



ANNUAL COMPREHENSIVE FINANCIAL REPORT

for the fiscal years ending
September 30, 2025 and 2024



Pinellas Suncoast
Transit Authority

ST. PETERSBURG, FLORIDA



Pinellas Suncoast Transit Authority

St. Petersburg, Florida

Annual Comprehensive Financial Report

For Fiscal Years Ended September 30, 2025 and 2024

Our Mission

To safely connect people to places.

Prepared by the Finance Department

PINELLAS SUNCOAST TRANSIT AUTHORITY

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SECTION I
INTRODUCTORY SECTION

Transmittal Letter



April 29, 2026

Members of the Board of Directors of the Pinellas Suncoast Transit Authority and
Citizens of our Service Area

Dear 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, 2025, and 2024.

State law requires that all independent special districts publish each fiscal year a complete set of financial statements presented in conformity with Generally Accepted Accounting Principles (GAAP) accepted in the United States of America 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.

CliftonLarsonAllen, 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, 2025, and 2024, 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, 2025 and 2024 are fairly presented in conformity with GAAP.

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 204 buses and 20 trolleys serve 43 fixed routes including two express routes to Hillsborough County.

Pinellas County is 304 square miles with approximately 974,210 residents. Pinellas County is located along the west coast of Florida and includes a corridor of smaller beach communities along the Gulf of America. 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 counts 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 2025, the Authority directly operated vehicles that traveled a total of 8.6 million revenue miles, providing approximately 613,432 hours of revenue service, and 8.6 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 16.8 million revenue miles, providing approximately 978,707 hours of revenue service, and 10.9 million passenger trips.

Operating expenses are covered primarily through ad valorem taxes, state and federal grant 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 4,400 bus stops, 704 shelters, 4 customer service centers, and a fleet of 224 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 2025, 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 2025 ridership for each mode compared to fiscal year 2024 data is presented below using the APCs. Of note is the Vanpool Program that in FY 2025 reflects a full year of PSTA managing the program, and PSTA also started ferry service in Clearwater at the end of January 2025. The ferry service, operated by a private provider, has services from downtown Clearwater to Clearwater Beach and back.

<u>Mode</u>	<u>2025</u>	<u>2024</u>	<u>Percent of Change</u>
Bus Operations	9,724,021	9,777,127	-1%
Paratransit	267,483	244,216	9%
Mobility Programs	354,210	360,915	-2%
Vanpool Program	490,973	347,339	29%
Ferry Boat	16,805	-	100%
Total Ridership	10,853,492	10,729,597	1%

PSTA's strategic priorities are to be financially responsible, serving as good stewards of taxpayer dollars and maximizing revenue from sources outside of local property tax; have operational excellence ensuring that our core services are operated effectively and efficiently focusing on improving customer satisfaction; and to have a positive impact on the community demonstrating PSTA's commitment toward community, including workforce development. PSTA's provision of providing transportation alternatives is and always will be our primary initiative. Our commitment to this has positive impacts 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

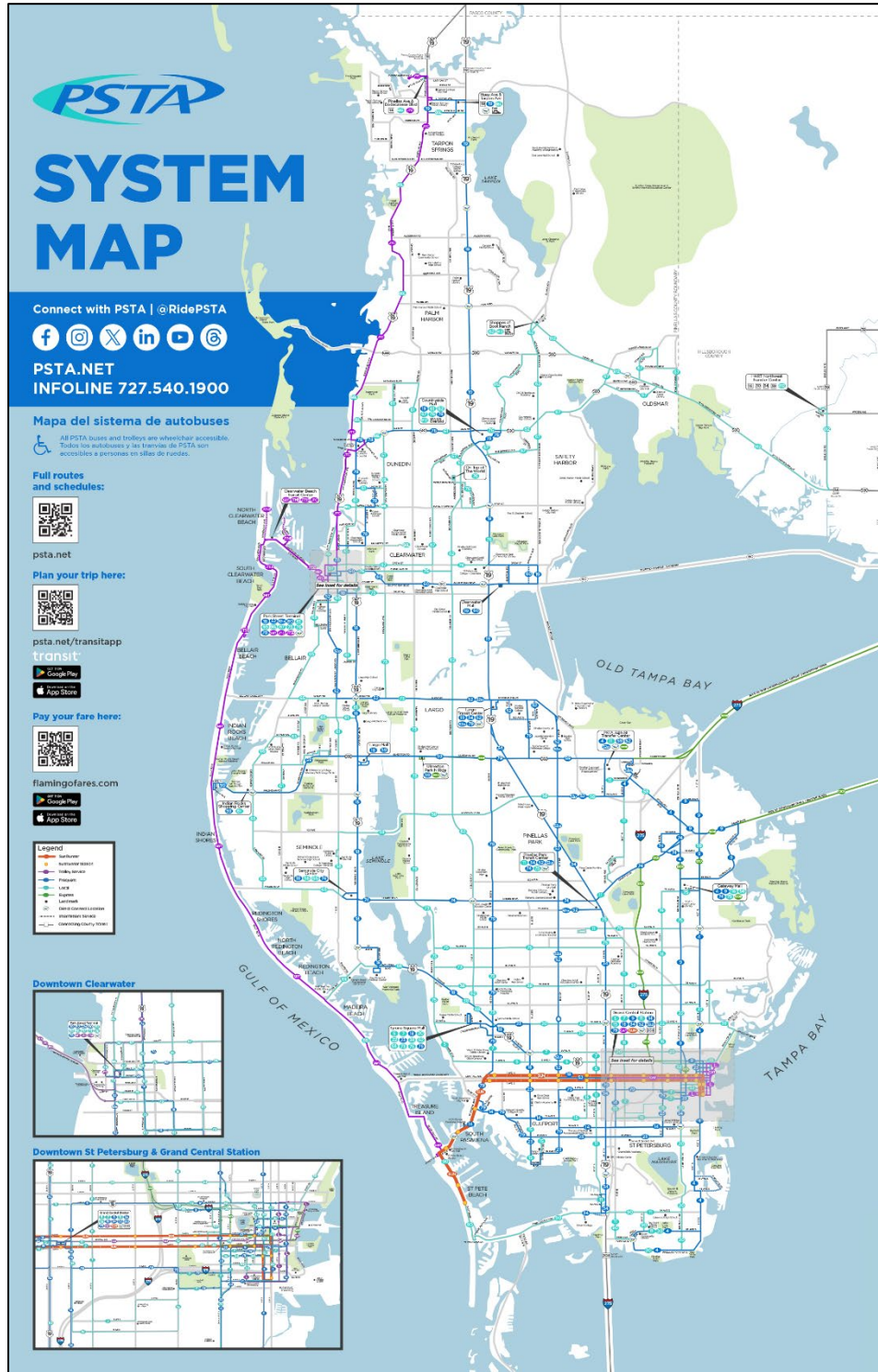
the organizational level is measured on three key components including healthy community and workforce, resiliency and economic vitality.

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 2025 was 102 out of 100 exceeding expectations in several areas including fiscal responsibility with coming in under budget resulting in a lower operating cost per revenue hour, lowering the millage rate for the second year in a row, and with receipt of new buses, improving our state of good repair rating as well as an increased ridership with new services while maintaining bus ridership despite effects from Hurricane Milton.



Local Routes Operated in Fiscal Year 2025



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 \$192.6 million. The fiscal year 2026 budget is \$43.8 million or 18.5% under the fiscal year 2025 budget projections. Capital improvements are decreasing \$50.9 million or 42.6% due to the receipt of buses in fiscal year 2025 and the timing of design completion and the construction start of the new Multimodal Clearwater Station. The operating budget increased 6.1% year-over-year primarily due to contractual union increases and increased costs of health insurance, as well as contractual vendor increases offset by decreased fuel with the receipt of new buses. 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 2026.

Factors Affecting Financial Planning

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

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 Tampa Bay. Our region is a major tourist attraction and in 2025 Florida set a new record with 15 million visitors from all over the world despite recovering from strong hurricanes. 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 Metropolitan Statistical Area unemployment rate of 4.3% as of September 30th is consistent with national averages as well as the State of Florida average. 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 2026 rolled back from 0.7342 to 0.7300.

Financial Policies: During fiscal year 2025, there were no revisions to the Liability Debt Management and Cash Reserve policies. The Investment Policy was amended to reference Florida Statute 288.860 for "Foreign Country of Concern".

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 and

upfront grant reimbursable expenditures. As of September 30, 2025, the Authority’s unrestricted net position totaled \$5.5 million.

PSTA is also monitoring State Legislative proposals that could reduce the non-school property taxes and could have a significant impact on the Authority’s revenue.

Awards

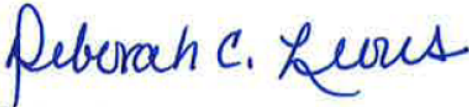
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to PSTA for its Annual Comprehensive Financial Report for the fiscal year ended September 30, 2024. This was the twelfth consecutive year that 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

This report could not have happened 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

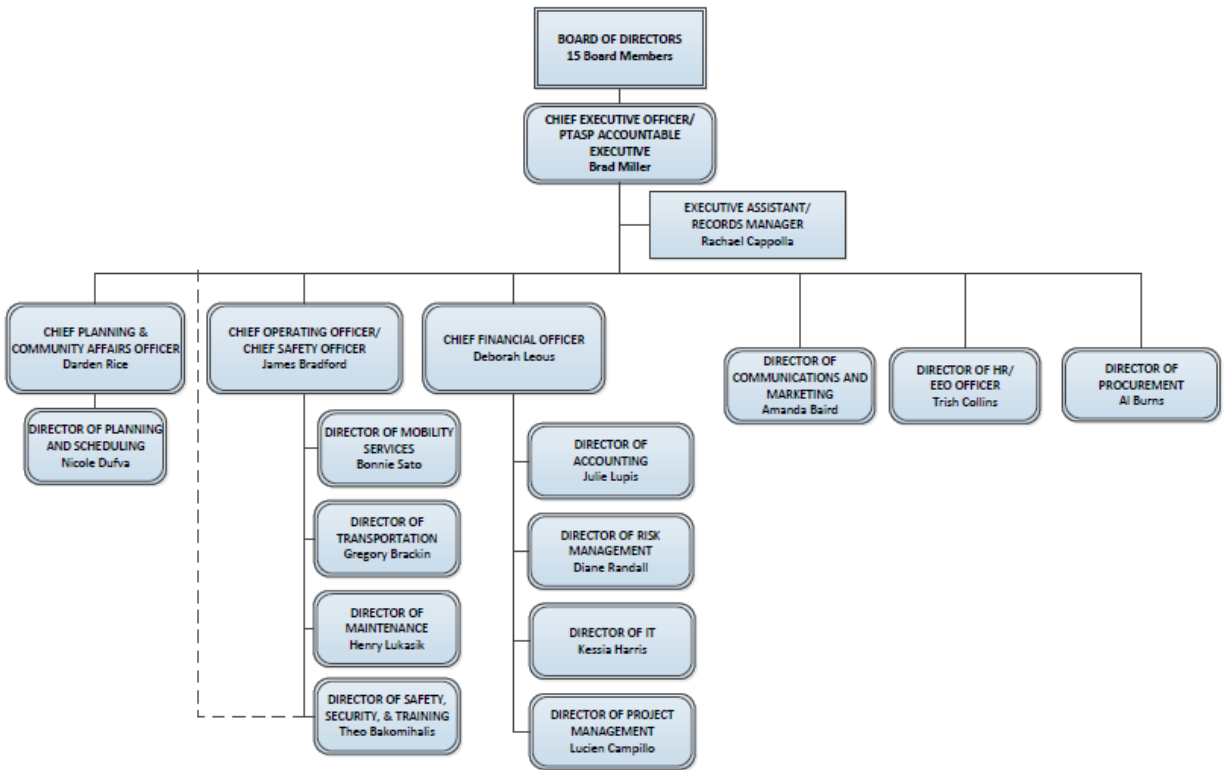
September 30, 2024

Christopher P. Morrill

Executive Director/CEO

Organization Chart
As of September 30, 2025

PSTA ORGANIZATION






BOARD OF DIRECTORS

Pinellas Suncoast Transit Authority


As of September 30, 2025

	BOARD MEMBER/ ELECTED OFFICES	APPOINTING BODIES	CONTACT INFORMATION
	Chairperson Deborah Figgs-Sanders St. Petersburg Council Member	St. Petersburg	P.O. Box 2842 St. Petersburg, FL 33731 Telephone: (727) 551-3305 E-mail: Deborah.Figgs-Sanders@stpete.org
	Vice-Chair Tom Reid South Pasadena Vice-Mayor	Belleair Belleair Bluffs Gulfport Kenneth City* Seminole South Pasadena	7047 Sunset Drive S S. Pasadena, FL 33707 Telephone: (727) 347-4171 E-mail: treid@mysouthpasadena.com
	Secretary/Treasurer Patti Reed Pinellas Park Councilmember	Pinellas Park	5141 78 th Avenue North Pinellas Park, FL 33781 Telephone: (727) 369-0618 E-mail: preed@pinellas-park.com
	David Allbritton Clearwater Councilmember	Clearwater	600 Cleveland Street Clearwater, FL 33756 Telephone: (727) 224-4000 E-mail: david.allbritton@myclearwater.com
	Katie Gannon Oldsmar Mayor	Oldsmar	100 State Street Oldsmar, FL 34677 Telephone: (813) 749-1100 E-mail: kgannon@myoldsmar.com
	Mike DiBrizzi City of Largo Commissioner	Largo	P.O. Box 296 Largo, FL 33779 Telephone: (727) 587-6702 E-mail: mdibrizzi@largo.com

