,which was last completed in 2019 for the period July 1, 2013, through June 30, 2018.

The long-term expected rate of return on pension plan investments was not based on historical returns, but instead is based on a forward-looking capital market economic model. The allocation policy's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions and includes an adjustment for the inflation assumption. The target allocation, as outlined in the FRS Plan's investment policy, and best estimates of arithmetic and geometric real rates of return for each major asset class are summarized in the following tables:

FRS Investment Rate of Return – 2023

Asset Class	Target Allocation	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.0%	2.9%	2.9%	1.1%
Fixed Income	19.8%	4.5%	4.4%	3.4%
Global Equity	54.0%	8.7%	7.1%	18.1%
Real Estate (Property)	10.3%	7.6%	6.6%	14.8%
Private Equity	11.1%	11.9%	8.8%	26.3%
Strategic Investments	3.8%	6.3%	6.1%	7.7%
Totals	100%			
Assumed Inflation – Mean			2.4%	1.4%

(9) Defined Benefit Pension Plans (*Florida Retirement System Pension Plan)* - Continued

FRS Investment Rate of Return – 2022

Asset Class	Target Allocation	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.0%	2.6%	2.6%	1.1%
Fixed Income	20.0%	4.4%	4.4%	3.2%
Global Equity	54.2%	8.8%	7.3%	17.8%
Real Estate (Property)	10.3%	7.4%	6.3%	15.7%
Private Equity	10.8%	12.0%	8.9%	26.3%
Strategic Investments	3.7%	6.2%	5.9%	7.8%
Totals	100%			
Assumed Inflation – Mean			2.4%	1.3%

(f) Discount Rate

The discount rate used to measure the total pension liability was 6.70% for the FRS Plan for the actuarial valuation date July 1, 2023, and 6.70% for the actuarial valuation date July 1, 2022. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rate specified in statute. Based on that assumption, each of the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

(g) Pension Liability Sensitivity

The following presents the Authority's proportionate share of the net pension liability for the FRS Plan, calculated using the discount rate disclosed in the preceding paragraph, as well as what the Authority's proportionate share of the net pension (asset) liability would be if it were calculated using a discount rate one percentage point lower or one percentage point higher than the current discount rate:

FRS Pension Liability Sensitivity – 2023

Description	1% Decrease	Current Discount Rate	1% Increase in Discount Rate
FRS Plan Discount Rate	5.70%	6.70%	7.70%
Authority's Proportionate Share of the FRS Plan Net Pension Liability	$ 55,591,491	$ 32,543,832	$ 13,261,707

(9) Defined Benefit Pension Plans (*Florida Retirement System Pension Plan)* – Continued

(g) Pension Liability Sensitivity - Continued

FRS Pension Liability Sensitivity – 2022

Description	1% Decrease	Current Discount Rate	1% Increase in Discount Rate
FRS Plan Discount Rate	5.70%	6.70%	7.70%
Authority's Proportionate Share of the FRS Plan Net Pension Liability (Asset)	$ 51,860,199	$ 29,986,852	$ 11,698,132

(h) Pension Plan Fiduciary Net Position

Detailed information about the FRS Plan's fiduciary's net position is available in a separately issued FRS Pension Plan and Other State-Administered Systems Annual Comprehensive Financial Report. That report may be obtained through the Florida Department of Management Services website at:
www.dms.myflorida.com/workforce_operations/retirement/publications/annual_reports

(i) Payables to the FRS Plan

At September 30, 2023 and 2022 the Authority reported no payables for outstanding amounts of contributions to the FRS plan.

(9) Defined Benefit Pension Plans

Retiree Health Insurance Subsidy Program

(a) Plan Description

The Retiree Health Insurance Subsidy Program (HIS Plan) is a cost-sharing multiple-employer defined benefit pension plan established under Section 112.363, Florida Statutes, and may be amended by the Florida Legislature at any time. The benefit is a monthly payment to assist retirees of State-administered retirement systems in paying their health insurance costs and is administered by the Florida Department of Management Services, Division of Retirement.

(b) Benefits Provided

For the fiscal year 2023, eligible retirees and beneficiaries received a monthly HIS payment of $5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of $30 and a maximum HIS payment of $150 per month, pursuant to Section 112.363, Florida Statutes. For fiscal year 2023, Chapter 2023-193, Laws of Florida (Senate Bill 7024), increased the level of monthly benefits from $5 times years of service to $7.50, with an increased minimum of $45 and maximum of $225. This change applied to all years of service for both members currently receiving benefits and members not yet receiving benefits.

To be eligible to receive a HIS Plan benefit, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

(c) Contributions

The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the Fiscal years ended June 30, 2023 and 2022, the contribution rate was 2.00% and 1.66%, respectively, of payroll pursuant to section 112.363, Florida Statues. The Authority contributed 100% of its statutorily required contributions for the current and preceding 3 years. HIS Plan contributions are deposited in a separate trust fund from which payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event the legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or canceled. The Authority’s contributions to the HIS Plan were $782,755 and $694,646 for the years ended September 30, 2023 and 2022, respectively.

(d) Pension Costs

At September 30, 2023 and 2022, the Authority reported a liability of $17,673,496 and $11,334,167, respectively, for its proportionate share of the HIS Plan’s net pension liability. The net pension liability was measured as of June 30, and the total pension liability used to calculate the net pension liability was determined by annual actuarial valuations as of July 1. The Authority’s proportion of the net pension liability was based on the Authority’s contributions received during the measurement period for employer payroll paid dates from July 1 through June 30, relative to the total employer contributions received from all participating employers. At June 30, 2023, the Authority’s proportion was 0.11128% which was an increase of 0.00427% from its proportion measured as of June 30, 2022. At June 30, 2022, the Authority’s proportion was 0.10701% which was a increase of 0.00535% from its proportion measured as of June 30, 2021.

(9) Defined Benefit Pension Plans (*Retiree Health Insurance Subsidy Program*) – Continued

(d) Pension Costs - Continued

For the year ended September 30, 2023, the Authority recognized pension expense of $6,967,248 for its proportionate share of HIS's pension expense. In addition, the Authority reported its proportionate share of HIS's deferred outflows of resources and deferred inflows of resources from the following sources:

HIS Deferred Inflows/Outflows - 2023

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Economic Experience	$ 258,728	$ 41,482
Changes in Actuarial Assumptions	464,631	1,531,468
Net Difference Between Projected and Actual Earnings on HIS Program Investments	9,127	-
Changes in Proportion and Differences Between Authority Contributions and Proportionate Share of Contributions	1,156,426	99,453
Authority Contributions Subsequent to the Measurement Date	240,649	-
Total	$ 2,129,561	$ 1,672,403

$240,649 reported as deferred outflows of resources related to pensions resulting from Authority contributions to the HIS Subsidy Program subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended September 30, 2024. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized as an increase (decrease) in pension expense as follows:

Year Ended September 30	Amount
2024	$121,607
2025	170,140
2026	57,582
2027	(104,956)
2028	(38,965)
Thereafter	11,101

(9) Defined Benefit Pension Plans (*Retiree Health Insurance Subsidy Program*) - Continued

(d) Pension Costs - Continued

For the year ended September 30, 2022, the Authority recognized pension expense of $849,956 for its proportionate share of HIS's pension expense. In addition, the Authority reported its proportionate share of HIS's deferred outflows of resources and deferred inflows of resources from the following sources:

HIS Deferred Inflows/Outflows – 2022

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Economic Experience	$ 344,019	$ 49,871
Changes in Actuarial Assumptions	649,682	1,753,388
Net Difference Between Projected and Actual Earnings on HIS Program Investments	16,409	-
Changes in Proportion and Differences Between Authority Contributions and Proportionate Share of Contributions	1,041,221	135,693
Authority Contributions Subsequent to the Measurement Date	189,945	-
Total	$ 2,241,276	$ 1,938,982

(9) Defined Benefit Pension Plans (*Retiree Health Insurance Subsidy Program*) - Continued

(e) Actuarial Assumptions

The total pension liability in the July 1, 2023 and July 1, 2022, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Valuation Date	July 1, 2023	July 1, 2022
Measurement Date	June 30, 2023	June 30, 2022
Inflation per year	2.40%	2.40%
Salary Increases, including inflation	3.25%	3.25%
Municipal Bond Rate	3.65%	3.54%

Mortality rates were based on the PUB-2010 base table projected generationally with Scale MP-2018. Because the HIS Plan is funded on a pay-as-you-go basis, no experience study has been completed for that program. The actuarial assumptions that determined the total pension liability for the HIS Plan were based on certain results of the most recent experience study for the FRS Pension Plan.

(f) Discount Rate

The discount rate used to measure the total pension liability was 3.65% and 3.54% for the HIS Plan for the actuarial valuation date July 1, 2023 and July 1, 2022, respectively. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the HIS Plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

(g) Pension Liability Sensitivity

The following presents the Authority's proportionate share of the net pension liability for the HIS Plan, calculated using the discount rate disclosed in the preceding paragraph, as well as what the Authority's proportionate share of the net pension liability would be if it were calculated using a discount rate one percentage point lower or one percentage point higher than the current discount rate:

(9) Defined Benefit Pension Plans (*Retiree Health Insurance Subsidy Program*) - Continued

HIS Pension Liability Sensitivity - 2023

Description	1% Decrease	Current Discount Rate	1% Increase in Discount Rate
HIS Plan Discount Rate	2.65%	3.65%	4.65%
Authority's Proportionate Share of the HIS Plan Net Pension Liability	$ 20,162,700	$ 17,673,496	$ 15,610,112

HIS Pension Liability Sensitivity - 2022

Description	1% Decrease	Current Discount Rate	1% Increase in Discount Rate
HIS Plan Discount Rate	2.54%	3.54%	4.54%
Authority's Proportionate Share of the HIS Plan Net Pension Liability	$ 12,967,218	$ 11,334,167	$ 9,982,851

(h) Pension Plan Fiduciary Net Position

Detailed information about the HIS Plan's fiduciary's net position is available in a separately issued FRS Pension Plan and Other State-Administered Systems Annual Comprehensive Financial Report. That report may be obtained through the Florida Department of Management Services website at:
www.dms.myflorida.com/workforce_operations/retirement/publications

(i) Payables to the HIS Plan

At September 30, 2023 and 2022 the Authority reported no payables for outstanding amounts of contributions to the HIS plan.

Defined Contribution Plan

The Florida State Board of Administration (SBA) administers the defined contribution plan officially titled the FRS Investment Plan (Investment Plan). The Investment Plan is reported in the SBA's annual financial statements and in the State of Florida Annual Comprehensive Financial Report.

As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined benefit plan. Authority employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same

(9) <u>Defined Benefit Pension Plans (*Defined Contribution Plan*) - Continued</u>

employer and employee contribution rates that are based on salary and membership class (Regular Class, Elected County Officers, etc.), as the FRS defined benefit plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Costs of administering the plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.06% of payroll through June 30, 2021, 2022, and 2023 and by forfeited benefits of plan members. Allocations to the member accounts as of September 30, 2023, as established by Section 121.72, Florida Statutes, were based on a percentage of gross compensation, by class, as follows: Regular class 11.30%, Special Risk Administrative Support class 12.95%, Special Risk class 19.00%, Senior Management Service class 12.67% and County Elected Officers class 16.34%. These allocations include a required employee contribution of 3% of gross compensation for each member class.

For all membership classes, employees are immediately vested in their own contributions and are vested after 1 year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the FRS Pension Plan is transferred to the Investment Plan, the member must have the years of service required for FRS Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Non-vested employer contributions are placed in a suspense account for up to five years. If the employee returns to FRS-covered employment within the five-year period, the employee will regain control over their account. If the employee does not return within the five-year period, the employee will forfeit the accumulated account balance. For the years ended September 30, 2023 and 2022, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the Authority.

After termination and applying to receive benefits, the member may rollover vested funds to another qualified plan, structure a periodic payment under the Investment Plan, receive a lump-sum distribution, leave the funds invested for future distribution, or any combination of these options. Disability coverage is provided; the member may either transfer the account balance to the FRS Pension Plan when approved for disability retirement to receive guaranteed lifetime monthly benefits under the FRS Pension Plan or remain in the Investment Plan and rely upon that account balance for retirement income.

The Authority’s Investment Plan pension expense totaled $1,291,421 and $917,864 for the years ended September 30, 2023 and 2022, respectively. Employee contributions to the Investment Plan totaled $312,949 and $246,949 for the years ended September 30, 2023 and 2022, respectively.

(10) Postemployment Benefits Other Than Pensions (OPEB)

The Authority had previously adopted the provisions of Government Accounting Standards Board Statement No. 75, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions* (GASB 75). GASB 75 requires governments to recognize their total OPEB obligation, and deferred outflows of resources, deferred inflows of resources, and OPEB expense in the financial statements based on the actuarial present value of projected benefit payments, rather than the smaller net OPEB obligation based on the contribution requirements. The Authority provides postretirement healthcare benefits in accordance with *Florida Statutes* to all employees who retire from the employ of the Authority. The retiree pays 100% of the blended premium cost (rate) for the retiree to participate in the Authority's insurance program. These blended premium rates provide an implicit rate subsidy for retirees because, on an actuarial basis, their current and future claims are expected to result in higher costs to the plan on average than those of active employees. The difference in the rate a retiree would pay if in a plan separate from active employees is considered the rate differential. Since the retiree pays 100% of the blended premium cost rate, there is no explicit rate subsidy provided by the Authority to retirees.