	BOARD MEMBER/ ELECTED OFFICES	APPOINTING BODIES	CONTACT INFORMATION
	Gina Driscoll St. Petersburg Council Member	St. Petersburg	P.O. Box 2842 St. Petersburg, FL 33731 Telephone: (727) 893-7117 E-mail: gina.driscoll@stpete.org
	Barbara Haselden Pinellas County Citizen	Pinellas County Commission	1043 31 st Terrace NE St. Petersburg, FL Telephone: (727) 709-7039
	Max McCann St. Petersburg Citizen	St. Petersburg	2648 3 rd Avenue S St. Petersburg, FL 33712 Telephone: (773) 354-5331
	Chris Latvala Pinellas County Commissioner	Pinellas County Commission	315 Court Street Clearwater, FL 33756 Telephone: (727) 464-3278 E-mail: clatvala@pinellas.gov
	Kathleen Peters Pinellas County Commissioner	Pinellas County Commission	315 Court Street Clearwater, FL 33756 Telephone: (727) 464-3568 E-mail: kpeters@pinellas.gov
	Adrian Petrila St. Pete Beach Mayor	Belleair Beach* Belleair Shore* Indian Rocks Beach Indian Shores Madeira Beach North Redington Beach Redington Beach Redington Shores St. Pete Beach* Treasure Island*	155 Corey Ave. St. Pete Beach, FL 33706 Telephone: (727)500-0713 E-mail: apetrila@stpetebeach.org

	BOARD MEMBER/ ELECTED OFFICES	APPOINTING BODIES	CONTACT INFORMATION
	Chris Scherer Pinellas County Commissioner	Pinellas County Commission	315 Court Street Clearwater, FL 33756 Telephone: (727) 464-3365 E-mail: cscherer@pinellas.gov
	Brian Scott Pinellas County Commissioner	Pinellas County Commission	315 Court Street Clearwater, FL 33756 Telephone: (727) 464-3360 E-mail: bscott@pinellas.gov
	Robert Walker Dunedin Commissioner	Dunedin	P.O. Box 1348 Dunedin, FL 34697-1348 Telephone: (727) 298-3010 E-mail: walker@dunedinfl.net

* 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, 2025**



Brad Miller, Chief Executive Officer

James Bradford, Chief Operating Officer

Deborah C. Leous, Chief Financial Officer

Darden Rice, Chief Planning & Community Affairs Officer

Greg Brackin, Director of Transportation

Alvin Burns, Director of Procurement /DBE Liaison Officer

Amanda Baird, Director of Communications & Marketing

Patricia Collins, Director of Human Resources/ EEO Officer

Lucien Campillo, Director of Project Management

Nicole Dufva, Director of Planning

Bonnie Epstein, Director of Mobility on Demand

Kessia Harris, Director of Information Technology

Henry Lukasik, Director of Maintenance

Julie Lupis, Director of Accounting

Diane Randall, Director of Risk Management

SECTION II
FINANCIAL SECTION



INDEPENDENT AUDITORS' REPORT

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

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of Pinellas Suncoast Transit Authority (the Authority), as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of Pinellas Suncoast Transit Authority as of September 30, 2025, and the respective changes in financial position and its cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of 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.

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and analysis schedule of changes in liability and related ratios-other postemployment benefits, and the schedules of the Authority's proportionate share of 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 GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority's basic financial statements. The schedule of expenditures of federal awards, 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 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements 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 GAAS. In our opinion, the schedule of expenditures of federal awards, 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 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 auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.


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

Other Matter

The financial statements of the Authority as of and for the year ended September 30, 2024, were audited by other auditors whose report dated March 26, 2025, expressed an unmodified opinion on those statements.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated April 16, 2026, 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 the Authority's internal control over financial reporting and compliance.

**CliftonLarsonAllen LLP**

Tampa, Florida

April 16, 2026

PINELLAS SUNCOAST TRANSIT AUTHORITY

Management's Discussion and Analysis

For the Year Ended September 30, 2025 and 2024
(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, 2025 and 2024. 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 consist 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 present 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.

PINELLAS SUNCOAST TRANSIT AUTHORITY

Management's Discussion and Analysis

For the Year Ended September 30, 2025 and 2024
(Unaudited)

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 2025 FINANCIAL ANALYSIS OF THE AUTHORITY

- For fiscal year 2025 the net position of the Authority is \$204.6 million. Of this amount, \$199.0 million is the net investment in capital assets, \$3.9 thousand is restricted grantor resources, and \$5.5 million is unrestricted. The amount of current assets that have been set aside via board policy are \$20.7 million for a two-month operating reserve and \$4.8 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 \$3.4 million in reserves for capital asset replacement.
- Total assets increased by \$64.0 million or 30.7% in fiscal year 2025 primarily due to the receipt of replacement buses.
- The change in liabilities at the close of the fiscal year reflects a decrease of \$6.4 million or 8.8%, primarily due to a decrease in the net pension liability of \$8.4 million.
- Based on the most recent actuarial valuation as of September 30, 2025, prepared by the Authority's independent actuary, PSTA risk management liabilities for general liability and workers' compensation increased by approximately \$704.7 thousand or 15.1% to \$5.4 million.
- The Authority's total net position increased by \$65.3 million or 46.8% from fiscal year 2024. The increases in assets and change in deferred outflows of resources were more than the changes in liabilities and deferred inflows. Deferred outflows decreased by \$2.4 million or 20.9% and deferred inflows increased by \$2.7 million or 32.7% due to pension related amounts.

FISCAL YEAR 2024 FINANCIAL ANALYSIS OF THE AUTHORITY

- For fiscal year 2024 the net position of the Authority is \$139.3 million. Of this amount, \$131.7 million is the net investment in capital assets, \$34.8 thousand is restricted grantor resources, and \$7.6 million is unrestricted. The amount of current assets that have been set aside via board policy are \$20.6 million for a two-month operating reserve and \$4.9 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 \$4.7 million in reserves for capital asset replacement.
- Total assets increased by \$7.0 million or 3.5% in fiscal year 2024 primarily due to the receipt of replacement buses.
- The change in liabilities at the close of the fiscal year reflects a decrease of \$5.5 million or 7.0%, primarily due to a decrease in the net pension liability of \$4.3 million.

PINELLAS SUNCOAST TRANSIT AUTHORITY

Management's Discussion and Analysis

**For the Year Ended September 30, 2025 and 2024
(Unaudited)**

- Based on the most recent actuarial valuation as of September 30, 2024, prepared by the Authority's independent actuary, PSTA risk management liabilities for general liability and workers' compensation decreased by approximately \$2.4 million or 33.5% to \$4.7 million.

	<u>2025</u>	<u>2024</u>	<u>Dollar Increase (Decrease)</u>	<u>Percentage Change</u>	<u>as restated 2023</u>
Assets:					
Current assets	\$ 67,573,674	\$ 70,416,149	\$ (2,842,475)	(4.0%)	\$ 71,387,516
Lease receivable	619,744	1,143,433	(523,689)	(45.8%)	1,520,045
Capital assets	<u>204,131,950</u>	<u>136,761,629</u>	<u>67,370,321</u>	<u>49.3%</u>	<u>128,419,989</u>
Total assets	<u>272,325,368</u>	<u>208,321,211</u>	<u>64,004,157</u>	<u>30.7%</u>	<u>201,327,550</u>
Deferred outflow of resources	<u>9,152,903</u>	<u>11,574,319</u>	<u>(2,421,416)</u>	<u>(20.9%)</u>	<u>12,337,513</u>
Liabilities:					
Current liabilities	16,784,117	15,041,262	1,742,855	11.6%	14,785,269 (1)
Noncurrent liabilities	<u>49,200,782</u>	<u>57,310,991</u>	<u>(8,110,209)</u>	<u>(14.2%)</u>	<u>63,032,482 (1)</u>
Total liabilities	<u>65,984,899</u>	<u>72,352,253</u>	<u>(6,367,354)</u>	<u>(8.8%)</u>	<u>77,817,751 (1)</u>
Deferred inflow of resources	<u>10,925,606</u>	<u>8,230,790</u>	<u>2,694,816</u>	<u>32.7%</u>	<u>4,893,429</u>
Net position:					
Net investment in capital assets	199,027,730	131,726,941	67,300,789	51.1%	123,753,715
Restricted	3,915	34,840	(30,925)	(88.8%)	239,035
Unrestricted	<u>5,536,121</u>	<u>7,550,706</u>	<u>(2,014,585)</u>	<u>(26.7%)</u>	<u>6,961,133 (1)</u>
Total net position	\$ <u>204,567,766</u>	\$ <u>139,312,487</u>	\$ <u>65,255,279</u>	<u>46.8%</u>	\$ <u>130,953,883 (1)</u>

(1) FY23 has been restated to conform to GASB 101

PINELLAS SUNCOAST TRANSIT AUTHORITY

Management's Discussion and Analysis

For the Year Ended September 30, 2025 and 2024
(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 2025 Operating Results Compared to Fiscal Year 2024:

Revenues

- Total operating and non-operating revenues for fiscal year 2025 totaled \$122.7 million, a \$7.5 million increase or 6.5% over fiscal year 2024.
- Passenger fares, including demand response fares, remained flat, decreasing \$195 or 0.0% despite having a month of lost revenues due to Hurricane Milton.
- Advertising decreased \$42.7 thousand or 4.9%.
- Federal maintenance assistance increased \$1.5 million or 29% as FTA formula grant funding for preventative maintenance was increased as ARP Act funding is diminishing.
- State operating assistance increased \$5.7 million or 613.6% as Block Grant funding was used as ARP Act funding is diminishing.
- Other Federal grants decreased by \$5.0 million or 45.4% primarily due to the reduction in remaining Federal Transit Administration (FTA) ARP Act grant funding.
- Special project assistance - state grants increased \$529.0 thousand or 8.1% primarily due to funding for the Transportation Disadvantaged Program.
- Special project assistance – local grants increased \$281.3 thousand or 16.9% due to increased funding from the City of St. Petersburg for the Transportation Disadvantaged Program, as well as funding for the Jolley Trolley, Suncoast Beach Trolley and Downtown St. Petersburg Looper service.
- Property tax revenues increased \$5.4 million or 6.9% due to an increase in property values. PSTA lowered the millage rate for FY 2025.
- Investment income decreased \$445.1 thousand due to decreased interest rates.

PINELLAS SUNCOAST TRANSIT AUTHORITY

Management's Discussion and Analysis

For the Year Ended September 30, 2025 and 2024 (Unaudited)

- Fuel tax refunds decreased \$96.9 thousand or 13.0% due to a reduction in diesel fuel with a mixed fleet.
- The net change in other revenues (expenses) of \$(322.2) thousand or 336.5% was primarily due to the GASB 96 lease accounting impact.

Expenses

- Total operating expenses of \$120.4 million increased by \$6.1 million or 5.4% over fiscal year 2024. The increase was primarily due to contractual increases, health insurance costs increasing 7.0% and increased claims liability expenses.
- Operations expenses increased \$2.4 million or 4.5%. The increase was primarily due to union contractual increases and increases to health insurance.
- Purchased transportation increased \$1.3 million or 6.0% due to contractual increases and increased ridership in Paratransit Access and Mobility on Demand.
- Maintenance expenses increased \$797.8 thousand or 5.6% primarily due to union contractual increases, increased health insurance costs and increased electric propulsion costs with new electric replacement buses.
- Administration and finance expenses increased \$1.6 million or 6.7% primarily due to increased general liability claims.
- Marketing expenses increased \$96.9 thousand or 5.7% primarily due to new schedules and maps for the Community Connected Bus Network and professional marketing and branding services.

Capital Grants and Other Related Revenues

Both Capital grants and other related revenues increased by \$47.4 million or 284.3% due to the funding for the receipt of replacement buses.

The Following Summary Represents the Fiscal Year 2024 Operating Results Compared to Fiscal Year 2023:

Revenues

- Total operating and non-operating revenues for fiscal year 2024 totaled \$115.2 million, a \$1.4 million increase or 1.2% over fiscal year 2023.
- Passenger fares, including demand response fares, decreased \$212.8 thousand or 2.7% as a result of a new fare free program for veterans.
- Advertising increased \$453.7 thousand or 108%.

PINELLAS SUNCOAST TRANSIT AUTHORITY

Management's Discussion and Analysis

For the Year Ended September 30, 2025 and 2024 (Unaudited)

- Federal maintenance assistance increased \$5.1 million as FTA formula grant funding is being used as ARP Act funding is diminishing.
- State operating assistance decreased \$2.9 million or 75.4% due to utilizing Federal Transit Administration (FTA) ARP Act grant funding.
- Other Federal grants decreased by \$10.3 million or 48.5% primarily due to the reduction in remaining Federal Transit Administration (FTA) ARP Act grant funding.
- Special project assistance - state grants increased \$691.2 thousand or 11.8% primarily due to funding for the SunRunner Bus Rapid Transit route.
- Special project assistance – local grants increased \$26.4 thousand or 1.6% due to increased funding for the Jolley Trolley, Suncoast Beach Trolley and Downtown St. Petersburg Looper service.
- Property tax revenues increased \$8.2 million or 11.8% due to an increase in property values.
- Investment income increased \$657.3 thousand or 30.3% due to increased interest rates.
- Fuel tax refunds increased \$25.6 thousand or 3.6% due to increased fuel purchases.
- The net change in other revenues (expenses) of \$(401.4) thousand or 80.7% was primarily due to the GASB 96 lease accounting impact.

Expenses

- Total operating expenses of \$114.5 million decreased \$9.3 million or 7.5% over fiscal year 2023. The decrease was due primarily to route reductions, lower diesel fuel prices and lower general liability claims.
- Operations expenses decreased \$7.2 million or 12.0%. The decrease was primarily due to route reductions and reduced staffing due to attrition.
- Purchased transportation increased \$1.8 million or 8.6% due to increased ridership in Paratransit Access and Mobility on Demand.
- Maintenance expenses decreased \$1.6 million or 10.3% primarily due to decreased fuel costs.
- Administration and finance expenses decreased \$1.8 million or 7.1% primarily due to decreased general liability claims, decreased actuarially determined claims costs, and unfilled personnel vacancies.
- Marketing expenses decreased \$458.1 thousand or 21.2% primarily due to decreased marketing related expenses with the SunRunner Bus Rapid Transit project complete.

PINELLAS SUNCOAST TRANSIT AUTHORITY

Management’s Discussion and Analysis

**For the Year Ended September 30, 2025 and 2024
(Unaudited)**

Capital Grants and Other Related Revenues

Both Capital grants and other related revenues increased by \$592.8 thousand or 3.7% and Contributed capital – local governments increased \$3.4 million or 1,862.4% with the completion of the SunRunner, the region’s first bus rapid transit system.



PINELLAS SUNCOAST TRANSIT AUTHORITY

Management's Discussion and Analysis

**For the Year Ended September 30, 2025 and 2024
(Unaudited)**

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

	<u>2025</u>	<u>2024</u>	<u>Dollar Increase (Decrease)</u>	<u>Percentage Change</u>	<u>as restated 2023</u>
Operating revenues:					
Passenger fares	\$ 5,495,686	\$ 5,819,407	\$ (323,721)	(5.6%)	\$ 6,593,371
Demand response	2,218,863	1,895,337	323,526	17.1%	1,334,171
Advertising revenue	831,156	873,837	(42,681)	(4.9%)	420,102
Total operating revenues	<u>8,545,705</u>	<u>8,588,581</u>	<u>(42,876)</u>	<u>(0.5%)</u>	<u>8,347,644</u>
Nonoperating revenues:					
Federal maintenance assistance	6,563,759	5,087,956	1,475,803	29.0%	721
State operating assistance	6,639,554	930,488	5,709,066	613.6%	3,784,640
Other federal grants	5,961,813	10,913,439	(4,951,626)	(45.4%)	21,185,941
Special project assistance - state grants	7,069,076	6,540,112	528,964	8.1%	5,848,944
Special project assistance - local grants	1,949,980	1,668,657	281,323	16.9%	1,642,233
Property tax revenues	83,135,375	77,764,754	5,370,621	6.9%	69,583,333
Investment income	2,383,006	2,828,134	(445,128)	(15.7%)	2,170,851
Fuel tax refunds	647,766	744,632	(96,866)	(13.0%)	718,992
Other, net	(226,442)	95,731	(322,173)	(336.5%)	497,088
Total nonoperating revenues	<u>114,123,887</u>	<u>106,573,903</u>	<u>7,549,984</u>	<u>7.1%</u>	<u>105,432,743</u>
Total operating and nonoperating revenues	<u>122,669,592</u>	<u>115,162,484</u>	<u>7,507,108</u>	<u>6.5%</u>	<u>113,780,387</u>
Operating expenses:					
Operations	54,878,728	52,531,756	2,346,972	4.5%	59,709,967 (1)
Purchased transportation	23,863,763	22,521,758	1,342,005	6.0%	20,739,055 (1)
Maintenance	15,138,270	14,340,523	797,747	5.6%	15,979,425 (1)
Administration and finance	24,701,859	23,151,795	1,550,064	6.7%	24,909,665 (1)
Marketing	1,803,795	1,706,879	96,916	5.7%	2,164,959 (1)
Total operating expenses	<u>120,386,415</u>	<u>114,252,711</u>	<u>6,133,704</u>	<u>5.4%</u>	<u>123,503,071 (1)</u>
Depreciation and amortization	<u>15,632,974</u>	<u>12,830,378</u>	<u>2,802,596</u>	<u>21.8%</u>	<u>11,261,713</u>
Total operating expenses and depreciation	<u>136,019,389</u>	<u>127,083,089</u>	<u>8,936,300</u>	<u>7.0%</u>	<u>134,764,784</u>
Loss before capital grants	(13,349,797)	(11,920,605)	(1,429,192)	12.0%	(20,984,397) (1)
Capital grants and other related revenues	64,115,707	16,681,792	47,433,915	284.3%	16,089,019
Contributed capital - local government	<u>14,489,369</u>	<u>3,597,417</u>	<u>10,891,952</u>	<u>302.8%</u>	<u>183,318</u>
Increase (decrease) in net position	65,255,279	8,358,604	56,896,675	680.7%	(4,712,060) (1)
Net position, beginning of year	<u>139,312,487</u>	<u>130,953,883</u>	<u>8,358,604</u>	<u>6.4%</u>	<u>135,665,943 (1)</u>
Net position, end of year	\$ <u><u>204,567,766</u></u>	\$ <u><u>139,312,487</u></u>	\$ <u><u>65,255,279</u></u>	<u><u>46.8%</u></u>	\$ <u><u>130,953,883 (1)</u></u>

(1) FY23 has been restated to conform to GASB 101

PINELLAS SUNCOAST TRANSIT AUTHORITY

Management’s Discussion and Analysis

**For the Year Ended September 30, 2025 and 2024
(Unaudited)**

CAPITAL ASSETS AND LONG-TERM DEBT ADMINISTRATION

The Authority has invested \$204.1 million in capital assets (net of accumulated depreciation and amortization). Approximately 55% of the investment represents revenue-generating equipment and 20% represents the building and improvements at the close of fiscal year September 30, 2025.

Capital Assets, Net of Accumulated Depreciation

Significant projects in fiscal year 2025 include receipt of replacement buses and completion of the design for the Multimodal Clearwater Station.

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

	2025	2024	Percent of Total		2023
			2025	2024	
Land	\$ 6,961,677	\$ 6,961,677	3%	5%	\$ 6,961,677
Buildings and improvements	41,176,826	43,636,526	20%	32%	46,074,826
Leasehold improvements	68,869	88,546	0%	0%	-
Revenue equipment	112,610,946	57,118,664	55%	42%	56,257,128
Furniture and other equipment	2,338,749	2,920,220	1%	2%	2,271,608
Lease assets - Equipment	3,771	6,433	0%	0%	9,095
Lease assets - Buildings	89,395	102,166	0%	0%	114,936
Lease assets - Leasehold Improvements	174,355	199,263	0%	0%	224,171
Lease assets - Vehicles	3,023,911	2,845,600	1%	2%	3,201,300
Lease assets - SBITAs	769,423	926,688	0%	1%	657,249
Capital assets in progress	36,914,028	21,955,846	18%	16%	12,647,999
Total	\$ 204,131,950	\$ 136,761,629	100%	100%	\$ 128,419,989

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 \$4,779,740, \$4,661,706 and \$4,554,110 for fiscal years ended September 30, 2025, 2024 and 2023, respectively.

	2025	2024	2023
Lease liability	\$ 4,176,662	\$ 3,869,613	\$ 3,927,090
Lease liability - SBITAs	603,078	792,093	627,020
Total Long-Term Debt	\$ 4,779,740	\$ 4,661,706	\$ 4,554,110

Note: For more detailed information see pg 47 Long-term Liabilities, FN 11 Leases - Lessee and FN 12 SBITA Liability.

PINELLAS SUNCOAST TRANSIT AUTHORITY

Management's Discussion and Analysis

For the Year Ended September 30, 2025 and 2024 (Unaudited)

Economic Factors and Next Year's Budget and Rates

The economic environment within which PSTA operates is stable with increased visitor travel to Florida and the Tampa Bay Region. However, given the structural damages from the hurricanes in fiscal year 2024 and early in fiscal year 2025 that impacted the area we serve, the effect to property tax revenue has yet to be fully determined.

PSTA is also monitoring State Legislative proposals that could reduce the non-school property taxes and could have a significant impact on the Authority's revenue.

Fiscal Year Budget Summaries

The fiscal year 2025 budget reflected implementation of some key projects and programs that have a positive impact on the community including a rollback of the property tax rate from .7500 to .7342. A new SunRunner station in downtown St. Petersburg was opened in close proximity to the Pier. PSTA started the Clearwater Ferry service as well as the on-demand Grouper Express Service from the St. Pete-Clearwater International airport to Clearwater beach destinations. Design of the multimodal Clearwater Station was complete, and a construction contract was issued.

The PSTA Board adopted the fiscal year 2026 operating and capital budget totaling \$192.6 million on September 29, 2026. The fiscal year 2026 budget is \$43.8 million or 18.5% under the fiscal year 2025 budget projections. Capital improvements are decreasing \$50.9 million or 42.6% due to the receipt of buses in fiscal year 2025 and the timing of design completion and the construction start of the new Multimodal Clearwater Station.

The operating budget increased 6.1% year over year primarily due to contractual union increases and increased costs of health insurance, as well as contractual increases offset by decreased fuel with the receipt of new buses. The budget also includes a rollback for the second year in a row from 0.7342 to 0.7300.

The fiscal year 2026 budget includes the start of construction of the Clearwater Station. This project represents an increase in non-traditional sources of revenue such as partnerships with local government agencies for capital projects and retail revenue. The other key projects include the purchase of replacement buses, expansion of the Clearwater Ferry service to Dunedin and streamlined service on 34th Street South to Eckerd College, branded as the Spark Service. For the first time in 40 years, a service redesign is included called the Community Connected Bus Network. This is designed to realign resources to better serve the community.

This financial plan allows the Authority to focus resources where transit works best based on a data-driven, customer sensitive and innovative approach.

The Authority also developed a multi-year operating plan and a five-year Capital Improvement Program Budget covering fiscal year 2026 through fiscal year 2030.

PINELLAS SUNCOAST TRANSIT AUTHORITY

Management's Discussion and Analysis

For the Year Ended September 30, 2025 and 2024
(Unaudited)

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, 3201 Scherer Drive, St. Petersburg, Florida 33716.



PINELLAS SUNCOAST TRANSIT AUTHORITY
Statements of Net Position
September 30, 2025 and 2024

Assets	2025	2024
Current assets:		
Cash and cash equivalents	\$ 42,679,272	\$ 54,694,140
Accounts receivable, net of allowance of \$0 and \$0	4,018,293	2,833,555
Lease receivable	523,689	469,045
Grants receivable	14,577,303	7,794,488
Inventories	4,964,325	4,157,379
Prepaid expenses	810,792	467,542
Total current assets	<u>67,573,674</u>	<u>70,416,149</u>
Noncurrent assets:		
Lease receivable	619,744	1,143,433
Capital assets:		
Land	6,961,677	6,961,677
Buildings and improvements	75,925,530	76,850,298
Revenue equipment	188,604,484	138,825,978
Furniture and other	10,973,359	11,912,796
Capital assets in progress	36,914,028	21,955,846
Leasehold improvements	96,745	96,745
Right to use asset - equipment	13,310	13,310
Right to use asset - buildings	127,707	127,707
Right to use asset - leasehold improvements	249,079	249,079
Right to use asset - vehicles	4,128,609	3,557,000
Right to use asset - SBITAs	1,933,756	1,761,693
	<u>325,928,284</u>	<u>262,312,129</u>
Less accumulated depreciation	119,404,728	123,921,861
Less accumulated amortization	2,391,606	1,628,639
Net capital assets	<u>204,131,950</u>	<u>136,761,629</u>
Total noncurrent assets	<u>204,751,694</u>	<u>137,905,062</u>
Total assets	<u>272,325,368</u>	<u>208,321,211</u>
Deferred Outflows of Resources		
Deferred outflow of resources - other post-employment benefit related amounts	751,215	314,078
Deferred outflow of resources - pension related amounts	8,401,688	11,260,241
Total deferred outflow of resources	<u>9,152,903</u>	<u>11,574,319</u>

See accompanying notes to financial statements.

PINELLAS SUNCOAST TRANSIT AUTHORITY
Statements of Net Position
September 30, 2025 and 2024

Liabilities	2025	2024
Current liabilities:		
Accounts payable	6,872,234	6,466,601
Accrued expenses	2,406,963	2,161,258
Total other post-employment benefit liability	97,555	325,128
Compensated absences	4,331,340	3,270,319
Claims and judgments	1,588,849	1,416,129
Unearned revenue	768,560	818,456
Lease liability	546,116	238,520
SBITA liability	172,500	344,851
Total current liabilities	16,784,117	15,041,262
Noncurrent liabilities:		
Total other post-employment benefit liability	2,422,276	1,730,331
Compensated absences	1,367,870	2,292,675
Claims and judgments	3,797,657	3,265,642
Net pension liability	37,551,855	45,944,008
Lease liability	3,630,546	3,631,093
SBITA liability	430,578	447,242
Total noncurrent liabilities	49,200,782	57,310,991
Total liabilities	65,984,899	72,352,253
Deferred Inflows of Resources		
Deferred inflow of resources - leases	1,353,424	1,811,024
Deferred inflow of resources - other post-employment benefit related amounts	719,144	677,732
Deferred inflow of resources - pension related amounts	8,853,038	5,742,034
Total deferred inflow of resources	10,925,606	8,230,790
Net Position		
Net investment in capital assets	199,027,730	131,726,941
Restricted grantor resources and contractually restricted cash	3,915	34,840
Unrestricted	5,536,121	7,550,706
Total net position	\$ 204,567,766	\$ 139,312,487

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, 2025 and 2024

	2025	2024
Operating revenues:		
Passenger fares	\$ 5,495,686	\$ 5,819,407
Demand response	2,218,863	1,895,337
Advertising revenue	831,156	873,837
	<u>8,545,705</u>	<u>8,588,581</u>
Total operating revenues		
Operating expenses:		
Operations	54,878,728	52,531,756
Purchased transportation	23,863,763	22,521,758
Maintenance	15,138,270	14,340,523
Administration and finance	24,701,859	23,151,795
Marketing	1,803,795	1,706,879
	<u>120,386,415</u>	<u>114,252,711</u>
Total operating expenses, before depreciation		
Operating loss before depreciation	<u>(111,840,710)</u>	<u>(105,664,130)</u>
Depreciation	14,609,592	12,089,209
Amortization	1,023,382	741,169
	<u>15,632,974</u>	<u>12,830,378</u>
Total depreciation and amortization		
Operating loss	<u>(127,473,684)</u>	<u>(118,494,508)</u>
Nonoperating revenues (expenses):		
Federal maintenance assistance grants	6,563,759	5,087,956
State operating assistance grants	6,639,554	930,488
Other federal grants	5,961,813	10,913,439
Special project assistance – state grants	7,069,076	6,540,112
Special project assistance – local grants	1,949,980	1,668,657
Property tax revenues	83,135,375	77,764,754
Investment income	2,383,006	2,828,134
Fuel tax refunds	647,766	744,632
Other, net	(226,442)	95,731
	<u>114,123,887</u>	<u>106,573,903</u>
Total nonoperating revenues		
Loss before capital grants	<u>(13,349,797)</u>	<u>(11,920,605)</u>
Capital grants and other related revenues	<u>64,115,707</u>	<u>16,681,792</u>
Contributed capital - local government	14,489,369	3,597,417
Increase / (decrease) in net position	<u>65,255,279</u>	<u>8,358,604</u>
Net position, beginning of year	<u>139,312,487</u>	<u>130,953,883</u>
Net position, end of year	<u>\$ 204,567,766</u>	<u>\$ 139,312,487</u>

See accompanying notes to financial statements.