(a) Plan Description

The authority administers an employer defined benefit healthcare plan that provides medical insurance benefits to its employees and their eligible dependents. In accordance with Section 112.0801 of the *Florida Statutes*, because the Authority provides a medical plan to active employees of the Authority and their eligible dependents, the Authority is also required to provide retirees with the opportunity to participate in the plan. Retirees and their dependents are charged the full premium for coverage through the plan. To be eligible to receive retiree medical benefits, participants must be eligible for normal retirement benefits under the FRS and pay the required contributions. The requirements for eligibility for benefits are age 62 with six years of service, or 30 years of service with no age requirement for persons hired before July 1, 2011. The requirements for eligibility for benefits are age 65 with eight years of service, or 33 years of service with no age requirement for persons hired on or after July 1, 2011.

The benefits are provided through Cigna and provide hospital, medical and prescription coverage. Benefit duration is through age 65.

Contribution rates for the Plan are established on an annual basis by the Board of Directors. Eligible retirees and their covered dependents receiving benefits contribute 100% of their premium cost for the plan. The postretirement hospital, medical, and prescription coverage are currently funded on a cash basis (pay-as-you-go) as benefits are paid. No assets have been segregated, restricted, or held in trust to pay for postemployment benefits.

The plan is a single employer defined benefit plan.

(10) Postemployment Benefits Other Than Pensions (OPEB) - Continued

(a) Plan Description- Continued

The number of employees covered by benefit terms as of October 1, 2022, the most recent actuarial valuation date, are as follows:

Retirees and dependents receiving benefits	1
Retirees entitled to but not yet receiving benefits	-
Active Employees	662
Total participants covered by OPEB plan	663

(b) Total OPEB Liability

At September 30, 2023 and 2022, the Authority reported a liability of $1,730,331 and $1,865,265, respectively, for its total OPEB liability. The total OPEB liability was measured as of September 30, 2023 and was determined by an actuarial valuation as of October 1, 2022.

(c) Actuarial Assumptions and Other Inputs

The total OPEB liability in the October 1, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Valuation Date	October 1, 2022
Healthcare Cost Trend Rates:	
Current Year Trend	7.50%
Second Year Trend	7.00%
Decrement	7.00%
Ultimate Trend	4.50%
Year Ultimate Trend is Reached	2030
Actuarial Cost Method	Entry Age Normal

The discount rate of 4.87% was based on the yield for the 20-year tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher (or equivalent quality on another rating scale) as of September 30, 2023. Mortality rates were based on the SOA Pub-2010 General Headcount Weighted Mortality Table fully generational using Scale MP-2021.

(10) Postemployment Benefits Other Than Pensions (OPEB) - Continued

(d) Changes in Total OPEB Liability

	2023	2022
Changes for the Year:		
Service Costs	$ 125,438	$ 170,462
Interest on OPEB obligation	92,586	53,199
Experience	(315,934)	(62,178)
Assumptions	63,530	(277,187)
Employer contributions	(100,554)	(75,218)
Change in total OPEB obligation	$ (134,934)	$ (190,922)
Total OPEB obligation - beginning of year	1,865,265	2,056,187
Total OPEB obligation - end of year	$ 1,730,331	$ 1,865,265

(e) Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the Authority's total OPEB liability for the OPEB plan, calculated using the discount rate disclosed in the actuarial assumptions, as well as what the Authority's total OPEB liability would be if it were calculated using a discount rate one percentage point lower or one percentage point higher than the current discount rate:

Total OPEB Liability Sensitivity Discount Rate- 2023

Description	1% Decrease	Current Discount Rate	1% Increase
OPEB Plan Discount Rate	3.87%	4.87%	5.87%
Total OPEB liability	$ 1,843,745	$ 1,730,331	$ 1,622,454

Total OPEB Liability Sensitivity Discount Rate- 2022

Description	1% Decrease	Current Discount Rate	1% Increase
OPEB Plan Discount Rate	3.77%	4.77%	5.77%
Total OPEB liability	$ 1,980,962	$ 1,865,265	$ 1,754,780

(10) Postemployment Benefits Other Than Pensions (OPEB) - Continued

(f) Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rate

The following presents the Authority's total OPEB liability for the OPEB plan, calculated using the healthcare cost trend rate disclosed in the actuarial assumptions, as well as what the Authority's total OPEB liability would be if it were calculated using a healthcare cost trend rate one percentage point lower or one percentage point higher than the current discount rate:

Total OPEB Liability Sensitivity Healthcare Cost Trend Rate – 2023

Description	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
OPEB Plan Healthcare Cost Trend Rate	3.50%	4.50%	5.50%
Total OPEB Obligation	$ 1,540,772	$ 1,730,331	$ 1,953,355

Total OPEB Liability Sensitivity Healthcare Cost Trend Rate – 2022

Description	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
OPEB Plan Healthcare Cost Trend Rate	3.50%	4.50%	5.50%
Total OPEB Obligation	$ 1,655,479	$ 1,865,265	$ 2,111,908

(g) OPEB Costs

For the year ended September 30, 2023, the Authority recognized OPEB expense of $14,827. In addition, the Authority reported OPEB deferred outflows of resources and deferred inflows of resources from the following sources:

OPEB Deferred Inflows/Outflows – 2023

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Economic Experience	$ -	$ 579,477
Changes in Actuarial Assumptions	270,187	369,380
Total	$ 270,187	$ 948,857

(10) Postemployment Benefits Other Than Pensions (OPEB) - Continued

(g) OPEB Costs continued

Amounts reported as deferred outflows and inflows of resources will be recognized as an increase (decrease) in OPEB expense as follows:

Year Ended September 30	Amount
2024	(159,221)
2025	(159,221)
2026	(219,536)
2027	(98,628)
2028	(42,064)
Thereafter	0

For the year ended September 30, 2022, the Authority recognized OPEB expense of $22,308. In addition, the Authority reported OPEB deferred outflows of resources and deferred inflows of resources from the following sources:

OPEB Deferred Inflows/Outflows – 2022

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Economic Experience	$ 5,525	$ 478,557
Changes in Actuarial Assumptions	325,868	482,299
Total	$ 331,393	$ 960,856

(11) Leases-Lessor

The Authority, acting as lessor, leases certain premises for general office use and operations and advertising space under long-term, non-cancelable lease agreements. The leases expire at various dates through 2033 and provide for renewal options ranging from five to ten years. During the year ended September 30, 2023 and 2022, the Entity recognized $457,645 and $97,543 and $457,645 and $112,163 in lease revenue and interest revenue, respectively, pursuant to these contracts.

Some leases require variable payments based on future performance of the lessee or usage of the underlying asset and are not included in the measurement of the lease receivable. Those variable payments are recognized as inflows of resources in the periods in which the payments are received. During the year ended September 30, 2023 and 2022, the Entity received variable payments as required by lease agreements totaling $391,654 and $485,285, respectively.

(11) Leases-Lessor - Continued

Total future minimum lease payments to be received under lease agreements are as follows:

Future Minimum Lease Payment to be Received – 2023

	Principal	Interest	Total
2024	$ 447,649	$ 80,688	$ 528,337
2025	452,282	62,718	515,000
2026	505,944	44,056	550,000
2027	561,819	23,181	585,000
Total minimum lease payments	$ 1,967,694	$ 210,643	$ 2,178,337

Future Minimum Lease Payment to be Received – 2022

	Principal	Interest	Total
2023	412,456	97,548	510,004
2024	447,649	80,688	528,337
2025	452,282	62,718	515,000
2026	505,944	44,056	550,000
2027	561,819	23,181	585,000
Total minimum lease payments	$ 2,380,150	$ 308,191	$ 2,688,341

(12) Leases-Lessee

The Entity leases equipment and facility, leasehold improvements, and vehicles for Jolley Trolley services under long-term, non-cancelable lease agreements. The lease expires September 2032 and provides for no renewal options.

Total future minimum lease payments under the lease agreement are as follows:

Future Minimum Lease Payment– 2023

	Principal	Interest	Total
2024	$ 57,477	$ 116,788	$ 174,265
2025	238,520	112,084	350,604
2026	366,925	102,808	469,733
2027	555,235	88,719	643,954
2028	630,819	70,887	701,706
2028-2033	2,078,114	111,013	2,189,127
Total minimum lease payments	$ 3,927,090	$ 602,299	$ 4,529,389

(12) Leases-Lessee - Continued

Future Minimum Lease Payment– 2022

	Principal	Interest	Total
2023	$ 2,413	$ 575	$ 2,988
2024	2,547	441	2,988
2025	2,688	300	2,988
2026	2,837	151	2,988
2027	1,477	17	1,494
Total minimum lease payments	$ 11,962	$ 1,484	$ 13,446

The Authority also leases trolley services, tires, and uniforms for various terms under long-term, non-cancelable lease agreements. The leases expire at various dates through 2025 and provide for renewal options ranging from one to three years.

These leases require variable payments based on future performance of the lessee or usage of the underlying asset and are not included in the measurement of the lease liability. Those variable payments are recognized as outflows of resources in the periods in which the obligation for those payments is incurred. During the year ended September 30, 2023 and 2022, the Entity made variable payments as required by lease agreements totaling $408,158 and $3,201,970, respectively.

(13) Commitments and Contingencies

(a) Grant Expenditures Subject to Audit

The Authority receives funding through capital grants and operating assistance grants from the FTA and from FDOT. Expenditures financed by capital and operating assistance grants are subject to audit and acceptance by the granting agency. Any disallowed expenditure may need to be repaid to the granting agency; however, it is management's opinion that no material liabilities will result from any such audits.

(b) Construction and Service Contract Commitments

The Authority has active projects as of September 30, 2023. The major projects include the design of the new Multimodal Clearwater Transit Center, SunRunner Bus Rapid Transit Improvements, the purchase of zero emission electric buses and the construction of the electric bus infrastructure to support the charging of the electric buses.

(13) Commitments and Contingencies - Continued

Projects/Contracts
As of September 30, 2023

Project / Contracts	Committed	Remaining
Electric Buses Year 1	$ 13,220,489	$ 9,840,744
Electric Buses Year 2	25,685,664	25,685,664
Electric Buses Year 3	25,685,664	25,685,664
Clever Devices Upgrade	3,329,112	2,645,204
ADA Landing Pads	189,917	53,313
Shelters	550,000	550,000
Clearwater Multimodal Terminal	3,258,597	1,794,412
SunRunner Bus Rapid Transit	26,667,868	352,668
SunRunner Improvements	3,350,831	3,279,910
Solar Project	26,846	-
Purchase Electric Replacement Buses (B&BF)	2,400,000	2,023,683
Security & Safety Systems	795,829	82,554
Electrical Room Infrastructure Study	86,365	67,115
Electrical Room Infrastructure Phase 1	5,592,158	5,209,500
Server & Phone Hardware	54,296	10,840
Data Center Equipment	197,112	197,112
Regional Fare Collection Enhancement	195,425	195,425
Hastus Software	789,990	789,990
Upgrade Paratransit Software	595,000	20,000
Travel Trainer	150,000	31,688
Mobility Management Implementation Plan	25,000	13,610
NEPA for New SunRunner Station	60,366	22,619
Community Bus Plan	800,000	407,187
Areas of Persistent Poverty Study	322,786	322,786
Accelerating Innovative Mobility	150,000	58,000
Neighborhood Engagement	99,535	99,535
Main Switch Replacement	155,968	155,968
Bus Brand Refresh	50,874	50,874
Transit Oriented Development Project	194,585	137,278
Total	**$ 114,680,277**	**$ 79,783,342**

(15) Subsequent Events

The Authority has evaluated subsequent events through March 27, 2024, in connection with the preparation of these financial statements, which is the date the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)

PINELLAS SUNCOAST TRANSIT AUTHORITY

Required Supplementary Information
Schedule of Changes in Other Postemployment Benefits Liability and Related Ratios

Last Ten Measurement Periods
(Unaudited)

Other Postemployment Benefits (OPEB) Plan Last Ten Fiscal Years*	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**
OPEB Liability Beginning of Year	$ 1,865,265	$ 2,056,187	$ 2,668,569	$ 2,452,283	$ 2,067,165	$ 1,923,009	$ 2,905,979	$ 2,943,847
Changes for the Year:								
Service Cost	125,438	170,462	219,738	188,521	87,502	89,211	107,472	107,215
Interest on OPEB Liability	92,586	53,199	67,522	92,269	76,146	68,184	77,647	78,460
Changes of Benefit Terms	-	-	-	-	-	-	-	-
Difference Between Actual and Expected Experience	(315,934)	(62,178)	(356,266)	(91,621)	(231,264)	86,420	(844,549)	24,974
Changes of Assumptions	63,530	(277,187)	(369,176)	155,158	579,342	-	(96,494)	-
Benefit Payments	(100,554)	(75,218)	(174,200)	(128,041)	(126,608)	(99,659)	(227,046)	(248,517)
OPEB Liability End of Year	$ 1,730,331	$ 1,865,265	$ 2,056,187	$ 2,668,569	$ 2,452,283	$ 2,067,165	$ 1,923,009	$ 2,905,979
Covered-employee Payroll	$ 36,463,375	$ 42,440,196	$ 32,724,363	$ 33,175,766	$ 31,479,917	$ 30,388,585	$ 29,753,116	$ 27,439,156
Contributions as a Percentage of Covered-employee Payroll	4.75%	4.40%	6.28%	8.04%	7.79%	6.80%	6.46%	10.59%

* The Amounts Presented for Each Fiscal Year were Determined as of September 30.

Note 1: Information is required to be presented for 10 years. However, until a full 10-year trend is compiled, the Authority will present information for only those years for which information is available.

Note 2: The Authority has no assets segregated, restricted, or held in an irrevocable trust to pay for OPEB benefits.