PINELLAS SUNCOAST TRANSIT AUTHORITY
Statements of Cash Flows
For the Years Ended September 30, 2025 and 2024

	2025	2024
Cash flows from operating activities:		
Receipts from customers	\$ 7,360,967	\$ 8,456,691
Payments to suppliers	(51,808,114)	(48,250,462)
Payments to and on behalf of employees	(70,541,655)	(67,238,211)
Net cash used in operating activities	(114,988,802)	(107,031,982)
Cash flows from noncapital financing activities:		
Property tax revenues	83,135,375	77,764,754
Operating and special project assistance grants	26,806,995	24,552,133
Fuel tax refunds	647,766	744,632
Non-transportation revenue/expenses	7,341	(287,107)
Net cash provided by noncapital financing activities	110,597,477	102,774,412
Cash flows from capital and related financing activities:		
Purchases of capital assets	(68,231,933)	(16,723,970)
Capital grants	58,660,182	16,444,355
Principal paid on debt from leasing activities	(773,036)	(506,973)
Interest paid on debt from leasing activities	(158,635)	(138,658)
Proceeds from sale of capital assets	308,299	7,484
Net cash used in capital financing activities	(10,195,123)	(917,762)
Cash flows from investing activities:		
Proceeds from leasing activities	121,115	449,005
Investment income	2,450,465	2,909,260
Net cash provided by investing activities	2,571,580	3,358,265
Net decrease in cash and cash equivalents	(12,014,868)	(1,817,067)
Cash and cash equivalents, beginning of year	54,694,140	56,511,207
Cash and cash equivalents, end of year	\$ 42,679,272	\$ 54,694,140
Reconciliation of operating loss to net cash used in operating activities:		
Operating loss	\$ (127,473,684)	\$ (118,494,508)
Adjustments to reconcile operating loss to net cash used in operating activities:		
Depreciation and amortization	15,632,974	12,830,378
(Increase) decrease in assets and deferred outflows:		
Accounts receivable	(1,184,738)	(131,890)
Inventory	(806,946)	(380,068)
Prepaid expenses	(343,250)	177,423
OPEB and pension related deferred outflows	2,421,416	763,194
Increase (decrease) in liabilities and deferred inflows:		
Accounts payable	454,135	390,132
Accrued expenses	245,705	27,947
Compensated absences	136,216	395,049
Claims and judgments payable	704,735	(2,362,662)
OPEB and pension related liabilities and deferred inflows	(4,775,365)	(246,977)
Net cash used in operating activities	\$ (114,988,802)	\$ (107,031,982)
Schedule of noncash transactions:		
Purchase of capital assets included in accounts payable	324,480	372,982
Right to use assets acquired through debt	891,070	614,569
Contributed capital assets	14,489,369	3,597,417
Total Noncash Investing, Capital and Financing Activities	\$ 14,813,849	\$ 3,970,399

See accompanying notes to financial statements.

PINELLAS SUNCOAST TRANSIT AUTHORITY

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, 2025 and 2024, 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 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 receivables are deemed collectible by the Authority and therefore, the Authority does not report an allowance for doubtful 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. All receivables are deemed collectible by the Authority and therefore, the Authority does not report an allowance for doubtful accounts. The receivables are analyzed by management at the end of the year to estimate the amount of the allowance, as applicable.

(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

PINELLAS SUNCOAST TRANSIT AUTHORITY

Notes to Financial Statements

(1) Summary of Significant Accounting Policies - Continued

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.

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.

The Authority 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)

The Authority recognizes 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, mainly 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 are calculated using the straight-line method over the estimated useful life of the asset.

Right-to-use assets are initially measured at the present value of payments expected to be made during the lease term, adjusted for lease payments made at or before the lease commencement date, plus certain indirect costs. Subsequently, the lease asset is amortized in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset.

SBITA assets are initially measured as the sum of the present value of payments expected to be made during the subscription term, payments associated with the SBITA contract made to the SBITA vendor at the commencement of the subscription term, when applicable, and capitalizable implementation costs, less any SBITA vendor incentives received from the SBITA vendor at the commencement of the SBITA term. SBITA assets are amortized in a

PINELLAS SUNCOAST TRANSIT AUTHORITY

Notes to Financial Statements

(1) **Summary of Significant Accounting Policies - Continued**

systematic and rational manner over the shorter of the subscription term or the useful life of the underlying information technology assets.

<u>Property Classification</u>	<u>Estimated Useful Life Range</u>
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.

PINELLAS SUNCOAST TRANSIT AUTHORITY

Notes to Financial Statements

(1) Summary of Significant Accounting Policies - Continued

(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.

(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".

PINELLAS SUNCOAST TRANSIT AUTHORITY

Notes to Financial Statements

(1) Summary of Significant Accounting Policies – Continued

(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 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 farebox 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.

PINELLAS SUNCOAST TRANSIT AUTHORITY

Notes to Financial Statements

(1) Summary of Significant Accounting Policies - Continued

(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 Board approved ad valorem tax rates for fiscal years 2024 and 2025 were 0.7300 and 0.7342 respectively.

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.

• **Property Tax Calendar**

June 1, 2024 - Taxes are based on assessed property value at this date as determined by the Pinellas County Property Appraiser.

July 1, 2024 - Property assessment roll and certificates of value provided to the Authority by the Pinellas County Property Appraiser.

July 31, 2024 - Proposed millage rate is approved by the Board of Directors and provided to the Pinellas County Property Appraiser who mails notices to the taxpayers.

September 24, 2024 - Property tax millage rate resolution approved by the Board of Directors.

October 1, 2024 - Beginning of the year for which property taxes have been levied.

October 31, 2024 - Tax Collector mails tax bills.

PINELLAS SUNCOAST TRANSIT AUTHORITY

Notes to Financial Statements

(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.



PINELLAS SUNCOAST TRANSIT AUTHORITY

Notes to Financial Statements

(3) **Cash and Cash Equivalents**

On September 30, 2025 and 2024, the carrying value of the Authority’s cash and cash equivalents was as follows:

Type	2025	2024
Cash on hand	\$ 25,000	\$ 24,999
Petty cash	550	550
FTA Restricted	3,915	34,840
Demand deposits	8,197,377	7,408,479
Money Market bank deposits	11,343,524	25,068,452
Certificates of deposit	23,108,906	22,156,820
Total cash and cash equivalents	<u>\$ 42,679,272</u>	<u>\$ 54,694,140</u>

The investment returns through fiscal year end September 30, 2025, totaled an average of 371 basis points compared to an average of 436 basis points through fiscal year end September 30, 2024.

(a) **Custodial Credit Risk**

On September 30, 2025 and 2024, 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 October 2024 amended to reference Florida Statutes 288.860 for “Foreign Country of Concern” in Section 8 of the policy. 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)
- Direct Obligations of the U.S. 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

PINELLAS SUNCOAST TRANSIT AUTHORITY

Notes to Financial Statements

(3) **Cash and Cash Equivalents – Continued**

As of September 30, 2025, and 2024, 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 \$2,283,050 and \$2,815,860 of interest income on cash and cash equivalents for the years ended September 30, 2025 and 2024, 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, the Authority's investment policy prohibits investments in U.S. Treasuries with maturities greater than five years. As of September 30, 2025, the Authority's fixed income holdings consisted of two 6-month non-negotiable certificates of deposit for \$5,000,000 each, with a maximum maturity date of January 30, 2026, and an interest rate of 4.2% and two 9-month non-negotiable certificates of deposits for \$5,000,000 each, with a maximum maturity date of March 19, 2026, and an interest rate of 4.0%. As of September 30, 2024, the Authority's fixed income holdings consisted of two 3-month non-negotiable certificates of deposits for \$5,000,000 each, with a maximum maturity date of October 30, 2024, and an interest rate of 5.0% and two 9-month non-negotiable certificates of deposit for \$5,000,000 each, with a maximum maturity date of June 22, 2025 and an interest rate of 4.4%.

(d) **Concentration of Credit Risk**

During fiscal year 2025 and 2024, the Authority Investment Guidelines has recommended limits on the amount the Authority may place with each type of investment and with issuers as follows:

PINELLAS SUNCOAST TRANSIT AUTHORITY

Notes to Financial Statements

(3) Cash and Cash Equivalents – Continued

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.

PINELLAS SUNCOAST TRANSIT AUTHORITY

Notes to Financial Statements

(4) Capital Assets

Capital asset activity for the years ended September 30, 2025, and 2024, was as follows:

	<u>October 1 2024</u>	<u>Additions</u>	<u>Transfers, Disposals and Impairments</u>	<u>September 30 2025</u>
Non-depreciable assets:				
Land	\$ 6,961,677	\$ -	\$ -	\$ 6,961,677
Capital assets in progress	21,955,846	82,456,995	67,498,813	36,914,028
Total non-depreciable assets	<u>28,917,523</u>	<u>82,456,995</u>	<u>67,498,813</u>	<u>43,875,705</u>
Depreciable assets:				
Buildings and improvements	76,850,298	141,797	1,066,565	75,925,530
Leasehold Improvements	96,745	-	-	96,745
Revenue equipment	138,825,978	67,319,650	17,541,144	188,604,484
Furniture and other equipment	11,912,796	253,171	1,192,608	10,973,359
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	571,609	-	4,128,609
Lease assets - SBITA	1,761,693	319,461	147,398	1,933,756
Total depreciable and amortized assets	<u>233,394,606</u>	<u>68,605,688</u>	<u>19,947,715</u>	<u>282,052,579</u>
Total at historical cost	<u>262,312,129</u>	<u>151,062,683</u>	<u>87,446,528</u>	<u>325,928,284</u>
Less accumulated depreciation and amortization for:				
Buildings and improvements	33,213,772	2,538,767	1,003,835	34,748,704
Leasehold improvements	8,199	19,677	-	27,876
Revenue equipment	81,707,314	11,521,253	17,235,029	75,993,538
Furniture and other equipment	8,992,576	642,912	1,000,878	8,634,610
Lease assets - Equipment	6,877	2,662	-	9,539
Lease assets - Buildings	25,541	12,771	-	38,312
Lease assets - Leasehold Improvements	49,816	24,908	-	74,724
Lease assets - Vehicles	711,400	393,298	-	1,104,698
Lease assets - SBITA	835,005	476,726	147,398	1,164,333
Total accumulated depreciation and amortization	<u>125,550,500</u>	<u>15,632,974</u>	<u>19,387,140</u>	<u>121,796,334</u>
Capital assets, net	<u>\$ 136,761,629</u>	<u>\$ 135,429,709</u>	<u>\$ 68,059,388</u>	<u>\$ 204,131,950</u>

PINELLAS SUNCOAST TRANSIT AUTHORITY

Notes to Financial Statements

(4) Capital Assets - Continued

Capital asset activity for the years ended September 30, 2024 and 2023, was as follows:

	October 1 2023	Additions	Transfers, Disposals and Impairments	September 30 2024
Non-depreciable assets:				
Land	\$ 6,961,677	\$ 370,865	\$ 370,865	\$ 6,961,677
Capital assets in progress	<u>12,647,999</u>	<u>20,608,719</u>	<u>11,300,872</u>	<u>21,955,846</u>
Total non-depreciable assets	<u>19,609,676</u>	<u>20,979,584</u>	<u>11,671,737</u>	<u>28,917,523</u>
Depreciable assets:				
Buildings and improvements	78,226,519	151,522	1,527,743	76,850,298
Leasehold Improvements	-	96,745	-	96,745
Revenue equipment	137,804,822	9,662,604	8,641,448	138,825,978
Furniture and other equipment	10,841,890	1,363,487	292,581	11,912,796
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	<u>1,389,841</u>	<u>614,569</u>	<u>242,717</u>	<u>1,761,693</u>
Total depreciable and amortized assets	<u>232,210,168</u>	<u>11,888,927</u>	<u>10,704,489</u>	<u>233,394,606</u>
Total at historical cost	<u>251,819,844</u>	<u>32,868,511</u>	<u>22,376,226</u>	<u>262,312,129</u>
Less accumulated depreciation and amortization for:				
Buildings and improvements	32,151,693	2,565,067	1,502,988	33,213,772
Leasehold improvements	-	8,199	-	8,199
Revenue equipment	81,547,694	8,801,069	8,641,449	81,707,314
Furniture and other equipment	8,570,282	714,874	292,580	8,992,576
Lease assets - Equipment	4,215	2,662	-	6,877
Lease assets - Buildings	12,771	12,770	-	25,541
Lease assets - Leasehold Improvements	24,908	24,908	-	49,816
Lease assets - Vehicles	355,700	355,700	-	711,400
Lease assets - SBITA	<u>732,592</u>	<u>345,129</u>	<u>242,716</u>	<u>835,005</u>
Total accumulated depreciation and amortization	<u>123,399,855</u>	<u>12,830,378</u>	<u>10,679,733</u>	<u>125,550,500</u>
Capital assets, net	<u>\$ 128,419,989</u>	<u>\$ 20,038,133</u>	<u>\$ 11,696,493</u>	<u>\$ 136,761,629</u>

PINELLAS SUNCOAST TRANSIT AUTHORITY

Notes to Financial Statements

(5) Net Position

Unrestricted net position at September 30, 2025 and 2024, consists of the following:

	<u>2025</u>	<u>2024</u>
Unrestricted net position	\$ <u>5,536,121</u>	\$ <u>7,550,706</u>

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, 2025 and 2024, are as follows:

	<u>2025</u>	<u>2024</u>
Grantor resources and contractually restricted cash	\$ <u>3,915</u>	\$ <u>34,840</u>

(6) Long-Term Liabilities

Activity relating to the Authority’s long-term liabilities during the years ending September 30, 2025 and 2024 consists of the following.

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>	<u>More Than One Year</u>
<u>Balance at September 30, 2025</u>						
Compensated absences	\$ 5,562,994	\$ 136,216	(1) \$ -	\$ 5,699,210	\$ 4,331,340	\$ 1,367,870
Claims and judgments	4,681,771	2,331,619	1,626,884	5,386,506	1,588,849	3,797,657
Lease liability	3,869,613	571,609	264,560	4,176,662	546,116	3,630,546
Lease liability - SBITAs	<u>792,093</u>	<u>319,461</u>	<u>508,476</u>	<u>603,078</u>	<u>172,500</u>	<u>430,578</u>
Total long term liabilities	\$ <u>14,906,471</u>	\$ <u>3,358,905</u>	\$ <u>2,399,920</u>	\$ <u>15,865,456</u>	\$ <u>6,638,805</u>	\$ <u>9,226,651</u>
<u>Balance at September 30, 2024</u>						
Compensated absences	\$ 5,167,945	\$ 395,049	(1) \$ -	\$ 5,562,994	\$ 3,270,319	\$ 2,292,675
Claims and judgments	7,044,433	557,731	2,920,393	4,681,771	1,416,129	3,265,642
Lease liability	3,927,090	-	57,477	3,869,613	238,520	3,631,093
Lease liability - SBITAs	<u>627,020</u>	<u>571,651</u>	<u>406,578</u>	<u>792,093</u>	<u>344,851</u>	<u>447,242</u>
Total long term liabilities	\$ <u>16,766,488</u>	\$ <u>1,524,431</u>	\$ <u>3,384,448</u>	\$ <u>14,906,471</u>	\$ <u>5,269,819</u>	\$ <u>9,636,652</u>

(1) The change in the compensated absences liability is presented as a net change.

PINELLAS SUNCOAST TRANSIT AUTHORITY

Notes to Financial Statements

(6) Long-Term Liabilities - Continued

Net pension liability of \$37,551,855 and \$45,944,008 for September 30, 2025 and 2024, respectively, and the other post-employment benefit liability (OPEB) of \$2,519,831, and \$2,055,459 for September 30, 2025 and 2024, 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 details of those liabilities are included in footnotes 8 and 9, respectively.

(7) 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 \$10,961,897 and \$10,718,933 for the years ending September 30, 2025 and 2024, 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.

PINELLAS SUNCOAST TRANSIT AUTHORITY

Notes to Financial Statements

(7) Risk Management - Continued

	<u>Workers'</u> <u>Compensation</u>	<u>General</u> <u>Liability</u>	<u>Total</u>
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	<u>(455,938)</u>	<u>(1,421,993)</u>	<u>(1,877,931)</u>
Claims reserve - September 30, 2023	\$ 1,264,757	\$ 5,779,676	\$ 7,044,433
Claims incurred	414,475	143,256	557,731
Claim payments	<u>(537,139)</u>	<u>(2,383,254)</u>	<u>(2,920,393)</u>
Claims reserve - September 30, 2024	\$ 1,142,093	\$ 3,539,678	\$ 4,681,771
Claims incurred	555,530	1,776,089	2,331,619
Claim payments	<u>(401,594)</u>	<u>(1,225,290)</u>	<u>(1,626,884)</u>
Claims reserve - September 30, 2025	<u>\$ 1,296,029</u>	<u>\$ 4,090,477</u>	<u>\$ 5,386,506</u>
	<u>2025</u>	<u>2024</u>	
Claims and judgments			
Due within one year	\$ 1,588,849	\$ 1,416,129	
Due in more than one year	<u>3,797,657</u>	<u>3,265,642</u>	
	<u>\$ 5,386,506</u>	<u>\$ 4,681,771</u>	

PINELLAS SUNCOAST TRANSIT AUTHORITY

Notes to Financial Statements

(8) **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 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 \$3,294,701 and \$5,794,672 for both the FRS Pension Plan and HIS Plan for the fiscal years ended September 30, 2025, and 2024, respectively. The Authority's pension liability totaled \$37,551,855 and \$45,944,008 for the FRS Pension Plan and HIS Plan for the fiscal years ended September 30, 2025, and 2024, respectively. The Authority's deferred inflows totaled \$8,853,038 and \$5,742,034 for both the FRS Pension Plan and the HIS Plan for the fiscal years ended September 30, 2025, and 2024, respectively. The Authority's deferred outflows totaled \$8,401,688 and \$11,260,241 for both the FRS Pension Plan and HIS Plan for the fiscal years ended September 30, 2025, and 2024, 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.

PINELLAS SUNCOAST TRANSIT AUTHORITY

Notes to Financial Statements

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

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, 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.

PINELLAS SUNCOAST TRANSIT AUTHORITY

Notes to Financial Statements

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

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.

(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 \$4,744,314 and \$4,374,319 for the years ended September 30, 2025 and 2024, respectively.

PINELLAS SUNCOAST TRANSIT AUTHORITY

Notes to Financial Statements

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

Contribution Rates - Employer - 2025

Job Class	October 1, 2024 - June 30, 2025	July 1, 2025 - September 30, 2025
Regular	13.63%	14.03%
Special Risk	32.79%	35.19%
Special Risk Administrative Support	39.82%	39.48%
Elected County Officers	58.68%	54.57%
Senior Management	34.52%	33.24%
DROP Participants	21.13%	22.02%
Above rates include HIS Plan subsidy of:	2.00%	2.00%

Contribution Rates - Employer - 2024

Job Class	October 1, 2023 - June 30, 2024	July 1, 2024 - September 30, 2024
Regular	13.57%	13.63%
Special Risk	32.67%	32.79%
Special Risk Administrative Support	39.82%	39.82%
Elected County Officers	58.68%	58.68%
Senior Management	34.52%	34.52%
DROP Participants	21.13%	21.13%
Above rates include HIS Plan subsidy of:	2.00%	2.00%

(d) Pension Costs

On September 30, 2025, and 2024, the Authority reported a liability of \$23,901,081 and \$29,790,365, 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.

PINELLAS SUNCOAST TRANSIT AUTHORITY

Notes to Financial Statements

(8) 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, 2025, the Authority’s proportion was 0.07701%, which was an increase of 0.00466% from its proportion measured as of June 30, 2024. At June 30, 2024, the Authority’s proportion was 0.07701%, which was a decrease of 0.00466% from its proportion measured as of June 30, 2023.

For the year ended September 30, 2025, the Authority recognized pension expense of \$2,896,030 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 – 2025

<u>Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences Between Expected and Actual Economic Experience	\$ 2,552,886	\$ -
Changes in Actuarial Assumptions	2,775,536	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	3,990,527
Changes in Proportion and Differences Between Entity Contributions and Proportionate Share of Contributions	716,494	924,783
Entity Contributions Subsequent to the Measurement Date	<u>1,327,217</u>	<u>-</u>
Total	<u>\$ 7,372,133</u>	<u>\$ 4,915,310</u>

\$1,327,217 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, 2026. 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:

PINELLAS SUNCOAST TRANSIT AUTHORITY

Notes to Financial Statements

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

<u>Year Ended September 30</u>	<u>Amount</u>
2026	\$ 4,150,956
2027	(827,748)
2028	(1,292,434)
2029	(901,167)
2030	-
Thereafter	-

For the year ended September 30, 2024, the Authority recognized pension expense of \$4,963,502 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 - 2024

<u></u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences Between Expected and Actual Economic Experience	\$ 3,009,627	\$ -
Changes in Actuarial Assumptions	4,083,042	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	1,980,023
Changes in Proportion and Differences Between Entity Contributions and Proportionate Share of Contributions	1,449,666	1,245,597
Entity Contributions Subsequent to the Measurement Date	1,181,109	-
Total	<u>\$ 9,723,444</u>	<u>\$ 3,225,620</u>

PINELLAS SUNCOAST TRANSIT AUTHORITY

Notes to Financial Statements

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

(e) Actuarial Assumptions

The total pension liability in the July 1, 2025 and the July 1, 2024 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Valuation Date	July 1, 2025	July 1, 2024
Measurement Date	June 30, 2025	June 30, 2024
Inflation per year	2.40%	2.40%
Salary Increases, including inflation	3.50%	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 which 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 – 2025

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Annual Arithmetic Return</u>	<u>Compound Annual (Geometric) Return</u>	<u>Standard Deviation</u>
Cash	1.0%	3.2%	3.2%	1.1%
Fixed Income	29.0%	5.5%	5.4%	4.0%
Global Equity	45.0%	8.5%	6.9%	18.3%
Real Estate (Property)	12.0%	8.4%	7.1%	16.8%
Private Equity	11.0%	12.4%	8.8%	28.4%
Strategic Investments	2.0%	6.5%	6.1%	8.7%
Totals	<u>100%</u>			
Assumed Inflation – Mean			2.4%	1.5%

PINELLAS SUNCOAST TRANSIT AUTHORITY

Notes to Financial Statements

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

FRS Investment Rate of Return – 2024

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Annual Arithmetic Return</u>	<u>Compound Annual (Geometric) Return</u>	<u>Standard Deviation</u>
Cash	1.0%	3.3%	3.3%	1.1%
Fixed Income	29.0%	5.7%	5.6%	3.9%
Global Equity	45.0%	8.6%	7.0%	18.2%
Real Estate (Property)	12.0%	8.1%	6.8%	16.6%
Private Equity	11.0%	12.4%	8.8%	28.4%
Strategic Investments	2.0%	6.6%	6.2%	8.7%
Totals	<u>100%</u>			
Assumed Inflation – Mean			2.4%	1.5%

(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, 2025, and 6.70% for the actuarial valuation date July 1, 2024. 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 – 2025

<u>Description</u>	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
FRS Plan Discount Rate	5.70%	6.70%	7.70%
Authority’s Proportionate Share of the FRS Plan Net Pension Liability	\$ 46,905,503	\$ 23,901,081	\$ 4,614,507

PINELLAS SUNCOAST TRANSIT AUTHORITY

Notes to Financial Statements

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

(g) Pension Liability Sensitivity - Continued

FRS Pension Liability Sensitivity – 2024

Description	1% Decrease	Current Discount Rate	1% Increase
FRS Plan Discount Rate	5.70%	6.70%	7.70%
Authority’s Proportionate Share of the FRS Plan Net Pension Liability (Asset)	\$ 52,400,209	\$ 29,790,365	\$ 10,849,825

(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, 2025 and 2024, the Authority reported \$472,586 and \$432,038, respectively for outstanding amounts of contributions to the FRS plan.

PINELLAS SUNCOAST TRANSIT AUTHORITY

Notes to Financial Statements

(8) 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 ended June 30, 2025 and 2024, retirees and beneficiaries received a monthly HIS payment equal to the number of years of creditable service completed at the time of retirement multiplied by \$7.50. The payments are at least \$45 but not more than \$225 per month, pursuant to section 112.363, Florida Statutes.

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, 2025 and 2024, the contribution rate was 2.00% of payroll pursuant to section 112.363, Florida Statutes. 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 \$972,983 and \$914,247 for the years ended September 30, 2025 and 2024, respectively.

(d) Pension Costs

At September 30, 2025 and 2024, the Authority reported a liability of \$13,650,774 and \$16,153,643, 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, 2025, the Authority's proportion was 0.10650% which was a decrease of 0.00118% from its proportion measured as of June 30, 2024. At June 30, 2024, the Authority's proportion was 0.10768% which was a decrease of 0.00360% from its proportion measured as of June 30, 2023.

PINELLAS SUNCOAST TRANSIT AUTHORITY

Notes to Financial Statements

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

(d) Pension Costs - Continued

For the year ended September 30, 2025, the Authority recognized pension expense of \$398,671 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 - 2025

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Economic Experience	\$ 81,486	\$ 21,654
Changes in Actuarial Assumptions	120,825	3,301,772
Net Difference Between Projected and Actual Earnings on HIS Program Investments	-	11,362
Changes in Proportion and Differences Between Authority Contributions and Proportionate Share of Contributions	562,917	602,940
Authority Contributions Subsequent to the Measurement Date	264,325	-
Total	\$ 1,029,553	\$ 3,937,728

\$264,325 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, 2026. 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
2026	\$ (613,829)
2027	(770,246)
2028	(710,127)
2029	(663,673)
2030	(414,625)
Thereafter	-

PINELLAS SUNCOAST TRANSIT AUTHORITY

Notes to Financial Statements

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

(d) Pension Costs - Continued

For the year ended September 30, 2024, the Authority recognized pension expense of \$831,170 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 – 2024

<u>Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences Between Expected and Actual Economic Experience	\$ 155,974	\$ 31,017
Changes in Actuarial Assumptions	285,882	1,912,385
Net Difference Between Projected and Actual Earnings on HIS Program Investments	-	5,842
Changes in Proportion and Differences Between Authority Contributions and Proportionate Share of Contributions	851,728	567,170
Authority Contributions Subsequent to the Measurement Date	243,213	-
Total	<u>\$ 1,536,797</u>	<u>\$ 2,516,414</u>

PINELLAS SUNCOAST TRANSIT AUTHORITY

Notes to Financial Statements

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

(e) **Actuarial Assumptions**

The total pension liability in July 1, 2025 and July 1, 2024, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Valuation Date	July 1, 2025	July 1, 2024
Measurement Date	June 30, 2025	June 30, 2024
Inflation per year	2.40%	2.40%
Salary Increases, including inflation	3.50%	3.50%
Municipal Bond Rate	5.20%	3.93%

For the July 1, 2025 valuation, mortality rates were based on the PUB-2010 base table projected generationally with Scale MP-2021. 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 5.20% and 3.93% for the HIS Plan for the actuarial valuation date July 1, 2025 and July 1, 2024, 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:

PINELLAS SUNCOAST TRANSIT AUTHORITY

Notes to Financial Statements

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

HIS Pension Liability Sensitivity - 2025

<u>Description</u>	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
HIS Plan Discount Rate	4.20%	5.20%	6.20%
Authority's Proportionate Share of the HIS Plan Net Pension Liability	\$ 15,393,445	\$ 13,650,774	\$ 12,189,226

HIS Pension Liability Sensitivity - 2024

<u>Description</u>	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
HIS Plan Discount Rate	2.93%	3.93%	4.93%
Authority's Proportionate Share of the HIS Plan Net Pension Liability	\$ 18,388,847	\$ 16,153,643	\$ 14,298,063

(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, 2025 and 2024 the Authority reported \$648,853 and \$582,079, respectively for outstanding amounts of employee and employer contributions to the HIS plan, which includes all contributions payable to the FRS Defined Benefit Plan and FRS Defined Contribution 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

PINELLAS SUNCOAST TRANSIT AUTHORITY

Notes to Financial Statements

(8) Defined Benefit Pension Plans (Defined Contribution Plan) - Continued

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 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, 2023, 2024, and 2025 and by forfeited benefits of plan members. Allocations to the member accounts as of September 30, 2024, 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, 2025, and 2024, 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 \$1,764,582 and \$1,639,252 for the years ended September 30, 2025 and 2024, respectively. Employee contributions to the Investment Plan totaled \$382,249 and \$361,982 for the years ended September 30, 2025 and 2024, respectively.