Note 3: In the fiscal year ended September 30, 2017, the actuarial assumption for healthcare cost trend rates decreased and the discount rate increased.

Note 4: In the fiscal year ended September 30, 2019, the actuarial assumption for per capita costs was updated using a new costing method, the mortality table was updated, as were the termination

Note 5: In the fiscal year ended September 30, 2020, the actuarial assumption for the measurement date discount rate was updated.

PINELLAS SUNCOAST TRANSIT AUTHORITY

Required Supplementary Information
Schedule of Proportionate Share of Net Pension Liability – Pension Plan

Last Ten Fiscal years
(Unaudited)

Florida Retirement System Pension Plan Last Ten Fiscal Years*	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Authority's Proportion of the Net Pension Liability	0.081672313%	0.080592408%	0.077286921%	0.068565662%	0.069609768%	0.066960334%	0.068003875%	0.063517223%	0.066955424%	0.065424235%
Authority's Proportionate Share of the Net Pension Liability	$ 32,543,832	$ 29,986,852	$ 5,838,148	$ 29,717,368	$ 23,972,635	$ 20,168,800	$ 20,115,090	$ 16,038,149	$ 8,648,191	$ 3,991,840
Authority's Covered Payroll **	$ 44,094,689	$ 39,142,294	$ 36,000,309	$ 34,329,612	$ 33,715,964	$ 31,365,733	$ 30,821,174	$ 28,037,676	$ 27,438,151	$ 26,402,185
Authority's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	73.80%	76.61%	16.22%	86.56%	71.10%	64.30%	65.26%	57.20%	31.52%	15.12%
Plan Fiduciary Net Position as a percentage of the total Pension Liability	82.38 %	82.49 %	96.40 %	78.85 %	82.61 %	84.26 %	83.89%	84.88%	92.00%	96.09%

* The Amounts Presented for Each Fiscal Year were Determined as of June 30.
** Authority's covered payroll represents pensionable wages of all FRS participants in the traditional FRS pension and in the investment plan as of the measurement date. Authority's covered payroll is defined by GASB

Retiree Health Insurance Subsidy Program Last Ten Fiscal Years*	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Authority's Proportion of the Net Pension Liability	0.111284708%	0.107010935%	0.101663046%	0.098904665%	0.100791376%	0.096011200%	0.096598126%	0.090789279%	0.090450945%	0.088831612%
Authority's Proportionate Share of the Net Pension Liability	$ 17,673,496	$ 11,334,167	$ 12,470,501	$ 12,076,098	$ 11,277,546	$ 10,161,933	$ 10,328,717	$ 10,581,114	$ 9,224,574	$ 8,305,972
Authority's Covered Payroll	$ 44,094,689	$ 39,142,294	$ 36,000,309	$ 34,329,612	$ 33,715,964	$ 31,365,733	$ 30,821,174	$ 28,037,676	$ 27,438,151	$ 26,402,185
Authority's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered Payroll	40.08%	28.96%	34.64%	35.18%	33.45%	32.40%	33.51%	37.74%	33.62%	31.46%
Plan Fiduciary Net Position as a Percentage of the total Pension Liability	4.12 %	4.81 %	3.56%	3.00%	2.63%	2.15%	1.64%	0.97%	0.50%	0.99%

* The Amounts Presented for Each Fiscal Year were Determined as of June 30.

PINELLAS SUNCOAST TRANSIT AUTHORITY

Required Supplementary Information
Schedule of Contributions – Pension Plan

Last Ten Fiscal years
(Unaudited)

Florida Retirement System Pension Plan Last Ten Fiscal Years*	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**	**2014**
Contractually Required Contribution	$ 4,055,636	$ 3,705,628	$ 3,073,293	$ 2,402,053	$ 2,206,623	$ 1,954,193	$ 1,733,196	$ 1,608,061	$ 1,607,344	$ 1,547,917
Contributions in Relation to the Contractually Required Contribution	(4,055,636)	(3,705,628)	(3,073,293)	(2,402,053)	(2,206,623)	(1,954,193)	(1,733,196)	(1,608,061)	(1,607,344)	(1,547,917)
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Authority's Covered Payroll	$44,665,108	$42,034,739	$36,748,296	$34,394,741	$34,143,901	$31,729,648	$ 30,248,671	$28,199,337	$27,229,593	$26,777,717
Contributions as a Percentage of Covered Payroll	9.08%	8.82%	8.36%	6.98%	6.46%	6.16%	5.73%	5.70%	5.90%	5.78%

*The Amounts Presented for Each Fiscal Year were Determined as of September 30.

** Authority's covered payroll represents pensionable wages of all FRS participants in the traditional FRS pension and in the investment plan as of the measurement date. Authority's covered payroll is defined by GASB Statement 82 and applied to 2017 through 2014 for comparative purposes.

Retiree Health Insurance Subsidy Program Last Ten Fiscal Years*	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**	**2014**
Contractually Required Contribution	$ 782,755	$ 694,646	$ 609,936	$ 569,941	$ 566,789	$ 526,712	$ 501,622	$ 468,518	$ 376,752	$ 325,698
Contributions in Relation to the Contractually Required Contribution	(782,755)	(694,646)	(609,936)	(569,941)	(566,789)	(526,712)	(501,622)	(468,518)	(376,752)	(325,698)
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Authority's Covered Payroll	$44,665,108	$42,034,739	$36,748,296	$34,394,741	$34,143,901	$31,729,648	$ 30,248,671	$28,199,337	$27,229,593	$26,777,717
Contributions as a Percentage of Covered Payroll	1.75%	1.65%	1.66%	1.66%	1.66%	1.66%	1.66%	1.66%	1.38%	1.22%

*The Amounts Presented for Each Fiscal Year were Determined as of September 30.

SECTION III

STATISTICAL SECTION
(UNAUDITED)

STATISTICAL SECTION
(UNAUDITED)

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

CONTENTS

STATISTICAL SECTION
(UNAUDITED)

Financial Trends

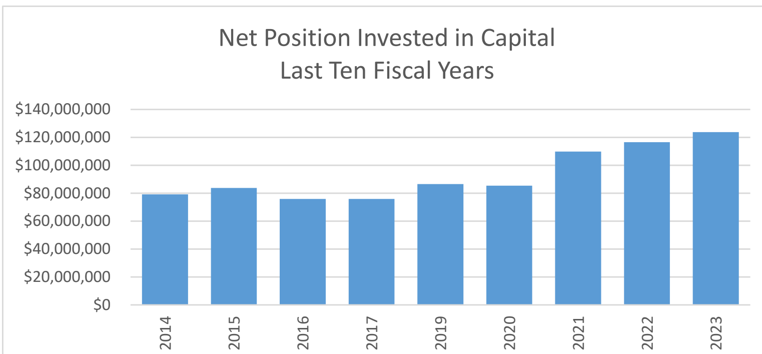
- Net Position by Components (FISCAL YEAR 2014 - FISCAL YEAR 2023)
- Changes in Net Position (FISCAL YEAR 2014 - FISCAL YEAR 2023)
- Revenues by Function/Program (FISCAL YEAR 2014 - FISCAL YEAR 2023)
- Expenses by Function/Program FISCAL YEAR 2014 - FISCAL YEAR 2023)
- Property Tax Revenue by Year (FISCAL YEAR 2014 - FISCAL YEAR 2023)

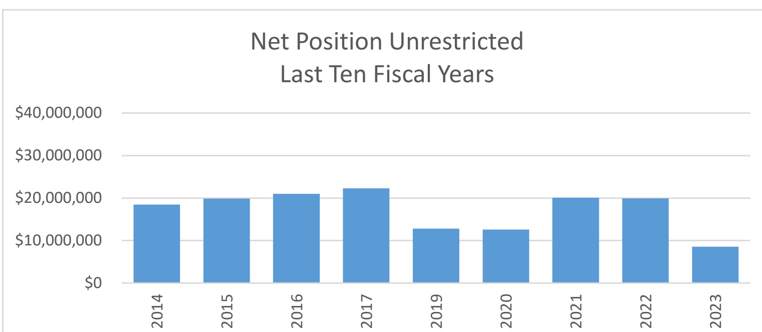
PINELLAS SUNCOAST TRANSIT AUTHORITY

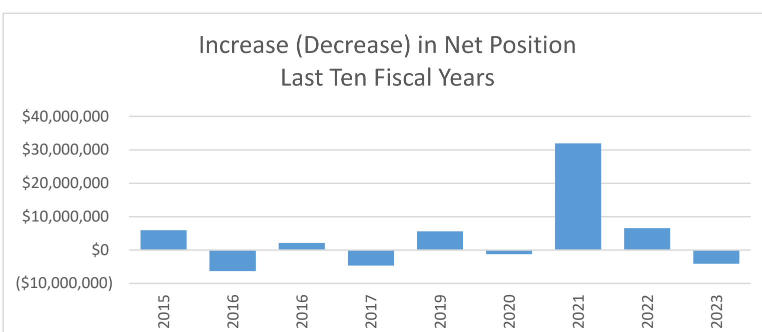
Net Position by Components
Fiscal years 2014 – 2023

	Fiscal Year								
	2014		2015		2016		2017		2018
Business Type Activities									
Net investment in capital assets	$ 79,199,247		$ 83,810,021		$ 76,019,269		$ 75,914,243		$ 75,483,987
Restricted	74,992		13,020		350,630		381,789		55,289
Unrestricted	18,489,859	(1)	19,865,822		20,993,888		22,316,124	(2)	18,383,748
Total net position	$ 97,764,098		$ 103,688,863		$ 97,363,787		$ 98,612,156		$ 93,923,024

	Fiscal Year								
	2019		2020		2021		2022		2023
Business Type Activities							**as restated**		
Net investment in capital assets	$ 86,661,740		$ 85,482,712		$ 109,960,579		$ 116,646,494		$ 123,753,715
Restricted	30,925		159,449		165,935		165,935		239,035
Unrestricted	12,801,579		12,623,921		20,079,013	(3)	19,918,466	(4)	8,570,476
Total net position	$ 99,494,244		$ 98,266,082		$ 130,205,525		$ 136,730,895		$ 132,563,226







(1) Restated to conform to GASB Statement 68.
(2) Restated to conform to GASB Statement 75.
(3) Restated to conform to GASB Statement 87.
(4) Restated to conform to GASB Statement 96.
Note: The statistical section contains "Unaudited" data.

PINELLAS SUNCOAST TRANSIT AUTHORITY

Changes in Net Position

Fiscal years 2014 – 2023

	Fiscal Year				
	2014	2015	2016	2017	2018
Operating revenues:					
Passenger fares	$ 13,585,399	$ 12,194,799	$ 10,791,925	$ 9,535,246	$ 9,473,561
Demand response	1,079,160 (1)	1,143,997	1,197,937	1,303,510	1,501,156
Advertising revenue	248,224	485,359	577,046	582,761	615,234
Total operating revenues	14,912,783	13,824,155	12,566,908	11,421,517	11,589,951
Operating expenses:					
Transportation	33,663,536	34,879,734	33,815,879	36,266,463 (1)	38,570,917
Purchased Transportation	6,846,800 (1)	7,444,573	7,738,429	9,637,695	11,627,971
Maintenance	8,374,708	8,902,528	10,178,517	11,536,994 (1)	11,510,788
Administration and finance	10,767,137	11,465,894	12,192,055	12,921,156 (1)	13,898,829
Marketing	2,591,069	708,839	657,700	819,842 (1)	943,235
Total operating expenses , before depreciation	62,243,250	63,401,568	64,582,580	71,182,150	76,551,740
Operating loss before depreciation	(47,330,467)	(49,577,413)	(52,015,672)	(59,760,633)	(64,961,789)
Depreciation	9,723,423	10,436,619	10,249,547	9,976,763	8,372,047
Operating loss	(57,053,890)	(60,014,032)	(62,265,219)	(69,737,396)	(73,333,836)
Nonoperating revenues:					
Federal maintenance assistance	4,819,162 (1)	5,016,216 (1)	4,979,539 (1)	5,009,268	5,026,849
State operating assistance	4,015,888	4,086,490	4,181,314	4,155,670	4,303,778
Other federal grants	1,946,552 (1)	1,378,600 (1)	935,330 (1)	967,084	1,504,617
Special project assistance - state grants	2,994,467	3,169,227	3,621,648	4,090,853	5,022,559
Special project assistance - local grants	833,222	873,441	922,275	1,174,823	1,282,808
Property tax revenues, net	33,365,462	35,592,336	38,166,312	41,607,265	45,389,030
Investment income	55,618	193,039	250,882	435,080	809,788
Fuel tax refunds	613,721	649,202	641,838	630,827	636,416
Other, net	67,955	(14,055)	313,578	(104,959)	228,008
Total nonoperating revenues	48,712,047	50,944,496	54,012,716	57,965,911	64,203,853
(Loss) income before capital grants and special item	(8,341,843)	(9,069,536)	(8,252,503)	(11,771,485)	(9,129,983)
Capital grants and other related revenues	1,052,867	14,994,301	1,918,427	13,863,703	3,764,851
Contributed capital - local government	100,000	-	9,000	9,000	637,254
Contributed capital - private sources	-	-	-	23,320	38,746
					38,746
Increase (decrease) in net position	(7,288,976)	5,924,765	(6,325,076)	2,124,538	(4,689,132)
Net position, beginning of year	104,953,074 (2)	97,764,098	103,688,863	96,487,618 (3)	98,612,156
Net position, end of year	$ 97,664,098	$ 103,688,863	$ 97,363,787	$ 98,612,156	$ 93,923,024

(1) This has been reclassified to conform to current year's classifications.
(2) This has been restated to conform to GASB Statements 68 and 71.
(3) This has been restated to conform to GASB Statement 75.

Note: The statistical section contains "Unaudited" data.

PINELLAS SUNCOAST TRANSIT AUTHORITY

Changes in Net Position

Fiscal years 2014 – 2023

	Fiscal Year							
	2019	2020	2021		2022		2023	
Operating revenues:								
Passenger fares	$ 9,129,892	$ 4,165,445	$ 626,777		$ 6,321,793		$ 6,593,371	
Demand response	1,533,743	677,032	180,781		889,677		1,334,171	
Advertising revenue	660,371	779,180	754,476	(4)	1,049,955		420,102	
Total operating revenues	11,324,006	5,621,657	1,562,034		8,261,425		8,347,644	
Operating expenses:								
Transportation	42,873,233	42,631,142	39,651,013		49,054,428		59,472,711	
Purchased Transportation	12,123,292	10,538,164	13,628,375		17,898,938		20,734,458	
Maintenance	12,203,763	12,759,510	11,807,092		12,531,630		15,863,349	
Administration and finance	16,682,258	17,389,460	17,453,136		20,552,308	(5)	24,747,615	
Marketing	852,508	1,120,625	1,132,349		1,693,871		2,140,547	
Total operating expenses , before depreciation	84,735,054	84,438,901	83,671,965		101,731,175		122,958,680	
Operating loss before depreciation	(73,411,048)	(78,817,244)	(82,109,931)		(93,469,750)		(114,611,036)	
Depreciation	8,984,115	8,725,291	8,431,424		9,352,957		10,498,097	
Amortization	-	-	-		366,570	(5)	763,616	
Total depreciation and amortization	8,984,115	8,725,291	8,431,424		9,719,527		11,261,713	
Operating loss	(82,395,163)	(87,542,536)	(90,541,355)		(103,189,277)		(125,872,749)	
Nonoperating revenues (expenses):								
Federal maintenance assistance	4,975,583	4,571,923	-		-		721	
State operating assistance	4,322,748	4,709,570	12,712		5,232,327		3,784,640	
Other federal grants	2,618,763	12,515,684	32,124,814		24,233,383		21,185,941	
Special project assistance - state grants	5,784,028	4,448,877	2,772,187		3,094,554		5,848,944	
Special project assistance - local grants	1,715,148	1,412,272	1,496,558		1,621,921		1,642,233	
Property tax revenues, net	49,113,559	53,031,249	57,112,617		61,276,418		69,583,333	
Investment income	1,114,257	874,486	181,694		336,922		2,170,851	
Fuel tax refunds	644,668	580,645	626,176		655,823	(5)	718,992	
Other, net	(210,359)	90,453	349,866	(4)	111,833	(5)	497,088	
Total nonoperating revenues	70,078,395	82,235,159	94,676,624		96,563,181		105,432,743	
(Loss) income before capital grants and special item	(12,316,768)	(5,307,377)	4,135,269		(6,626,096)	(5)	(20,440,006)	
Capital grants and other related revenues	17,263,244	3,379,540	25,929,002		11,415,708		16,089,019	
Contributed capital - local government	532,825	690,790	1,875,172		1,735,758		183,318	
Contributed capital - private sources	91,919	8,884	-		-		-	
Increase (decrease) in net position	5,571,220	(1,228,162)	31,939,443		6,525,370	(5)	(4,167,669)	
Net position, beginning of year	93,923,024	99,494,244	98,266,082		130,205,525		136,730,895	
Net position, end of year	$ 99,494,244	$ 98,266,082	$ 130,205,525		$ 136,730,895		$ 132,563,226	

(1) This has been reclassified to conform to current year's presentation.
(2) This has been restated to conform to GASB Statements 68 and 71.
(3) This has been restated to conform to GASB Statement 75.
(4) This has been restated to conform to GASB Statement 87.
(5) This has been restated to conform to GASB Statement 96.
Note: The statistical section contains "Unaudited" data.

PINELLAS SUNCOAST TRANSIT AUTHORITY

Revenues by Function/Program
Last Ten Fiscal years

Fiscal years 2014 - 2023

	Fiscal Year				
	2014	**2015**	**2016**	**2017**	**2018**
Operating revenues:					
Passenger fares	$ 13,585,399	$ 12,194,799	$ 10,791,925	$ 9,535,246	$ 9,473,561
Demand response	1,079,160 (1)	1,143,997	1,197,937	1,303,510	1,501,156
Advertising revenue	248,224	485,359	577,046	582,761	615,234
Total operating revenues	14,912,783	13,824,155	12,566,908	11,421,517	11,589,951
Nonoperating revenues:					
Federal maintenance assistance	4,819,162 (1)	5,016,216 (1)	4,979,539 (1)	5,009,268	5,026,849
State operating assistance	4,015,888	4,086,490	4,181,314	4,155,670	4,303,778
Other federal grants	1,946,552 (1)	1,378,600 (1)	935,330 (1)	967,084	1,504,617
Special project assistance - state grants	2,994,467	3,169,227	3,621,648	4,090,853	5,022,559
Special project assistance - local grants	833,222	873,441	922,275	1,174,823	1,282,808
Property tax revenues, net	33,365,462	35,592,336	38,166,312	41,607,265	45,389,030
Investment income	55,618	193,039	250,882	435,080	809,788
Fuel tax refunds	613,721	649,202	641,838	630,827	636,416
Other, net	67,955	(14,055)	313,578	(104,959)	228,008
Total nonoperating revenues	48,712,047	50,944,496	54,012,716	57,965,911	64,203,853
Capital grants and other related revenues	1,052,867	14,994,301	1,918,427	13,863,703	3,764,851
Contributed capital - local government	100,000	-	9,000	9,000	637,254
Contributed capital - private sources	-	-	-	23,320	38,746
Total all revenues	$ 64,777,697	$ 79,762,952	$ 68,507,051	$ 83,283,451	$ 80,234,655

	Fiscal Year				
	2019	**2020**	**2021**	**2022**	**2023**
Operating revenues:					
Passenger fares	$ 9,129,892	$ 4,165,445	$ 626,777	$ 6,321,793	$ 6,593,371
Demand response	1,533,743	677,032	180,781	$ 889,677	$ 1,334,171
Advertising revenue	660,371	779,180	754,476 (2)	$ 1,049,955	$ 420,102
Total operating revenues	11,324,006	5,621,657	1,562,034	$ 8,261,425	8,347,644
Nonoperating revenues (expenses):					
Federal maintenance assistance	4,975,583	4,571,923	-	-	721
State operating assistance	4,322,748	4,709,570	12,712	$ 5,232,327	3,784,640
Other federal grants	2,618,763	12,515,684	32,124,814	$ 24,233,383	21,185,941
Special project assistance - state grants	5,784,028	4,448,877	2,772,187	$ 3,094,554	5,848,944
Special project assistance - local grants	1,715,148	1,412,272	1,496,558	$ 1,621,921	1,642,233
Property tax revenues, net	49,113,559	53,031,249	57,112,617	$ 61,276,418	69,583,333
Investment income	1,114,257	874,486	181,694	$ 336,922	2,170,851
Fuel tax refunds	644,668	580,645	626,176	$ 655,823	718,992
Other, net	(210,359)	90,453	349,866 (2)	$ 111,833 (3)	497,088
Total nonoperating revenues	70,078,395	82,235,159	94,676,624	$ 96,563,181	105,432,743
Capital grants and other related revenues	17,263,244	3,379,540	25,929,002	11,415,708	16,089,019
Contributed capital - local government	532,825	690,790	1,875,172	1,735,758	183,318
Contributed capital - private sources	91,919	8,884	-	-	-
Total all revenues	$ 99,290,389	$ 91,936,030	$ 124,042,832	$ 117,976,072	$ 130,052,724

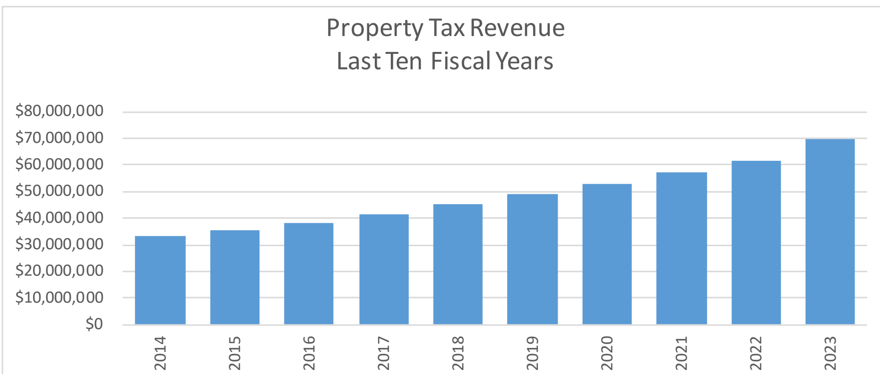
(1) This has been reclassified to conform to current year's classifications.
(2) This has been restated to conform to GASB Statement 87.
(3) This has been restated to conform to GASB Statement 96.

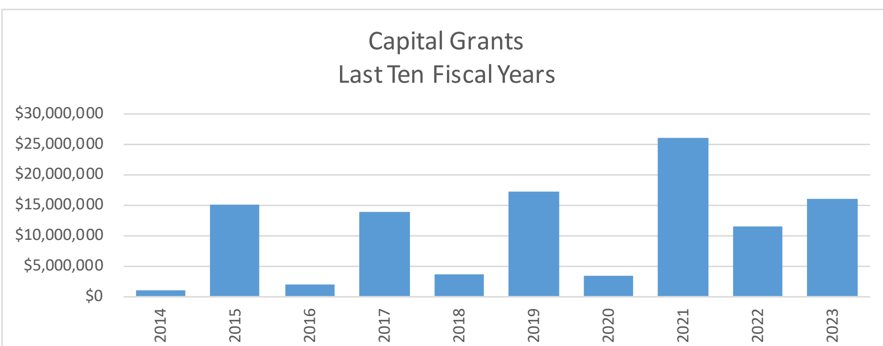
Note: The statistical section contains "Unaudited" data.

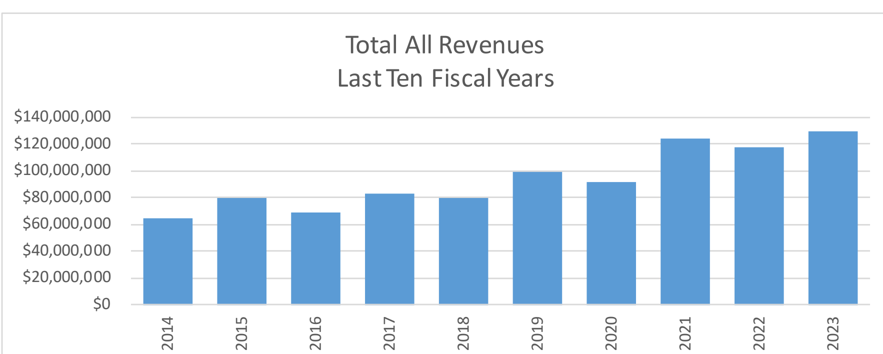
PINELLAS SUNCOAST TRANSIT AUTHORITY

Revenues by Function/Program
Last Ten Fiscal years

Fiscal years 2014 - 2023







(a) In FY 2020, due to the COVID-19 pandemic, PSTA stopped charging fares that were reinstated in July 2021.
Note: The statistical section contains "Unaudited" data.

PINELLAS SUNCOAST TRANSIT AUTHORITY

Expenses by Function/Program
Last Ten Fiscal years

Fiscal years 2014 – 2023

	Fiscal Year				
	2014	2015	2016	2017	2018
Operating expenses:					
Transportation	$ 33,663,536	$ 34,879,734	$ 33,815,879	$ 36,266,463 (1)	$ 38,570,917 (1)
Purchased Transportation	6,846,800 (1)	7,444,573	7,738,429	9,637,695	11,627,971
Maintenance	8,374,708	8,902,528	10,178,517	11,536,994 (1)	11,510,788 (1)
Administration and finance	10,767,137	11,465,894	12,192,055	12,921,156 (1)	13,898,829 (1)
Marketing	2,591,069	708,839	657,700	819,842 (1)	943,235 (1)
Total operating expenses, before depreciation	62,243,250	63,401,568	64,582,580	71,182,150	76,551,740
Depreciation	9,723,423	10,436,619	10,249,547	9,976,763	8,372,047
Amortization	-	-	-	-	-
Total depreciation and amortization	9,723,423	10,436,619	10,249,547	9,976,763	8,372,047
Total all expenses	$ 71,966,673	$ 73,838,187	$ 74,832,127	$ 81,158,913	$ 84,923,787

	Fiscal Year				
	2019	2020	2021	2022	2023
Operating expenses:					
Transportation	$ 42,873,233	42,631,142	39,651,013	49,054,428	59,472,711
Purchased Transportation	12,123,292	10,538,164	13,628,375	17,898,938	20,734,458
Maintenance	12,203,763	12,759,510	11,807,092	12,531,630	15,863,349
Administration and finance	16,682,258	17,389,460	17,453,136	20,552,308	24,747,615
Marketing	852,508	1,120,625	1,132,349	1,693,871	2,140,547
Total operating expenses, before depreciation	84,735,054	84,438,901	83,671,965	101,731,175	122,958,680
Depreciation	8,984,115	8,725,291	8,431,424	9,352,957	10,498,097
Amortization	-	-	-	366,570	763,616
Total depreciation and amortization	8,984,115	8,725,291	8,431,424	9,719,527	11,261,713
Total all expenses	$ 93,719,169	$ 93,164,192	$ 92,103,389	$ 111,450,702	$ 134,220,393

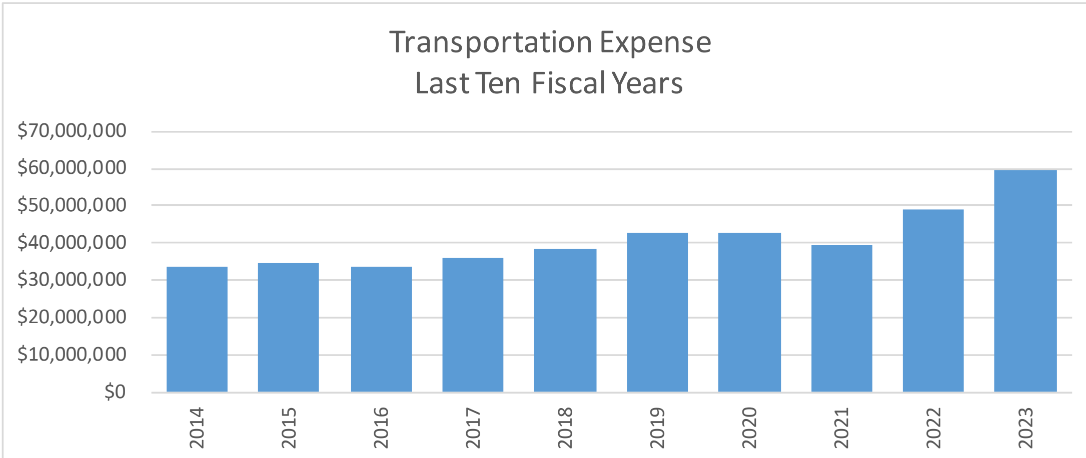
(1) This has been reclassified to conform to current year's classifications.