PINELLAS SUNCOAST TRANSIT AUTHORITY

Notes to Financial Statements

(9) 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.

PINELLAS SUNCOAST TRANSIT AUTHORITY

Notes to Financial Statements

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

(a) Plan Description- Continued

The number of employees covered by benefit terms as of October 1, 2024, the most recent actuarial valuation date, are as follows:

Retirees and dependents receiving benefits	3
Retirees entitled to but not yet receiving benefits	-
Active Employees	560
	563
Total participants covered by OPEB plan	563

(b) Total OPEB Liability

At September 30, 2025 and 2024, the Authority reported a liability of \$2,519,831 and \$2,055,459, respectively, for its total OPEB liability. The total OPEB liability was measured as of September 30, 2025 and was determined by an actuarial valuation as of October 1, 2024.

(c) Actuarial Assumptions and Other Inputs

The total OPEB liability in the October 1, 2024 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Valuation Date	October 1, 2024
Healthcare Cost Trend Rates:	
Current Year Trend	8.00%
Second Year Trend	7.50%
Decrement	7.00%
Ultimate Trend	4.50%
Year Ultimate Trend is Reached	2040
Actuarial Cost Method	Entry Age Normal

The discount rate of 4.90% 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, 2025. Mortality rates were based on the SOA Pub-2010 General Headcount Weighted Mortality Table fully generational using Scale MP-2021.

PINELLAS SUNCOAST TRANSIT AUTHORITY

Notes to Financial Statements

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

(d) Changes in Total OPEB Liability

	<u>2025</u>	<u>2024</u>
Changes for the Year:		
Service costs	\$ 149,078	\$ 123,947
Interest on OPEB obligation	87,361	88,516
Experience	(401,631)	(8,769)
Assumptions	736,210	195,724
Employer contributions	<u>(106,646)</u>	<u>(74,290)</u>
Change in total OPEB obligation	\$ 464,372	\$ 325,128
Total OPEB obligation - beginning of year	<u>2,055,459</u>	<u>1,730,331</u>
Total OPEB obligation - end of year	<u><u>\$ 2,519,831</u></u>	<u><u>\$ 2,055,459</u></u>

(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- 2025

<u>Description</u>	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
OPEB Plan Discount Rate	3.90%	4.90%	5.90%
Total OPEB liability	\$ 2,648,126	\$ 2,519,831	\$ 2,391,938

Total OPEB Liability Sensitivity Discount Rate- 2024

<u>Description</u>	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
OPEB Plan Discount Rate	3.06%	4.06%	5.06%
Total OPEB liability	\$ 2,185,357	\$ 2,055,459	\$ 1,930,889

PINELLAS SUNCOAST TRANSIT AUTHORITY

Notes to Financial Statements

(9) 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 – 2025

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	\$ 2,219,860	\$ 2,519,831	\$ 2,870,278

Total OPEB Liability Sensitivity Healthcare Cost Trend Rate – 2024

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	\$ 1,813,605	\$ 2,055,459	\$ 2,342,227

(g) OPEB Costs

For the year ended September 30, 2025, the Authority recognized OPEB expense of \$175,293. In addition, the Authority reported OPEB deferred outflows of resources and deferred inflows of resources from the following sources:

OPEB Deferred Inflows/Outflows – 2025

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Economic Experience	\$ -	\$ (565,218)
Changes in Actuarial Assumptions	751,215	(153,926)
Total	\$ 751,215	\$ (719,144)

PINELLAS SUNCOAST TRANSIT AUTHORITY

Notes to Financial Statements

(9) 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:

<u>Year Ended September 30</u>	<u>Amount</u>
2026	\$ (121,461)
2027	(553)
2028	56,011
2029	98,074
2030	-
Thereafter	-

For the year ended September 30, 2024, the Authority recognized OPEB expense of \$84,401. In addition, the Authority reported OPEB deferred outflows of resources and deferred inflows of resources from the following sources:

OPEB Deferred Inflows/Outflows – 2024

<u>Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences Between Expected and Actual Economic Experience	\$ -	\$ 416,079
Changes in Actuarial Assumptions	314,078	261,653
 Total	 <u>\$ 314,078</u>	 <u>\$ 677,732</u>

(10) 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, 2025 and 2024, the Authority recognized \$438,842 and \$457,641 and \$62,718 and \$457,645 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, 2025 and 2024, the Authority received variable payments as required by lease agreements totaling \$325,652 and \$393,166, respectively.

PINELLAS SUNCOAST TRANSIT AUTHORITY

Notes to Financial Statements

(10) Leases-Lessor - Continued

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

Future Minimum Lease Payment to be Received – 2025

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 523,689	\$ 47,815	\$ 571,504
2027	580,605	25,899	606,504
2028	19,887	1,617	21,504
2029	19,252	460	19,712
Total minimum lease payments	<u>\$ 1,143,433</u>	<u>\$ 75,791</u>	<u>\$ 1,219,224</u>

(11) Leases-Lessee

The Authority leases equipment, vehicles, and facility, leasehold improvements, and vehicles for Jolley Trolley services. The lease expires in September 2032 and Jolley Trolley services provides long-term, non-cancelable lease agreements.

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

Future Minimum Lease Payment– 2025

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 546,116	\$ 128,588	\$ 674,704
2027	744,834	104,092	848,926
2028	807,598	75,521	883,119
2029	644,359	51,791	696,150
2030	551,040	34,014	585,054
2031-2035	882,715	25,208	907,923
Total minimum lease payments	<u>\$ 4,176,662</u>	<u>\$ 419,214</u>	<u>\$ 4,595,876</u>

The Authority also leases vanpool services, tires, and uniforms for various terms under long-term, non-cancellable lease agreements. The leases expire at various dates through 2028 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, 2025 and 2024, the Authority made variable payments as required by lease agreements totaling \$2,054,324 and \$1,273,096, respectively.

PINELLAS SUNCOAST TRANSIT AUTHORITY

Notes to Financial Statements

(12) SBITA Liability

The Authority has entered into subscription-based information technology arrangements (SBITAs) for transit-related software and other software applications. The SBITA arrangements expire at various dates through 2031 and provide for renewal options.

The future subscription payments under SBITA agreements are as follows:

Future Minimum Lease Payment– 2025

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 172,500	\$ 29,436	\$ 201,936
2027	189,850	19,378	209,228
2028	179,275	8,760	188,035
2029	37,577	1,358	38,935
2030	18,982	363	19,345
2031-2035	4,894	-	4,894
Total minimum lease payments	<u>\$ 603,078</u>	<u>\$ 59,295</u>	<u>\$ 662,373</u>

(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, 2025. The major projects include the construction of the new Multimodal Clearwater Station, the purchase of replacement buses, new computer hardware and software upgrades, redesign of the PSTA website, a demonstration project for use of an autonomous vehicle in the bus yard, and installation of a bus charger at the PSTA Layby as well as continuation of the Vanpool program.

(c) General Litigation

The Authority is involved as a defendant or plaintiff in certain litigation and claims arising in the ordinary course of operations. In the opinion of legal counsel, the range of potential recoveries or liabilities, other than as disclosed here, will not materially affect the financial position of the Authority.

(d) Future Grant Funding

Future Federal Transit Administration funding will be focused on traditional infrastructure, prioritizing safety, and state of good repair projects.

PINELLAS SUNCOAST TRANSIT AUTHORITY

Notes to Financial Statements

(13) Commitments and Contingencies - Continued

**Projects/Contracts
As of September 30, 2025**

Project / Contracts	Committed	Remaining
Replacement Buses Year 2	\$ 25,685,664	\$ 1,070,246
LONO Buses	27,774,219	11,278,924
LONO Training Equipment	85,667	85,667
Support Vehicle Lease	219,010	188,995
ADA Landing Pads	75,000	41,427
Passenger Shelters	85,960	85,960
Multimodal Clearwater Station	30,480,927	30,480,927
Solar Project	138,359	61,013
Electrical Room Infrastructure Phase 1	5,436,000	4,394,100
Electrical Infrastructure Room Design	13,335	2,363
Transit App	83,000	83,000
Audio Visual Equipment	262,056	253,062
Security System	167,985	151,697
Website Redesign	185,000	79,750
Cyber Security Study	31,250	31,250
Computer Refresh	462,725	84,587
HASTUS Software	789,990	308,637
Travel Trainer	60,000	21,384
Transit Management	25,000	4,770
Alt 19 Study	207,664	96,069
CCBN Scheduling	94,704	94,704
Economic Development Study	75,500	75,500
CCBN Outreach	78,633	78,633
TDP Update	67,850	67,580
Areas of Persistent Poverty Study	322,786	39,742
Accelerating Innovative Mobility	70,000	10,000
Autonomous Vehicle Bus Yard - USF	579,276	148,699
Autonomous Vehicle Bus Yard - Blue Space	313,333	258,773
Pier System Study	85,503	80,542
Layby Charger	284,934	284,934
Vanpool	2,000,000	1,266,757
Total	\$ 96,241,330	\$ 51,209,692

PINELLAS SUNCOAST TRANSIT AUTHORITY

Notes to Financial Statements

(14) Subsequent Events

The Authority has evaluated subsequent events through April 29, 2026, 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*	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Total OPEB Liability Beginning of Year	\$ 2,055,459	\$ 1,730,331	\$ 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	149,078	123,947	125,438	170,462	219,738	188,521	87,502	89,211	107,472	107,215
Interest on OPEB Liability	87,361	88,516	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	(401,631)	(8,769)	(315,934)	(62,178)	(356,266)	(91,621)	(231,264)	86,420	(844,549)	24,974
Changes of Assumptions	736,210	195,724	63,530	(277,187)	(369,176)	155,158	579,342	-	(96,494)	-
Benefit Payments	(106,646)	(74,290)	(100,554)	(75,218)	(174,200)	(128,041)	(126,608)	(99,659)	(227,046)	(248,517)
Total OPEB Liability End of Year	<u>\$ 2,519,831</u>	<u>\$ 2,055,459</u>	<u>\$ 1,730,331</u>	<u>\$ 1,865,265</u>	<u>\$ 2,056,187</u>	<u>\$ 2,668,569</u>	<u>\$ 2,452,283</u>	<u>\$ 2,067,165</u>	<u>\$ 1,923,009</u>	<u>\$ 2,905,979</u>
Covered-employee Payroll	<u>\$ 49,050,136</u>	<u>\$ 45,830,849</u>	<u>\$ 36,463,375</u>	<u>\$ 42,440,196</u>	<u>\$ 32,724,363</u>	<u>\$ 33,175,766</u>	<u>\$ 31,479,917</u>	<u>\$ 30,388,585</u>	<u>\$ 29,753,116</u>	<u>\$ 27,439,156</u>
Contributions as a Percentage of Covered-employee Payroll	5.14%	4.48%	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: The Authority has no assets segregated, restricted, or held in an irrevocable trust to pay for OPEB benefits.

Note 2: 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 tables.

Note 3: 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***

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Authority's Proportion of the Net Pension Liability	0.077012985%	0.077008127%	0.081672313%	0.080592408%	0.077286921%	0.068565662%	0.069609768%	0.066960334%	0.068003875%	0.063517223%
Authority's Proportionate Share of the Net Pension Liability	\$ 23,901,081	\$ 29,790,365	\$ 32,543,832	\$ 29,986,852	\$ 5,838,148	\$ 29,717,368	\$ 23,972,635	\$ 20,168,800	\$ 20,115,090	\$ 16,038,149
Authority's Covered Payroll **	\$ 47,793,665	\$ 45,590,997	\$ 44,094,689	\$ 39,142,294	\$ 36,000,309	\$ 34,329,612	\$ 33,715,964	\$ 31,365,733	\$ 30,821,174	\$ 28,037,676
Authority's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	50.01%	65.34%	73.80%	76.61%	16.22%	86.56%	71.10%	64.30%	65.26%	57.20%
Plan Fiduciary Net Position as a percentage of the total Pension Liability	87.26 %	83.70 %	82.38 %	82.49 %	96.40 %	78.85 %	82.61 %	84.26 %	83.89%	84.88%

* 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 Statement 82 and applied to 2017 through 2014 for comparative purposes.