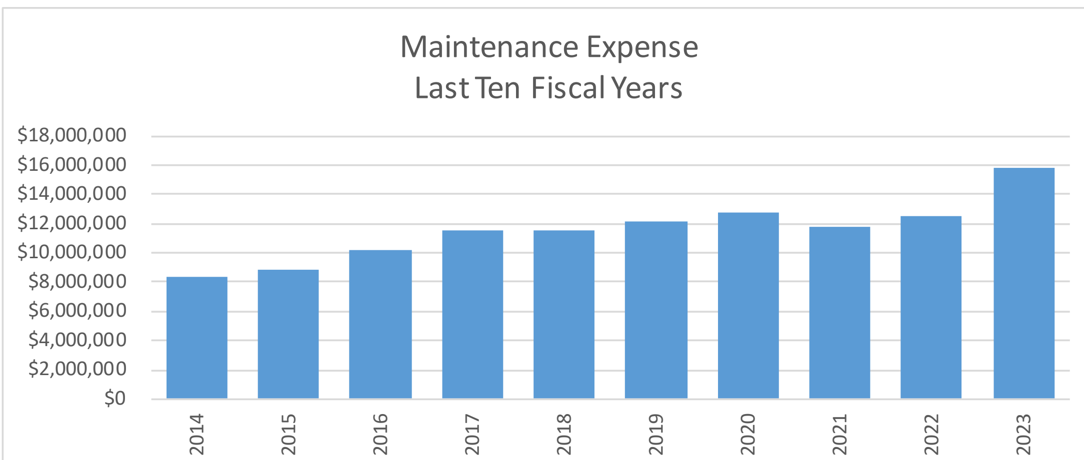
Note: The statistical section contains "Unaudited" data.

PINELLAS SUNCOAST TRANSIT AUTHORITY

Expenses by Function/Program
Last Ten Fiscal years

Fiscal years 2014 – 2023



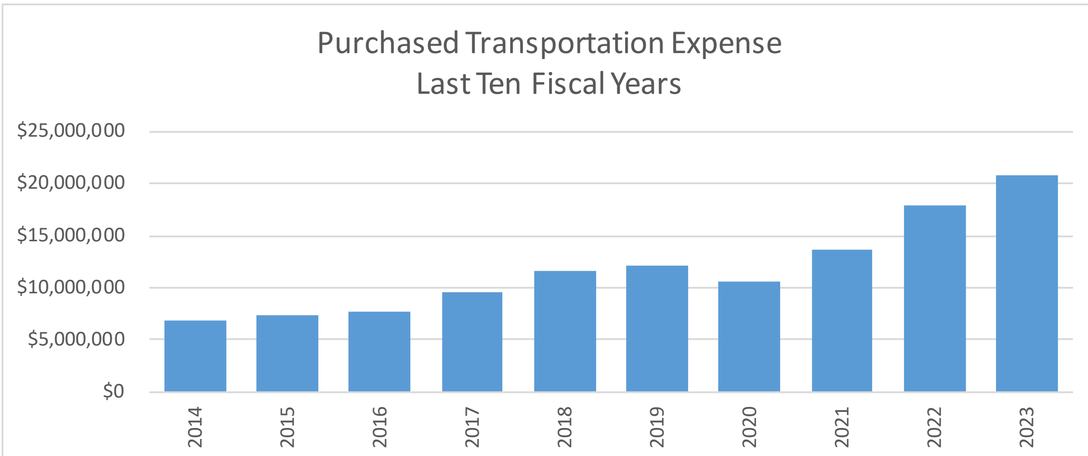


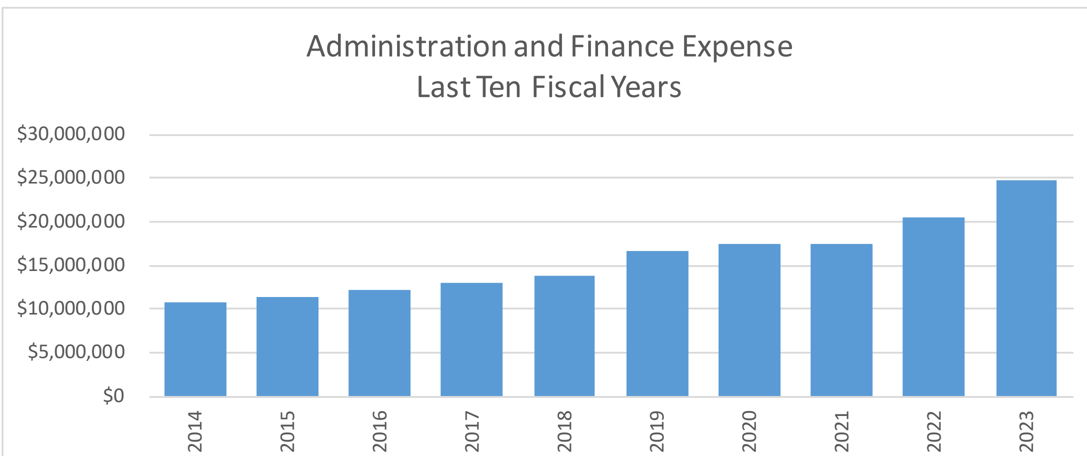
Note: The statistical section contains "Unaudited" data.

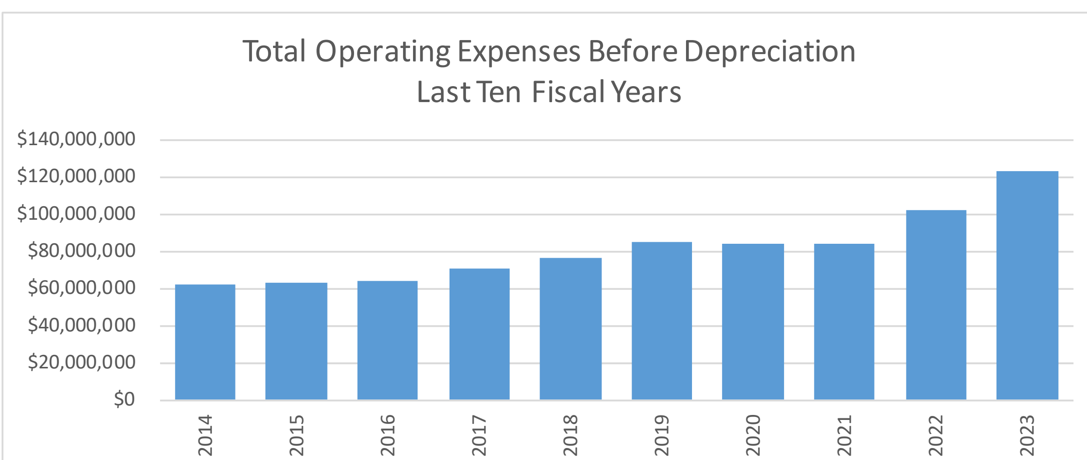
PINELLAS SUNCOAST TRANSIT AUTHORITY

Expenses by Function/Program
Last Ten Fiscal years

Fiscal years 2014 – 2023







Note: The statistical section contains "Unaudited" data.

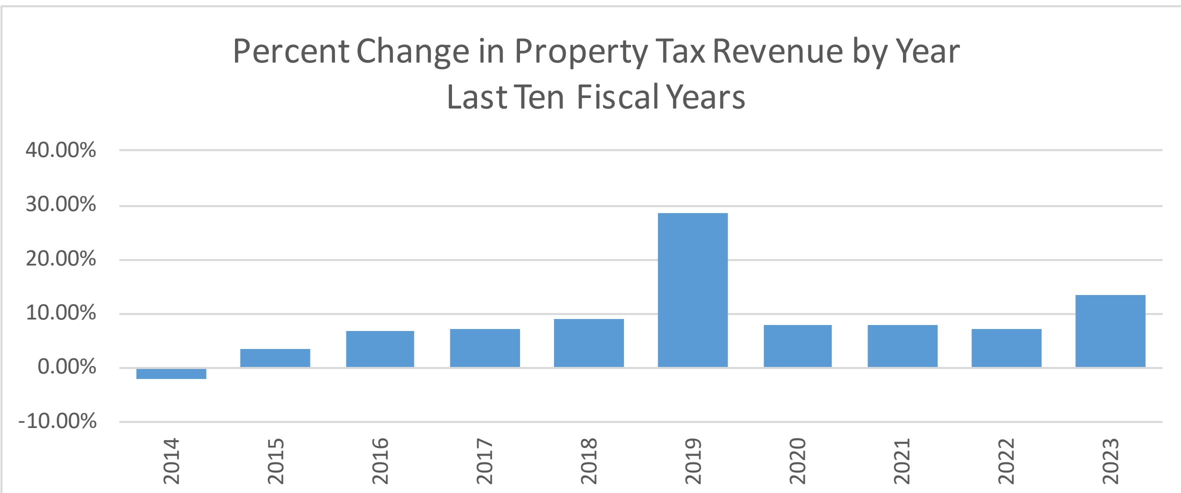
PINELLAS SUNCOAST TRANSIT AUTHORITY

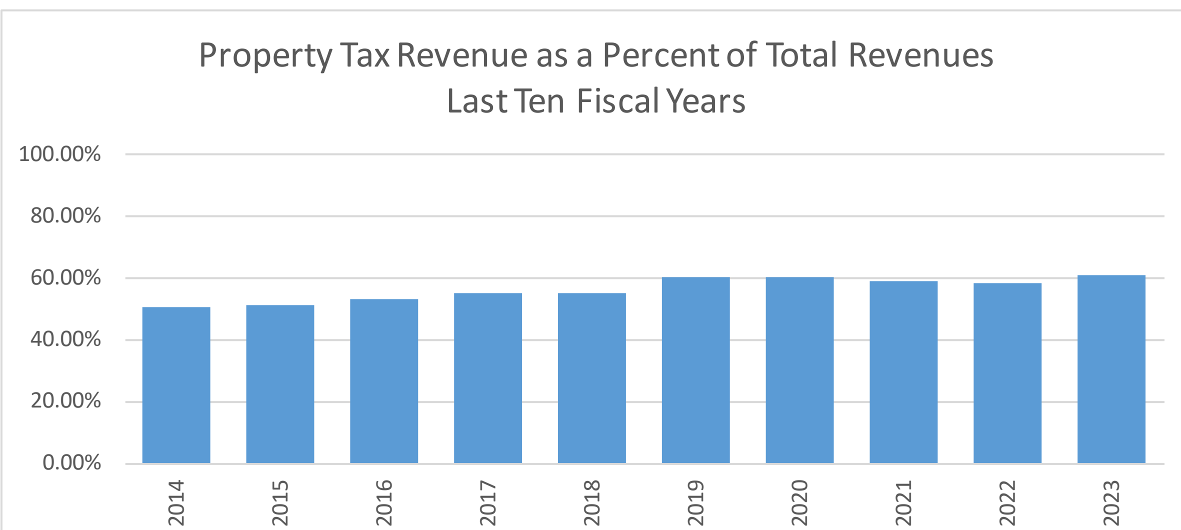
Property Tax Revenue by Year
Last Ten Fiscal years

Fiscal years 2014 – 2023

Fiscal Year	Property Tax Dollars	Percent Change	Total Revenues *	Percent of Total	Millage Rate
2014	32,282,955	-2.20%	63,596,292	50.76%	0.7305
2015	33,365,462	3.35%	64,768,651	51.51%	0.7305
2016	35,592,336	6.67%	66,579,624	53.46%	0.7305
2017	38,166,312	7.23%	69,387,428	55.00%	0.7305
2018	41,607,265	9.02%	75,793,804	54.90%	0.7500
2019	49,113,559	28.68%	81,402,401	60.33%	0.7500
2020	53,031,249	7.98%	87,856,815	60.36%	0.7500
2021	57,112,617	7.70%	96,238,658	59.34%	0.7500
2022	61,276,418	7.29%	104,858,079	58.44%	0.7500
2023	69,583,333	13.56%	113,780,387	61.16%	0.7500

* excludes capital grants and contributed capital.





Note: The statistical section contains "Unaudited" data.

STATISTICAL SECTION
(UNAUDITED)

Revenue Capacity

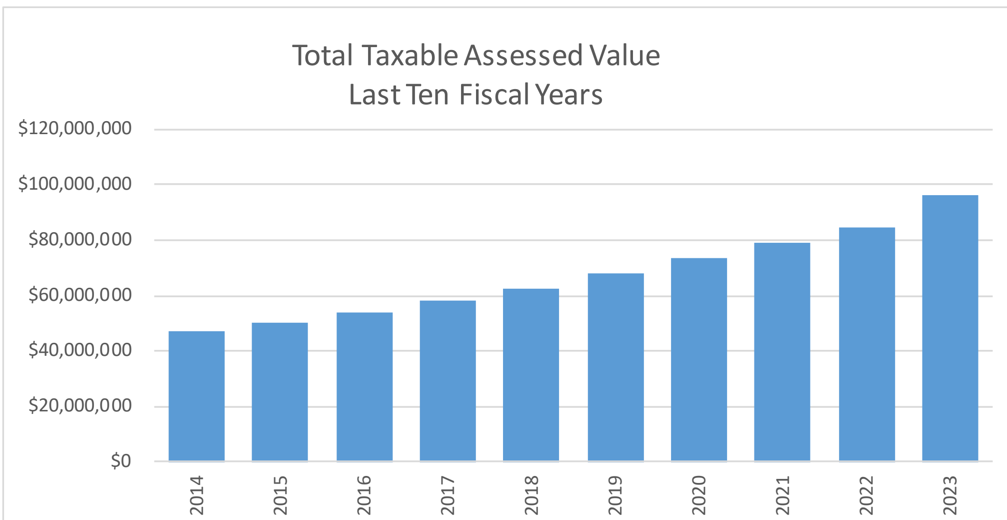
- Taxable Assessed Value and Estimated Actual Value of Taxable Property (FISCAL YEAR 2014 – FISCAL YEAR 2023)
- Direct and Overlapping Property Tax Rates (FISCAL YEAR 2014 – FISCAL YEAR 2023)
- Principal Property Taxpayers (FISCAL YEAR 2014 – FISCAL YEAR 2023)
- Property Tax Levies and Collections (FISCAL YEAR 2014 – FISCAL YEAR 2023)
- Farebox Recovery Percentage (FISCAL YEAR 2014 – FISCAL YEAR 2023)

PINELLAS SUNCOAST TRANSIT AUTHORITY

Taxable Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal years
(Dollars in Thousands)

Fiscal years 2014 - 2023

	Estimated Actual Value (a)				
Fiscal Year	Real Property	Assessed Property (b)	Exemptions (c)	Total Taxable Assessed Value	Total Direct Tax Rate (d)
2014	67,950,230	6,263	20,785,617	47,170,876	0.7305
2015	75,375,232	6,506	25,059,878	50,321,860	0.7305
2016	82,866,812	6,957	29,015,580	53,858,189	0.7305
2017	75,953,105	7,171	17,975,184	57,977,920	0.7500
2018	97,076,057	6,603	18,426,193	62,614,865	0.7500
2019	105,263,104	6,365	19,023,798	67,812,395	0.7500
2020	113,238,615	6,977	19,885,584	73,238,574	0.7500
2021	121,569,525	7,791	20,981,592	78,921,348	0.7500
2022	133,476,264	7,982	22,162,107	84,742,423	0.7500
2023	164,867,166	8,678	23,504,540	96,206,905	0.7500



Source: Pinellas County Property Appraiser's Forms DR-403CC, DR-403V, DR-403AM and DR-403AC.

(a) Section 192.001(2), Florida Statutes, defines assessed value of property as "an annual determination of the just or fair market of item or property…." Therefore, grossed assessed value is "Estimated Actual Value." Assessed value is estimated and adjusted annually with a physical inspection every third year.

(b) Centrally assessed property is property that is assessed by the State of Florida rather than by the Property Appraiser since the property is located in more than one county. Real Property only included.

(c) Exemptions are provided for agricultural, government, institutional and historic preservation property. Exemptions available solely to residential property include, but are not limited to, widows/widowers, disabled/blind, $50,000 homestead and homestead differential (capped).

(d) Total Direct Rate is the average of the direct rates levied (taxes levied to total taxable value). PSTA levies taxes only on real property within the PSTA's geographic area.

Note: The statistical section contains "Unaudited" data.

PINELLAS SUNCOAST TRANSIT AUTHORITY

Direct and Overlapping Property Tax Rates (a)
Last Ten Fiscal years
(In Mills, Per $1,000 of Assessed Value)

Fiscal years 2014 - 2023

	Direct Rates (a)			Overlapping Rates (b)					
								Municipalities	
Fiscal Year	Basic Rate	Total Direct Rate	PSTA Maximum Allowed Rate	County Board Rate	School Board Rate	Emergency Medical Service	Others District Rate (c)	Lowest	Highest
2014	0.7305	0.7305	0.7500	5.2755	8.0600	0.9158	1.2959	0.7511	6.7700
2015	0.7305	0.7305	0.7500	5.2755	7.8410	0.9158	1.2799	0.7511	6.7700
2016	0.7305	0.7305	0.7500	5.2755	7.7700	0.9158	1.2629	0.7283	6.7700
2017	0.7500	0.7500	0.7500	5.3377	7.3180	0.9158	1.2448	0.7294	6.7550
2018	0.7500	0.7500	0.7500	5.2755	7.0090	0.9158	1.2262	0.6594	6.7550
2019	0.7500	0.7500	0.7500	5.2755	6.7270	0.9158	1.2015	0.6737	6.7550
2020	0.7500	0.7500	0.7500	5.2755	6.5840	0.9158	1.1932	0.6350	6.7550
2021	0.7500	0.7500	0.7500	5.2755	6.4270	0.9158	1.1800	0.5823	6.7550
2022	0.7500	0.7500	0.7500	5.1302	6.3250	0.9158	1.1666	0.5450	6.6550
2023	0.7500	0.7500	0.7500	4.7398	5.9630	0.8775	1.0978	0.5959	6.6525

Source: Pinellas County Tax Collector

(a) Direct rates support the ad valorem revenue base recognized by PSTA.

(b) Overlapping rates are those rates levied by other local governments who overlap PSTA's geographic area.

(c) Other Districts includes Pinellas County Planning Council 0.0150; Juvenile Welfare Board 0.8981;
SW Florida Water Management District 0.2669.

Note: The statistical section contains "Unaudited" data.

PINELLAS SUNCOAST TRANSIT AUTHORITY

Principal Property Taxpayers
Fiscal year 2023 and Nine Years Ago

		2023		2014	
Taxpayer	Business	Taxable Assessed Value	Percentage of Total PSTA Taxable Assessed Value	Taxable Assessed Value	Percentage of Total PSTA Taxable Assessed Value
Publix Super Markets Inc.	Grocery	$ 164,884,063	0.17%	$ 92,205,763	0.20%
Wal-Mart Stores East LP	Retail Stores	141,534,036	0.15%	100,221,222	0.21%
Wyndham Vacation Resorts Inc.	Real Estate	127,200,000	0.13%		
Camden Central LLC	Real Estate	127,000,000	0.13%		
Camden Usa Inc	Real Estate	124,551,977	0.13%		
James, Raymond & Assoc Inc	Financial Services	121,441,981	0.13%	83,319,537	0.18%
Duke Energy Florida, Inc.	Electric Utility	118,256,030	0.12%	80,682,039	0.17%
Lansbrook Village Owner FL LLC	Real Estate	116,478,181	0.12%		
Lurin Real Estate Holdings XLII	Real Estate	106,240,000	0.11%		
4TH ST S RESIDENCES II LLC	Hospitality	103,873,387	0.11%		
Bellwether Properties FLA	Real Estate			142,630,438	0.30%
De Bartolo Capital PTNSHP	Retail Mall			121,950,000	0.26%
Bayfront HMA Medical Center	Healthcare			72,917,760	0.15%
USA Fed National Mtg Assoc.	Government			64,540,609	0.14%
301 South Gulfview LLC	Real Estate			62,540,609	0.13%
Pinellas County	Government			55,205,583	0.12%
		$ 1,251,459,655	1.30%	$ 876,213,560	1.86%
Total Taxable Assessed Value		$ 96,206,905,000		$ 47,170,876,000	

Source: Pinellas County Property Appraiser

Methodology: Top ten taxpayers identified for Real Property only.

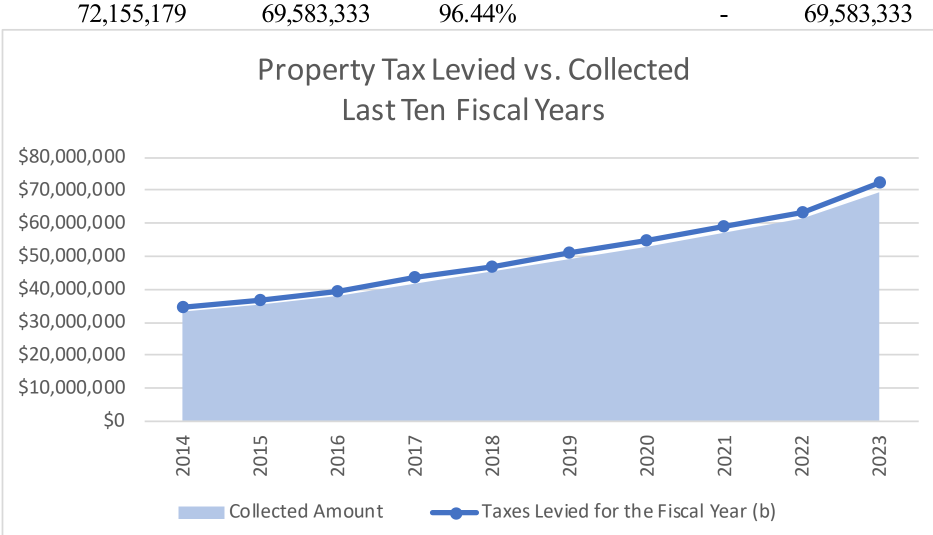
Note: The statistical section contains "Unaudited" data.

PINELLAS SUNCOAST TRANSIT AUTHORITY

Property Tax Levies and Collections
Last Ten Fiscal years

Fiscal years 2014 - 2023

		Collected Within the Fiscal Year of Levy (a)			Total Collections to Date	
Fiscal Year	Taxes Levied for the Fiscal Year (b)	Collected Amount	Percentage of Levy	Collections in Subsequent Years (c)	Amount	Percentage of Levy
2014	34,458,263	33,312,967	96.68%	33,011	33,345,978	96.77%
2015	36,760,049	35,559,325	96.73%	88,692	35,648,017	96.97%
2016	39,343,407	38,077,620	96.78%	148,565	38,226,184	97.16%
2017	43,549,763	41,954,890	96.34%	84,224	42,039,114	96.53%
2018	46,961,234	45,304,807	96.47%	41,325	45,346,132	96.56%
2019	50,950,610	49,072,233	96.31%	69,291	49,141,524	96.45%
2020	54,929,012	52,961,958	96.42%	31,147	52,993,105	96.48%
2021	59,191,099	57,081,470	96.44%	-	57,081,470	96.44%
2022	63,556,817	61,276,418	96.41%	-	61,276,418	96.41%
2023	72,155,179	69,583,333	96.44%	-	69,583,333	96.44%



Source: Pinellas County Tax Collector's Form DR-502.

(a) Section 197.162, Florida Statutes, provide a 1% per month discount up to 4% for payments between November and February. Taxes collected after July 1st are categorized as delinquent.

(b) This is the revenue to be generated based on PSTA's direct rates; see "Direct and Overlapping Property Tax Rates" chart of annual financial report.

(c) All delinquent tax collections received during the year are applied to Collections Amount the year prior to collection, regardless of the year in which the taxes were originally levied. Therefore this may result in the Percentage of Levy in Total Collections to be greater than 100%.

Delinquent taxes by levy year are not available.

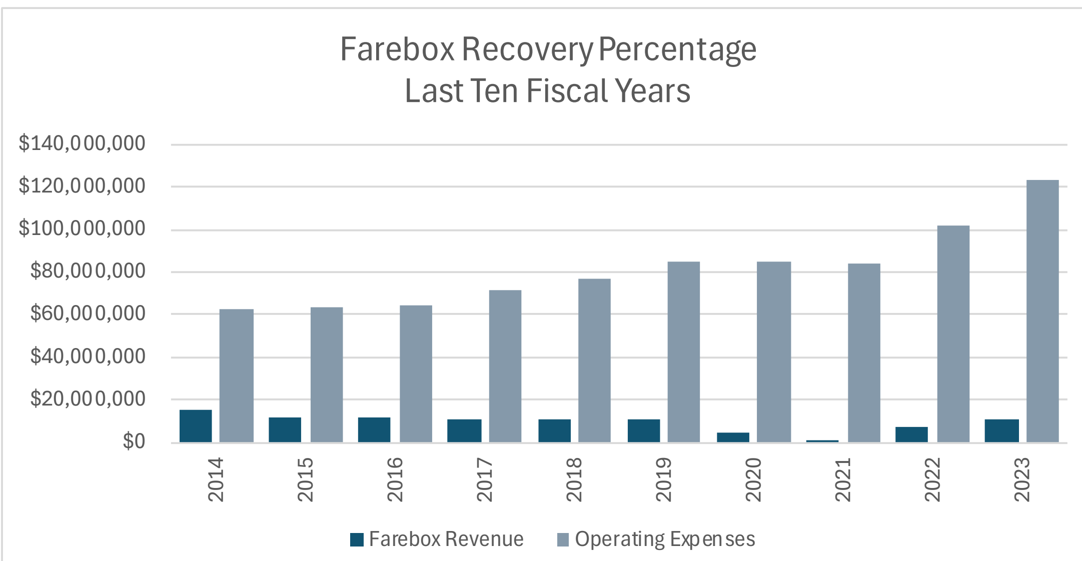
Note: The statistical section contains "Unaudited" data.