**Retiree Health Insurance Subsidy Program
Last Ten Fiscal Years***

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Authority's Proportion of the Net Pension Liability	0.106501526%	0.107683941%	0.111284708%	0.107010935%	0.101663046%	0.098904665%	0.100791376%	0.096011200%	0.096598126%	0.090789279%
Authority's Proportionate Share of the Net Pension Liability	\$ 13,650,774	\$ 16,153,643	\$ 17,673,496	\$ 11,334,167	\$ 12,470,501	\$ 12,076,098	\$ 11,277,546	\$ 10,161,933	\$ 10,328,717	\$ 10,581,114
Authority's Covered Payroll	\$ 47,793,665	\$ 45,590,997	\$ 44,094,689	\$ 39,142,294	\$ 36,000,309	\$ 34,329,612	\$ 33,715,964	\$ 31,365,733	\$ 30,821,174	\$ 28,037,676
Authority's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered Payroll	28.56%	35.43%	40.08%	28.96%	34.64%	35.18%	33.45%	32.40%	33.51%	37.74%
Plan Fiduciary Net Position as a Percentage of the total Pension Liability	6.36 %	4.80 %	4.12 %	4.81 %	3.56%	3.00%	2.63%	2.15%	1.64%	0.97%

* 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***

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Contractually Required Contribution	\$ 4,744,314	\$ 4,374,319	\$ 4,055,636	\$ 3,705,628	\$ 3,073,293	\$ 2,402,053	\$ 2,206,623	\$ 1,954,193	\$ 1,733,196	\$ 1,608,061
Contributions in Relation to the Contractually Required Contribution	<u>(4,744,314)</u>	<u>(4,374,319)</u>	<u>(4,055,636)</u>	<u>(3,705,628)</u>	<u>(3,073,293)</u>	<u>(2,402,053)</u>	<u>(2,206,623)</u>	<u>(1,954,193)</u>	<u>(1,733,196)</u>	<u>(1,608,061)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Authority's Covered Payroll	\$ 48,856,227	\$45,688,112	\$44,665,108	\$ 42,034,739	\$36,748,296	\$34,394,741	\$34,143,901	\$31,729,648	\$ 30,248,671	\$28,199,337
Contributions as a Percentage of Covered Payroll	9.71%	9.57%	9.08%	8.82%	8.36%	6.98%	6.46%	6.16%	5.73%	5.70%

*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***

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Contractually Required Contribution	\$ 972,983	\$ 914,247	\$ 782,755	\$ 694,646	\$ 609,936	\$ 569,941	\$ 566,789	\$ 526,712	\$ 501,622	\$ 468,518
Contributions in Relation to the Contractually Required Contribution	<u>(972,983)</u>	<u>(914,247)</u>	<u>(782,755)</u>	<u>(694,646)</u>	<u>(609,936)</u>	<u>(569,941)</u>	<u>(566,789)</u>	<u>(526,712)</u>	<u>(501,622)</u>	<u>(468,518)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Authority's Covered Payroll	\$ 48,856,227	\$45,688,112	\$44,665,108	\$ 42,034,739	\$36,748,296	\$34,394,741	\$34,143,901	\$31,729,648	\$ 30,248,671	\$28,199,337
Contributions as a Percentage of Covered Payroll	1.99%	2.00%	1.75%	1.65%	1.66%	1.66%	1.66%	1.66%	1.66%	1.66%

*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

Financial Trends 80

These schedules contain trend information to help the reader understand how the Authority’s financial performance and well-being have changed over time.

Revenue Capacity..... 90

These schedules contain information to help the reader assess the Authority’s sources of revenue, especially the most significant local revenue source, the property tax.

Demographic and Economic Information 96

These schedules offer demographic and economic indicators to help the reader understand the environment within which the Authority’s financial activities take place.

Operating Information 99

These schedules contain service and infrastructure data to help the reader understand how the information in the Authority’s financial report relates to the services the Authority provides and the activities it performs.

Debt Capacity 105

This schedule contains information to help the reader assess the Authority’s sources of debt.

**STATISTICAL SECTION
(UNAUDITED)**

Financial Trends

- Net Position by Components (FISCAL YEAR 2016 - FISCAL YEAR 2025)
- Changes in Net Position (FISCAL YEAR 2016 - FISCAL YEAR 2025)
- Revenues by Function/Program (FISCAL YEAR 2016 - FISCAL YEAR 2025)
- Expenses by Function/Program (FISCAL YEAR 2016 - FISCAL YEAR 2025)
- Property Tax Revenue by Year (FISCAL YEAR 2016 - FISCAL YEAR 2025)

PINELLAS SUNCOAST TRANSIT AUTHORITY

Net Position by Components

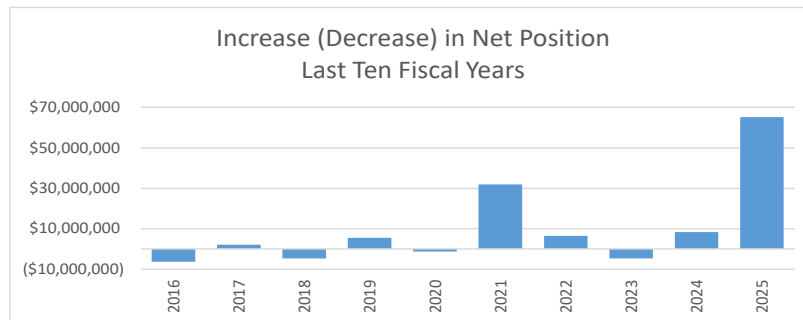
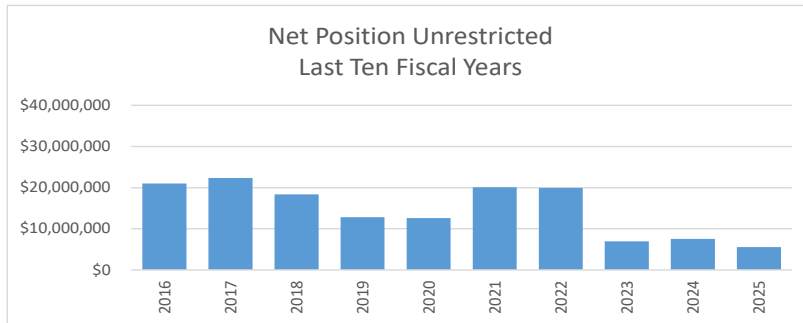
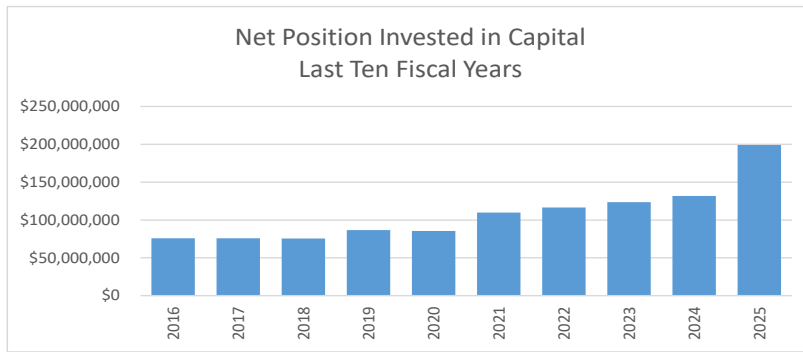
Fiscal Years 2016 – 2025

	Fiscal Year				
	2016	2017	2018	2019	2020
Business Type Activities					
Net investment in capital assets	\$ 76,019,269	\$ 75,861,244	\$ 75,483,987	\$ 86,661,740	\$ 85,482,712
Restricted	350,630	381,789	55,289	30,925	159,449
Unrestricted	20,993,888	22,369,123 (1)	18,383,748	12,801,579	12,623,921
Total net position	\$ 97,363,787	\$ 98,612,156	\$ 93,923,024	\$ 99,494,244	\$ 98,266,082

	Fiscal Year				
	2021	2022	2023	2024	2025
Business Type Activities					
Net investment in capital assets	\$ 109,960,579	\$ 116,646,494	\$ 123,753,715	\$ 131,726,941	\$ 199,027,730
Restricted	165,935	165,935	239,035	34,840	3,915
Unrestricted	20,079,013 (2)	19,918,466 (3)	6,961,133 (4)	7,550,706	5,536,121
Total net position	\$ 130,205,525	\$ 136,730,895	\$ 130,953,883	\$ 139,312,487	\$ 204,567,766

- (1) Restated to conform to GASB Statement 75.
- (2) Restated to conform to GASB Statement 87.
- (3) Restated to conform to GASB Statement 96.
- (4) Restated to conform to GASB Statement 101.

Note: The statistical section contains "Unaudited" data.



PINELLAS SUNCOAST TRANSIT AUTHORITY

Changes in Net Position

Fiscal Years 2016 – 2025

	Fiscal Year				
	2016	2017	2018	2019	2020
Operating revenues:					
Passenger Fares	\$ 10,791,925	\$ 9,535,246	\$ 9,473,561	\$ 9,129,892	\$ 4,165,445
Demand response	1,197,937	1,303,510	1,501,156	1,533,743	677,032
Advertising revenue	577,046	582,761	615,234	660,371	779,180
Total operating revenues	<u>12,566,908</u>	<u>11,421,517</u>	<u>11,589,951</u>	<u>11,324,006</u>	<u>5,621,657</u>
Operating expenses:					
Operations	33,815,879	36,266,463 (1)	38,570,917	42,873,233	42,631,142
Purchased Transportation	7,738,429	9,637,695	11,627,971	12,123,292	10,538,164
Maintenance	10,178,517	11,536,994 (1)	11,510,788	12,203,763	12,759,510
Administration and finance	12,192,055	12,921,156 (1)	13,898,829	16,682,258	17,389,460
Marketing	657,700	819,842 (1)	943,235	852,508	1,120,625
Total operating expenses , before depreciation	<u>64,582,580</u>	<u>71,182,150</u>	<u>76,551,740</u>	<u>84,735,054</u>	<u>84,438,901</u>
Operating loss before depreciation	(52,015,672)	(59,760,633)	(64,961,789)	(73,411,048)	(78,817,244)
Depreciation	10,249,547	9,976,763	8,372,047	8,984,115	8,725,291
Amortization	-	-	-	-	-
Total depreciation and amortization	<u>10,249,547</u>	<u>9,976,763</u>	<u>8,372,047</u>	<u>8,984,115</u>	<u>8,725,291</u>
Operating loss	<u>(62,265,219)</u>	<u>(69,737,396)</u>	<u>(73,333,836)</u>	<u>(82,395,163)</u>	<u>(87,542,536)</u>
Nonoperating revenues:					
Federal maintenance assistance	4,979,539 (1)	5,009,268	5,026,849	4,975,583	4,571,923
State operating assistance	4,181,314	4,155,670	4,303,778	4,322,748	4,709,570
Other federal grants	935,330 (1)	967,084	1,504,617	2,618,763	12,515,684
Special project assistance - state grants	3,621,648	4,090,853	5,022,559	5,784,028	4,448,877
Special project assistance - local grants	922,275	1,174,823	1,282,808	1,715,148	1,412,272
Property tax revenues, net	38,166,312	41,607,265	45,389,030	49,113,559	53,031,249
Investment income	250,882	435,080	809,788	1,114,257	874,486
Fuel tax refunds	641,838	630,827	636,416	644,668	580,645
Other, net	313,578	(104,959)	228,008	(210,359)	90,453
Total nonoperating revenues	<u>54,012,716</u>	<u>57,965,911</u>	<u>64,203,853</u>	<u>70,078,395</u>	<u>82,235,159</u>
Gain (Loss) before capital grants	(8,252,503)	(11,771,485)	(9,129,983)	(12,316,768)	(5,307,377)
Capital grants and other related revenues	<u>1,918,427</u>	<u>13,863,703</u>	<u>3,764,851</u>	<u>17,263,244</u>	<u>3,379,540</u>
Contributed capital - local government	9,000	9,000 (1)	637,254	532,825	690,790
Contributed capital - private sources	-	23,320 (1)	38,746	91,919	8,884
Increase (decrease) in net position	<u>(6,325,076)</u>	<u>2,124,538</u>	<u>(4,689,132)</u>	<u>5,571,220</u>	<u>(1,228,161)</u>
Net position, beginning of year	<u>103,688,863</u>	<u>96,487,618 (2)</u>	<u>98,612,156</u>	<u>93,923,024</u>	<u>99,494,244</u>
Net position, end of year	<u>\$ 97,363,787</u>	<u>\$ 98,612,156</u>	<u>\$ 93,923,024</u>	<u>\$ 99,494,244</u>	<u>\$ 98,266,082</u>

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

(2) 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 2016 – 2025

	Fiscal Year				
	2021	2022	2023	2024	2025
Operating revenues:					
Passenger Fares	\$ 626,777	\$ 6,321,793	\$ 6,593,371	\$ 5,819,407	\$ 5,495,686
Demand response	180,781	889,677	1,334,171	1,895,337	2,218,863
Advertising revenue	754,476 (4)	1,049,955	420,102	873,837	831,156
Total operating revenues	1,562,034	8,261,425	8,347,644	8,588,581	8,545,705
Operating expenses:					
Operations	39,651,013	49,054,428	59,709,967 (6)	52,531,756 (6)	54,878,728
Purchased Transportation	13,628,375	17,898,938	20,739,055 (6)	22,521,758 (6)	23,863,763
Maintenance	11,807,092	12,531,630	15,979,425 (6)	14,340,523 (6)	15,138,270
Administration and finance	17,453,136	20,552,308 (5)	24,909,665 (6)	23,151,795 (6)	24,701,859
Marketing	1,132,349	1,693,871	2,164,959 (6)	1,706,879 (6)	1,803,795
Total operating expenses , before depreciation	83,671,966	101,731,175	123,503,071	114,252,711	120,386,415
Operating loss before depreciation	(82,109,933)	(93,469,750)	(115,155,427)	(105,664,130)	(111,840,710)
Depreciation	8,431,424	9,352,957	10,498,097	12,089,209	14,609,592
Amortization	-	366,570 (5)	763,616	741,169	1,023,382
Total depreciation and amortization	8,431,424	9,719,527	11,261,713	12,830,378	15,632,974
Operating loss	(90,541,355)	(103,189,277)	(126,417,140)	(118,494,508)	(127,473,684)
Nonoperating revenues (expenses):					
Federal maintenance assistance	-	-	721	5,087,956	6,563,759
State operating assistance	12,712	5,232,327	3,784,640	930,488	6,639,554
Other federal grants	32,124,814	24,233,383	21,185,941	10,913,439	5,961,813
Special project assistance – state grants	2,772,187	3,094,554	5,848,944	6,540,112	7,069,076
Special project assistance – local grants	1,496,558	1,621,921	1,642,233	1,668,657	1,949,980
Property tax revenues, net	57,112,617	61,276,418	69,583,333	77,764,754	83,135,375
Investment income	181,694	336,922	2,170,851	2,828,134	2,383,006
Fuel tax refunds	626,176	655,823 (5)	718,992	744,632	647,766
Other, net	349,866 (4)	111,833 (5)	497,088	95,731	(226,442)
Total nonoperating revenues	94,676,624	96,563,181	105,432,743	106,573,903	114,123,887
Gain(Loss) before capital grants	4,135,269	(6,626,096) (5)	(20,984,397)	(11,920,605)	(13,349,797)
Capital grants and other related revenues	25,929,002	11,415,708	16,089,019	16,681,792	64,115,707
Contributed capital - local government	1,875,172	1,735,758	183,318	3,597,417	14,489,369
Contributed capital - private sources	-	-	-	-	-
Increase (decrease) in net position	31,939,443	6,525,371	(4,712,059)	8,358,604	65,255,279
Net position, beginning of year	98,266,082	130,205,525	135,665,943	130,953,883	139,312,487
Net position, end of year	\$ 130,205,525	\$ 136,730,895	\$ 130,953,883	\$ 139,312,487	\$ 204,567,766

(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.