PINELLAS SUNCOAST TRANSIT AUTHORITY

Farebox Recovery Percentage
Last Ten Fiscal years

Fiscal years 2014 – 2023

Fiscal Year		Farebox Revenue	Percent Change	Operating Expenses (a)	Percent Change	Farebox Recovery
2014		14,912,783	-4.50%	62,243,250	2.71%	23.96%
2015		11,338,796	-23.97%	63,401,568	1.86%	17.88%
2016		11,989,862	5.74%	64,582,580	1.86%	18.57%
2017		10,838,756	-9.60%	71,182,150	10.22%	15.23%
2018		10,974,717	1.25%	76,551,740	7.54%	14.34%
2019		10,663,635	-2.83%	84,735,054	10.69%	12.58%
2020	(b)	4,842,477	-54.59%	84,438,901	-0.35%	5.73%
2021	(b)	807,558	-83.32%	83,671,965	-0.91%	0.97%
2022		7,211,470	769.78%	101,731,175	21.99%	7.09%
2023	(c)	10,538,377	46.13%	122,958,680	20.87%	8.57%



(a) Excludes depreciation and amortization.
(b) Passenger fares were not collected for half of FY 2020 and almost all of FY 2021 due to the COVID-19 Pandemic.
(c) PSTA is adding fare revenue from State Assistance for Transportation Disadvantaged and City of St. Petersburg for the Central Avenue Trolley.
Note: The statistical section contains "Unaudited" data.

STATISTICAL SECTION
(UNAUDITED)

Demographic and Economic Information

- Demographic and Economic Statistics (FISCAL YEAR 2014 – FISCAL YEAR 2023)
- Principal Employers (FISCAL YEAR 2014 and FISCAL YEAR 2023)

PINELLAS SUNCOAST TRANSIT AUTHORITY

Demographics, Population and Economic Statistics
Last Ten Fiscal years

Fiscal years 2014 - 2023

Fiscal Year	Population (a)	Personal Income (dollars in thousands) (b)	Per Capita Personal Income (b)	School Enrollment (c)	Unemployment Rate (d)
2023	978,777	N/A **(e)**	N/A **(e)**	93,702	3.00%
2022	969,491	66,015,819	68,093	95,446	2.4%
2021	964,490	63,075,440	65,398	96,068	3.6%
2020	984,925	58,480,515	59,376	99,798	6.6%
2019	978,045	55,296,982	56,538	101,427	2.7%
2018	970,532	52,075,175	53,656	100,948	3.0%
2017	962,003	49,762,378	51,728	102,181	3.1%
2016	954,569	46,912,934	49,146	103,242	4.4%
2015	944,971	45,637,022	48,295	103,779	4.7%
2014	933,258	43,290,210	46,386	104,104	6.2%

(a) Source: Bureau of Economic & Business Research, University of Florida (2014-2023). Data available at

(b) Source: Bureau of Economic Analysis, U.S. Department of Commerce (2014-2023).

(c) Source: Florida Department of Education.

(d) Source: U.S. Department of Labor, September annually (not seasonally adjusted).

(e) Information not available.

Note: The statistical section contains "Unaudited" data.

Principal Employers
FISCAL YEAR 2023 and Nine Years Ago

Employer	2023 (a) Employees	2023 (a) Rank	2023 (a) Percentage of Total County Employment	2014 (a) Employees	2014 (a) Rank	2014 (a) Percentage of Total County Employment
BayCare	14,300	1	2.65%			
Pinellas County School Board	11,800	2	2.19%	15,928	1	4.01%
Publix	7,500	3	1.39%			
Pinellas County Government	6,000	4	1.11%			
U.S. Dept. of Veterans Administration	4,900	5	0.91%	4,406	2	1.11%
Walmart	4,800	6	0.89%	2,475		0.62%
Raymond James Financial	3,800	7	0.70%	3,112	8	0.78%
City of St. Petersburg	3,800	8	0.70%	2,950	3	0.74%
John Hopkins All Children's Hospital	3,600	9	0.67%		4	
HCA Florida Healthcare	3,500	10	0.65%	2,744		0.69%
St. Petersburg College				2,693	5	0.68%
Pinellas County Sheriff				2,525	6	0.64%
Morton Plant Hospital				2,150	7	0.54%
Home Shopping Network				2,050	9	0.52%
Mease Hospital	539,439				10	
				396,809		

(a) Source: Pinellas County Clerk of the Circuit Court and Comptroller

Note: The statistical section contains "Unaudited" data.

STATISTICAL SECTION
(UNAUDITED)

Operating Information

- Service Effort and Accomplishments (FISCAL YEAR 2014 – FISCAL YEAR 2023)
- Unlinked Passenger Changes (FISCAL YEAR 2014 – FISCAL YEAR 2023)
- Vehicles Available for Annual Maximum Service (FISCAL YEAR 2014 – FISCAL YEAR 2023)
- Budgeted Number of Employees (FISCAL YEAR 2014 – FISCAL YEAR 2023)
- Miscellaneous Statistical Data (FISCAL YEAR 2014 – FISCAL YEAR 2023)

PINELLAS SUNCOAST TRANSIT AUTHORITY

Service Effort and Accomplishments Per Mile
Represents Total PSTA Service
Last Ten Fiscal years

Fiscal years 2014 - 2023

Fiscal Year		Revenue Vehicle Miles	Percent of Change		Revenue Vehicle Hours	Percent of Change	
2014		12,039,102	0.55%		744,278	0.36%	
2015		12,308,272	2.24%		745,879	0.22%	
2016		11,793,761	-4.18%		725,525	-2.73%	
2017		14,045,889	19.10%	(b)	922,578	27.16%	(b)
2018		12,941,983	-7.86%		943,788	2.30%	
2019		13,725,641	6.06%		1,018,979	7.97%	
2020		12,183,561	-11.24%	(c)	874,319	-14.20%	(c)
2021		12,597,094	3.39%		893,772	2.22%	
2022		11,964,864	-5.02%	(d)	847,146	-5.22%	(d)
2023	(a)	13,369,707	11.74%		919,029	8.49%	

Source: PSTA

All data includes directly operated, SunRunner BRT, purchased bus service and demand response service.

(a) SunRunner Bus Rapid Transit (BRT) service started in October 2022.
(b) In Fiscal Year 2017 Privatized Paratransit Services increased significantly by 2.8 Million miles and related service hours.
(c) The decrease is due to the COVID-19 pandemic and reduced service.
(d) The decrease is due to resuming fares starting in July 2021.

Note: The statistical section contains "Unaudited" data.

PINELLAS SUNCOAST TRANSIT AUTHORITY

Unlinked Passenger Changes
Represents Total PSTA Service
Last Ten Fiscal years

Fiscal years 2014 - 2023

Fiscal Year	Total Unlinked Passenger Trips (a)		Percent of Change
2014	14,503,728		0.25%
2015	14,899,026		2.73%
2016	13,384,430		-10.17%
2017	12,451,908		-6.97%
2018	11,962,376		-3.93%
2019	13,668,937		14.27%
2020	10,985,210	(b)	-19.63%
2021	10,219,195		-6.97%
2022	8,830,758	(c)	-13.59%
2023	10,489,671	(d)	18.79%

Source: PSTA

(a) Unlinked Passenger Trips: Number of passengers who board public transportation vehicles. Passengers are counted each time they board vehicles no matter how many vehicles they use to travel from their origin to their destination.
(b) The decrease is due to the COVID-19 pandemic and reduced service.
(c) The decrease is due to resuming fares starting in July 2021.
(d) SunRunner Bus Rapid Transit (BRT) service started in October 2022. BRT service operated free fares for its first year of service.

Note: The statistical section contains "Unaudited" data.
Note: All bus data includes directly operated including SunRunner BRT and purchased bus service.

PINELLAS SUNCOAST TRANSIT AUTHORITY

Vehicles Available for Annual Maximum Service
Last Ten Fiscal years

Fiscal years 2014 – 2023

Fiscal Year	Fixed Route		Demand Response	SunRunner	Total
2014	223		119	-	342
2015	243		128	-	371
2016	228		158	-	386
2017	236		133	-	369
2018	223		159	-	382
2019	247	(a)	166	-	413
2020	241		166	-	407
2021	238		200	-	438
2022	238		167	-	405
2023	220		200	9	429

Source: PSTA

(a) Twenty (20) replacement trolleys received.

Note: The statistical section contains "Unaudited" data.

PINELLAS SUNCOAST TRANSIT AUTHORITY
Budgeted Number of Employees
Last Ten Fiscal years

Fiscal years 2014 - 2023

Fiscal Year	Transportation	Maintenance	Administration	Total	
2014	434	94	65	593	
2015	442	98	67.5	608	
2016	436	100	69	605	
2017	436	100	71.5	608	
2018	437	99	69.5	606	
2019	443	100	76.5	620	(a)
2020	454	100	78.5	633	(b)
2021	456	102	79	637	
2022	473	102	84	659	(c)
2023	479	108	84	671	(d)

(a) The PMO office was created in 2018 and in 2019 we started to add structure to it in anticipation of major projects such as the SunRunner. Paratransit (Mobility on Demand) team added reservation agents.
(b) In order to reduce overtime Transportation added 9 operators. To reduce costs paratransit increased positions to address program eligibility.
(c) Ten (10) additional operators were hired in FY 22 to support the new SunRunner route as well as an additional position for Safety and Security. Paratransit became its own division called Mobility with new service providers, new software and reservation agents being brought in-house.
(d) Maintenance added additional fleet technicians to address the aging fleet while new buses are on order. In addition, a maintenance training instructor was added to focus on the new technologies.

Note: The 2007 PSTA Adopted Budget included 617 total employees.
Note: The statistical section contains "Unaudited" data.

PINELLAS SUNCOAST TRANSIT AUTHORITY
Miscellaneous Statistical Data
Last Ten Fiscal years

Fiscal years 2014 - 2023

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Population served by PSTA	933,258	944,971	954,569	962,003	970,532	978,045	984,925	964,490	969,491	978,777
Service Area Square Miles	348	348	333	331	304	304	304	304	304	304
Number of Bus Routes	43	42	44	45	44	44	44	44	44	45
Annual PSTA Passenger Miles (in millions) (Inclusive of all services)	70,930	69,787	61,086	60,919	59,101	73,091	62,048	55,319	48,146	54,466
Directional Route Miles for all Services	967.9	928.0	912.9	899.3	899.3	902.3	906.5	878.4	875.4	875.7
Average PSTA Fixed Route Annual On Time Performance Perc	83.4	80.5	78.6	64.8 (a)	65.2	69.2	71.3	71.2	67.2	70.4
Number of Bus Stop Locations	5,157	4,929	4,906	4,752	4,752	4,665	4,602	4,382	4,395	4,447
Number of Permanent Bus Park and Ride Locations	2	2	2	2	2	2	2	2	2	2
Number of Transit Centers	3	4	4	4	4	4	4	4	4	4
Number of Passenger Shelters	707	682	531	530	657	662	654	688	700	684
Vehicles Available for Annual Maximum Service	342	371	386	369	382	413	407	438	405	429
Average Vehicle Age in Years (PSTA Bus only)	6.00	7.39	8.25	8.80	8.80	8.80	10.80	10.80	10.41	10.00
Net Investment in Capital Assets (in thousands)	$ 142,385	$ 157,370	$ 153,726	$ 157,175	$ 158,158	# $ 170,816	# $ 170,816	$ 173,386	# $ 187,310	$ 232,210

Source: PSTA

(a) Reporting of On Time Performance Due affected due to new Real Time Technology implemented in 2017.

Note: The statistical section contains "Unaudited" data.

STATISTICAL SECTION
(UNAUDITED)

Debt Capacity

- Schedule of Outstanding Debt (FISCAL YEAR 2014 – FISCAL YEAR 2023)

PINELLAS SUNCOST TRANSIT AUTHORITY

Schedule of Outstanding Debt

Fiscal Years 2022-2023

Fiscal Year	Total Debt	Leases *	Revenue Vehicle Miles	Debt Per Revenue Mile	Revenue Vehicle Hours	Debt Per Revenue Vehicle Hour
2022	$ 1,007,085	$ 1,007,085	9,510,587	$ 0.11	671,671	$ 1.50
2023	$ 4,554,110	$ 4,554,110	9,334,455	$ 0.49	668,034	$ 6.82

* Leases include leases and SBITA's.

PSTA is showing information for only those years it is available.

Note: The statistical section contains "Unaudited" data.

SECTION IV

REGULATORY SECTION

Cherry Bekaert LLP
Your Guide Forward

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

To the Board of Directors
Pinellas Suncoast Transit Authority
St. Petersburg, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Pinellas Suncoast Transit Authority aka: PSTA (the "Authority") as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Authority's financial statements, and have issued our report thereon dated March 26, 2024.

Report on Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

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

cbh.com

Purpose of this Report

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

Cherry Bekaert LLP

Tampa, Florida
March 26, 2024

Cherry Bekaert LLP
Your Guide Forward

Report of Independent Auditor on Compliance for Each Major Federal Program and State Financial Assistance Project and on Internal Control over Compliance Required by the Uniform Guidance and Chapter 10.550, Rules of the Auditor General

To the Board of Directors
Pinellas Suncoast Transit Authority
St. Petersburg, Florida

Report on Compliance for Each Major Federal Program and State Financial Assistance Project

Opinion on Each Major Federal Program and State Financial Assistance Project

We have audited the Pinellas Suncoast Transit Authority aka: PSTA (the "Authority") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the requirements described in the Florida Department of Financial Services, *State Projects Compliance Supplement* that could have a direct and material effect on its major federal programs and state financial assistance projects for the year ended September 30, 2023. The Authority's major federal programs and state financial assistance projects are identified in the *Summary of the Auditor's Results* section of the accompanying schedule of findings and questioned costs.

In our opinion, the Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and major state financial assistance projects for the year ended September 30, 2023.

Basis for Opinion on Each Major Federal Program and State Financial Assistance Project

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"), and Chapter 10.550, Rules of the Auditor General ("Chapter 10.550"). Our responsibilities under those standards, the Uniform Guidance, and Chapter 10.550 are further described in the *Auditor's Responsibilities for the Audit of Compliance* section of our report.

We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program and state financial assistance project. Our audit does not provide a legal determination of the Authority's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Authority's federal programs and state financial assistance project.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Authority's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance, and Chapter 10.550 will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Authority's compliance with the requirements of each major federal program and state financial assistance project as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, and Chapter 10.550 we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Authority's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Authority's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and Chapter 10.550, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the *Auditor's Responsibilities for the Audit of Compliance* section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and Chapter 10.550. Accordingly, this report is not suitable for any other purpose.

Cherry Bekaert LLP

Tampa, Florida
March 26, 2024

PINELLAS SUNCOAST TRANSIT AUTHORITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED SEPTEMBER 30, 2023

Part I – Summary of Auditor's Results

Financial Statement Section:

Type of auditor's report issued in accordance with GAAP:	Unmodified	
Internal control over financial reporting:		
Material weakness(es) identified?	____ yes	x no
Significant deficiency(ies) identified not considered to be material weakness(es)?	____ yes	x none reported
Noncompliance material to financial statements noted	____ yes	x no

Federal Awards Programs and State Projects Section:

Internal control over major programs:		
Material weakness(es) identified?	____ yes	x no
Significant deficiency(ies) identified not considered to be material weakness(es)?	____ yes	x none reported
Type of auditor's report on compliance for major federal programs:	Unmodified	
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200 516(a) and Chapter 10.550	____ yes	x no

Identification of major federal programs and state projects:

Federal programs:

Assistance Listing Numbers	Name of Program or Cluster
20.500, 20.507, 20.526	Covid-19 - Federal Transit Cluster

State projects:

CSFA Numbers	Name of Project
55.010	Public Transit Block Grant Program
55.012	Public Transit Service Development Program
55.013	Transit Corridor Program

Dollar threshold used to determine Type A programs:	
Federal programs	$1,092,943
State projects	$ 750,000

Auditee qualified as low-risk auditee for federal purposes?	x yes	____ no

Part II – Schedule of Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance related to the financial statements that are required to be reported in accordance with *Government Auditing Standards*.

There were no findings required to be reported in accordance with *Government Auditing Standards.*

Part III – Findings and Questioned Costs – Major Federal Award Programs

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major federal programs, as required to be reported by the Uniform Guidance.

There were no findings required to be reported in accordance with the Uniform Guidance.

Part IV – Findings and Questioned Costs – Major State Financial Assistance Projects

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major federal programs, as required to be reported by the Chapter 10.550, Rules of the Auditor General.

There were no findings required to be reported in accordance with Chapter 10.550, Rules of the Auditor General.

Summary of Prior Audit Findings

A schedule of prior-year audit findings is not necessary since there were no prior-year audit findings.

Schedule of Expenditures of Federal Awards and State Financial Assistance

Year Ended September 30, 2023

Federal or State Grantor/Pass-Through Grantor/Program title	Assisted Listing # CSFA#	Grant or Contract Number	State FPN Number	Expenditures	Transfers to Subrecipients
U.S. Department of Transportation:					
Direct Program:					
Federal Transit Capital Investments Grant	20.500	FL 04-0135	-	$ 587,481	$ -
Federal Transit Capital Investments Grant	20.500	FL 2019-039	-	1,907	-
Federal Transit Capital Investments Grant	20.500	FL 2020-071	-	2,140,680	-
Federal Transit Capital Investments Grant	20.500	FL 2022-037	-	124,130	-
Total Assistance Listing Number 20.500				2,854,198	-
Federal Transit Formula Grant	20.507	FL 2017-024	-	410,001	-
Federal Transit Formula Grant	20.507	FL 2017-109	-	94,251	-
Federal Transit Formula Grant	20.507	FL 2018-080	-	658,295	-
Federal Transit Formula Grant	20.507	FL 2019-015	-	370,712	367,671
Federal Transit Formula Grant	20.507	FL 2019-085	-	2,145,136	-
Federal Transit Formula Grant	20.507	FL 2021-001	-	5,410,070	-
Federal Transit Formula Grant	20.507	FL 2021-075	-	3,716,000	-
Federal Transit Formula Grant-COVID-19	20.507	FL 2021-080	-	17,810,221	-
Federal Transit Formula Grant	20.507	FL 2022-049	-	22,274	-
Federal Transit Formula Grant	20.507	FL 2021-013	-	62,000	-
Federal Transit Formula Grant	20.507	FL 2023-069	-	3,232	-
Total Assistance Listing Number 20.507				30,702,192	367,671
Federal Transit Discretionary LowNo Grant	20.526	FL 2018-064	-	43,300	-
Federal Transit Discretionary LowNo Grant	20.526	FL 2021-024	-	25,610	-
Federal Transit Discretionary LowNo Grant	20.526	FL 2022-050	-	2,056,900	-
Total Assistance Listing Number 20.526				2,125,810	-
Total Federal Transit Cluster				35,682,200	367,671
Passed through the Florida Department of Transportation:					
Enhanced Mobility of Seniors and Individuals with Disabilities:					
Section 5310 Program	20.513	G1I28	437521-1-84-02	4,853	-
Section 5310 Program	20.513	G1V07	437521-1-84-02	300,000	-
Section 5310 Program	20.513	G2520	437546-1-94-03	67,466	-
Total Assistance Listing Number 20.513				372,319	-
Passed through Pinellas County Metropolitan Planning Organization:					
Section 5305(d) Planning Grant	20.505	G2647	-	39,230	-
	20.505	G2775	-	33,395	-
Total Assistance Listing Number 20.505				72,625	-
Total U.S. Department of Transportation				36,127,144	367,671
Federal Emergency					
FEMA Disaster Relief					
FEMA Disaster Assistance	97.036	G72376	-	304,302	-
Total Assistance Listing Number 97.036				304,302	-
Total Expenditures of Federal Awards				$ 36,431,446	$ 367,671

Schedule of Expenditures of Federal Awards
and State Financial Assistance

Year Ended September 30, 2023

Federal or State Grantor/Pass-Through Grantor/Program title	Assisted Listing # CSFA#	Contract Number	FPN Number	Expenditures	Transfers to Subrecipients
Florida Department of Transportation					
Direct Program:					
Block Grant Program					
	55.010	G1Z23	402513-1-84-23	$ 3,784,640	$ -
Total CSFA 55.010				3,784,640	-
Public Transit Service Development Program					
	55.012	G2644	437245-1-84-01	803,891	-
	55.012	G2A51	412534-2-84-22	425,760	-
	55.012	G1B92	437245-2-94-01	787,883	-
Total CSFA 55.012				2,017,534	-
Transit Corridor Program					
	55.013	G1Q22	410695-1-84-21	285,915	-
	55.013	G1Q20	410695-1-84-21	195,449	-
	55.013	G1Z24	410695-1-84-22	12,608	-
	55.013	G1Q21	418265-1-84-21	141,062	-
	55.013	G1Z27	418265-1-84-22	272,554	-
	55.013	G1Q23	430320-1-84-21	129,212	-
	55.013	G1Z99	430320-1-84-88	272,554	-
Total CSFA 55.013				1,309,354	-
Total Florida Department of Transportation				7,111,528	-
State of Florida, Commission for the Transportation Disadvantaged					
Direct Program:					
Trips & Equipment FY 2021/2022					
	55.001	G2A38	132027-1-84-01/432028-1-	1,978,536	-
	55.001	G2K76	132027-1-84-01/432028-1-	682,910	-
Total CSFA 55.001				2,661,446	-
Innovation and Service Development Grant FY 2020/2021					
	55.045	G2B18	450822-1-84-01	503,788	-
	55.045	G2L89	450822-2-84-01	144,705	-
Total CSFA 55.045				648,493	-
Total Commission for the Transportation Disadvantaged				3,309,939	-
Total Expenditures of Florida State Financial Assistance				$ 10,421,467	$ -
Total Expenditures of Federal Awards and State Financial Assistance				$ 46,852,913	$ 367,671

See Notes to Schedule of Expenditures of Federal Awards and State Financial Assistance

Notes to Schedule of Expenditures of Federal Awards and State Financial Assistance

Year Ended September 30, 2023

(1) Basis of Presentation

The accompanying schedule of expenditures of federal awards and state financial assistance includes all federal and state grant activity of the Authority and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of 2 CFR 200 Uniform Guidance, and Chapter 10.550 of the Rules of the Auditor General. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

(2) Capital Assets

Approximately $39.1 million in capital assets was purchased using federal grant awards during the Fiscal year ending September 30, 2023. These amounts have been capitalized for financial statement purposes and reflected as Capital Assets on the Statement of Net Position.

(3) Subrecipients

For the year ending September 30, 2023, there was $367,671 transferred to a subrecipient relating to the FTA Urbanized Area Formula (UAFP) Program (5307).

(4) Indirect Cost Rate

The Authority has not elected to use the 10% de minimis cost rate.

(5) Grant Contingencies

Expenditures financed by capital and operating assistance grants are subject to audit and acceptance by the granting agency. Any disallowed expenditure may need to be repaid to the granting agency; however, it is management’s opinion that no material liabilities will result from any such audits.

Independent Auditor's Management Letter

To the Board of Directors
Pinellas Suncoast Transit Authority
St. Petersburg, Florida

Report on the Financial Statements

We have audited the financial statements of the Pinellas Suncoast Transit Authority aka: PSTA (the "Authority"), as of and for the year ended September 30, 2023, and have issued our report thereon dated March 26, 2024.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"); and Chapter 10.550, Rules of the Auditor General.

Other Reporting Requirements

We have issued our Report of Independent Auditor on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*; Report of Independent Auditor on Compliance for Each Major Federal Program and State Financial Assistance Project and on Internal Control over Compliance Required by the Uniform Guidance and Chapter 10.550, Rules of the Auditor General; Schedule of Findings and Questioned Costs; and Report of Independent Accountant on Compliance with Local Government Investment Polices, regarding compliance in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated March 26, 2024, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. There were no recommendations made in the preceding audit report.

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The Authority was established pursuant to the constitution and laws of Florida, particularly Chapter 91-368, Laws of Florida, as amended, revising and consolidating Chapter 31263, Special Laws of Florida, 1955. There were no component units related to the Authority.

Financial Condition and Management

Section 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether or not the Authority has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific condition(s) met. In connection with our audit, we determined the Authority did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures for the Authority. It is management's responsibility to monitor the Authority's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Specific Information

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)6, Rules of the Auditor General, the Authority reported (unaudited):

a. The total number of district employees compensated in the last pay period of the district's fiscal year as 668.

b. The total number of independent contractors to whom nonemployee compensation was paid in the last month of the district's fiscal year as none.

c. All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency as $43,512,897.

d. All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency as none.

e. Each construction project with a total cost of at least $65,000 approved by the district that is scheduled to begin on or after October 1 of the fiscal year being reported, together with the total expenditures for such project as follows: Solar Panels and Electric Bus Infrastructure, with no expenditures.

f. A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the district amends a final adopted budget under Section 189.016(6), Florida Statutes, as $-0-.

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)7, Rules of the Auditor General, the Authority (unaudited):

g. The mileage rate or rates imposed by the district as .75.

h. The total amount of ad valorem taxes collected by or on behalf of the district as $68,190,796.

i. The total amount of outstanding bonds issued by the district and the terms of such bonds as none.

Additional Matters

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but warrants the attention of those charged with governance. In connection with our audit, we did not have any such findings.

Purpose of this Letter

The purpose of this management letter is to communicate certain matters prescribed by Chapter 10.550, Rules of the Auditor General. Accordingly, this management letter is not suitable for any other purpose.

Cherry Bekaert LLP

Tampa, Florida
March 26, 2024

Cherry Bekaert LLP
Your Guide Forward

Report of Independent Accountant on Compliance with Local Government Investment Policies

To the Board of Directors
Pinellas Suncoast Transit Authority St.
Petersburg, Florida

We have examined Pinellas Suncoast Transit Authority's aka: PSTA (the "Authority") compliance with the local government investment policy requirements of Section 218.415, Florida Statutes, during the year ended September 30, 2023. Management of the Authority is responsible for the Authority's compliance with the specified requirements. Our responsibility is to express an opinion on the Authority's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Authority complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Authority complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgement, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe the evidence obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

Our examination does not provide a legal determination on the Authority's compliance with the specified requirements.

The purpose of this report is to comply with the audit requirements of Section 218.415, Florida Statutes, and Rules of the Auditor General.

In our opinion, the Authority complied, in all material respects, with the local investment policy requirements of Section 218.415, Florida Statutes, during the year ended September 30, 2023.

Cherry Bekaert LLP

Tampa, Florida
March 26, 2024

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