(6) This has been restated to conform to GASB Statement 101.

Note: The statistical section contains "Unaudited" data.

PINELLAS SUNCOAST TRANSIT AUTHORITY

**Revenues by Function/Program
Last Ten Fiscal Years**

Fiscal Years 2016 - 2025

	Fiscal Year				
	2016	2017	2018	2019	2020
Operating revenues:					
Passenger Fares	\$ 10,791,925	\$ 9,535,246	\$ 9,473,561	\$ 9,129,892	\$ 4,165,445
Demand response	1,197,937	1,303,510	1,501,156	1,533,743	677,032
Advertising revenue	577,046	582,761	615,234	660,371	779,180
Total operating revenues	12,566,908	11,421,517	11,589,951	11,324,006	5,621,657
Nonoperating revenues:					
Federal maintenance assistance	4,979,539 (1)	5,009,268 (1)	5,026,849	4,975,583	4,571,923
State operating assistance	4,181,314	4,155,670	4,303,778	4,322,748	4,709,570
Other federal grants	935,330 (1)	967,084 (1)	1,504,617	2,618,763	12,515,684
Special project assistance - state grants	3,621,648	4,090,853	5,022,559	5,784,028	4,448,877
Special project assistance - local grants	922,275	1,174,823	1,282,808	1,715,148	1,412,272
Property tax revenues, net	38,166,312	41,607,265	45,389,030	49,113,559	53,031,249
Investment income	250,882	435,080	809,788	1,114,257	874,486
Fuel tax refunds	641,838	630,827	636,416	644,668	580,645
Other, net	313,578	(104,959)	228,008	(210,359)	90,453
Total nonoperating revenues	54,012,716	57,965,911	64,203,853	70,078,395	82,235,159
Capital grants and other related revenues	1,918,427	13,863,703	3,764,851	17,263,244	3,379,540
Contributed capital - local government	9,000	9,000	637,254	532,825	690,790
Contributed capital - private sources	-	23,320	38,746	91,919	8,884
Total all revenues	\$ 68,507,051	\$ 83,283,451	\$ 80,234,655	\$ 99,290,389	\$ 91,936,030

	Fiscal Year				
	2021	2022	2023	2024	2025
Operating revenues:					
Passenger Fares	\$ 626,777	\$ 6,321,793	\$ 6,593,371	\$ 5,819,407	\$ 5,495,686
Demand response	180,781	889,677	1,334,171	\$ 1,895,337	\$ 2,218,863
Advertising revenue	754,476	1,049,955 (2)	420,102	\$ 873,837	\$ 831,156
Total operating revenues	1,562,034	8,261,425	8,347,644	\$ 8,588,581	\$ 8,545,705
Nonoperating revenues (expenses):					
Federal maintenance assistance	-	-	721	5,087,956	6,563,759
State operating assistance	12,712	5,232,327	3,784,640	930,488	6,639,554
Other federal grants	32,124,814	24,233,383	21,185,941	10,913,439	5,961,813
Special project assistance - state grants	2,772,187	3,094,554	5,848,944	6,540,112	7,069,076
Special project assistance - local grants	1,496,558	1,621,921	1,642,233	1,668,657	1,949,980
Property tax revenues, net	57,112,617	61,276,418	69,583,333	77,764,754	83,135,375
Investment income	181,694	336,922	2,170,851	2,828,134	2,383,006
Fuel tax refunds	626,176	655,823	718,992	744,632	647,766
Other, net	349,866	111,833 (2)	497,088 (3)	95,731	(226,442)
Total nonoperating revenues	94,676,624	96,563,181	105,432,743	106,573,903	114,123,887
Capital grants and other related revenues	25,929,002	11,415,708	16,089,019	16,681,792	64,115,707
Contributed capital - local government	1,875,172	1,735,758	183,318	3,597,417	14,489,369
Contributed capital - private sources	-	-	-	-	-
Total all revenues	\$ 124,042,832	\$ 117,976,072	\$ 130,052,724	\$ 135,441,693	\$ 201,274,668

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

(2) This has been restated to conform to GASB Statement 87.

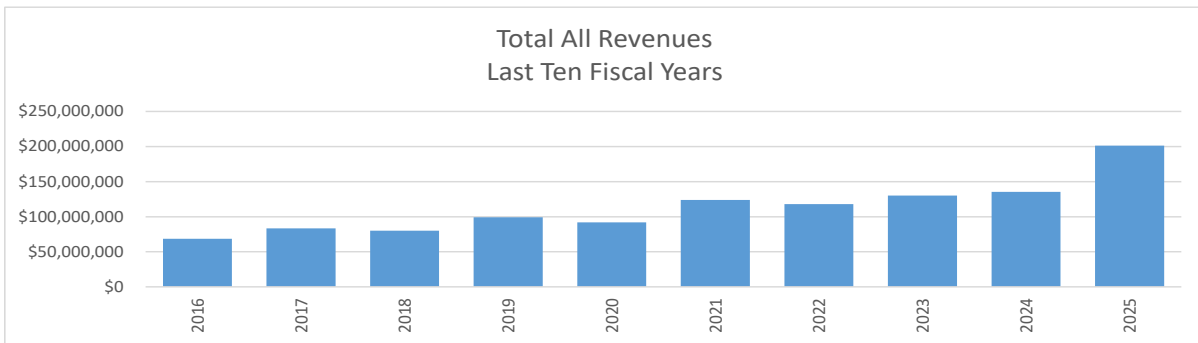
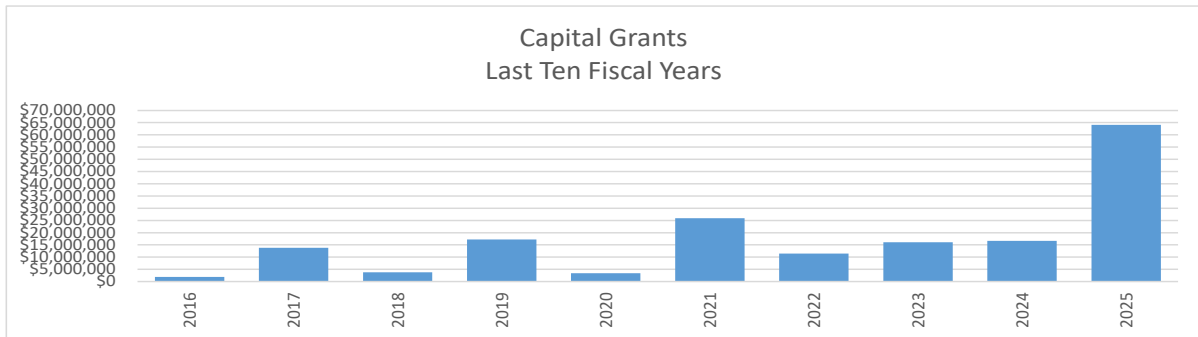
(3) This has been restated to conform to GASB Statement 96.

Note: The statistical section contains "Unaudited" data.

PINELLAS SUNCOAST TRANSIT AUTHORITY

**Revenues by Function/Program
Last Ten Fiscal Years**

Fiscal Years 2016 - 2025



(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 2016 – 2025

	Fiscal Year				
	2016	2017	2018	2019	2020
Operating expenses:					
Operations	\$ 33,815,879	\$ 36,266,463 (1)	\$ 38,570,917 (1)	\$ 42,873,233	\$ 42,631,142
Purchased Transportation	7,738,429	9,637,695	11,627,971	12,123,292	10,538,164
Maintenance	10,178,517	11,536,994 (1)	11,510,788 (1)	12,203,763	12,759,510
Administration and finance	12,192,055	12,921,156 (1)	13,898,829 (1)	16,682,258	17,389,460
Marketing	657,700	819,842 (1)	943,235 (1)	852,508	1,120,625
Total operating expenses, before depreciation	<u>64,582,580</u>	<u>71,182,150</u>	<u>76,551,740</u>	<u>84,735,054</u>	<u>84,438,901</u>
Depreciation	10,249,547	9,976,763	8,372,047	8,984,115	8,725,291
Amortization	-	-	-	-	-
Total depreciation and amortization	<u>10,249,547</u>	<u>9,976,763</u>	<u>8,372,047</u>	<u>8,984,115</u>	<u>8,725,291</u>
Total all expenses	<u>\$ 74,832,127</u>	<u>\$ 81,158,913</u>	<u>\$ 84,923,787</u>	<u>\$ 93,719,169</u>	<u>\$ 93,164,192</u>

	Fiscal Year				
	2021	2022	2023	2024	2025
Operating expenses:					
Operations	\$ 39,651,013	49,054,428	59,709,967 (2)	52,531,756	54,878,728
Purchased Transportation	13,628,375	17,898,938	20,739,055 (2)	22,521,758	23,863,763
Maintenance	11,807,092	12,531,630	15,979,425 (2)	14,340,523	15,138,270
Administration and finance	17,453,136	20,552,308	24,909,665 (2)	23,151,795	24,701,859
Marketing	1,132,349	1,693,871	2,164,959 (2)	1,706,879	1,803,795
Total operating expenses, before depreciation	<u>83,671,965</u>	<u>101,731,176</u>	<u>123,503,071</u>	<u>114,252,711</u>	<u>120,386,415</u>
Depreciation	8,431,424	9,352,957	10,498,097	12,089,209	14,609,592
Amortization	-	366,570	763,616	741,169	1,023,382
Total depreciation and amortization	<u>8,431,424</u>	<u>9,719,527</u>	<u>11,261,713</u>	<u>12,830,378</u>	<u>15,632,974</u>
Total all expenses	<u>\$ 92,103,389</u>	<u>\$ 111,450,703</u>	<u>\$ 134,764,784</u>	<u>\$ 127,083,089</u>	<u>\$ 136,019,389</u>

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

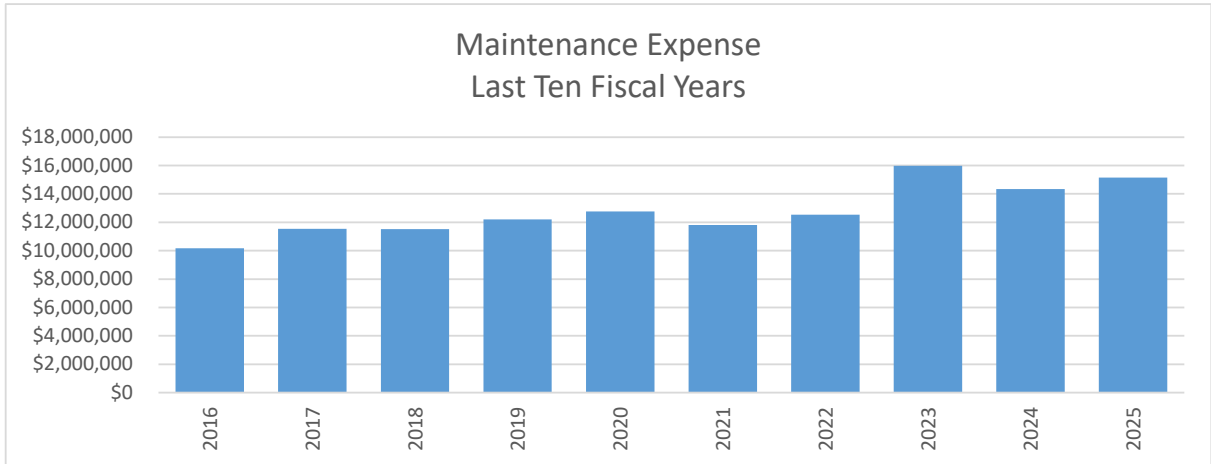
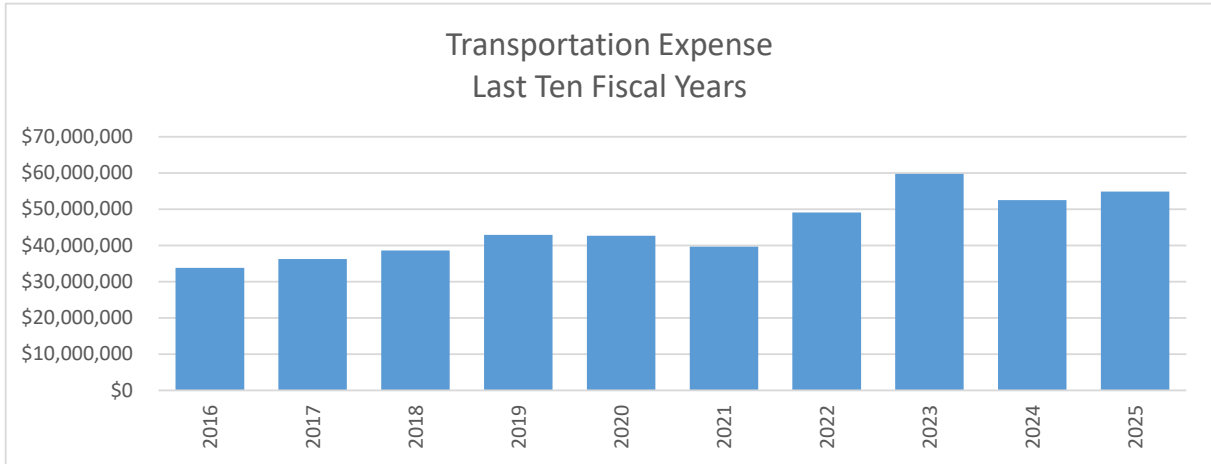
(2) This has been restated to conform to GASB Statement 101.

Note: The statistical section contains "Unaudited" data.

PINELLAS SUNCOAST TRANSIT AUTHORITY

**Expenses by Function/Program
Last Ten Fiscal Years**

Fiscal Years 2016 – 2025

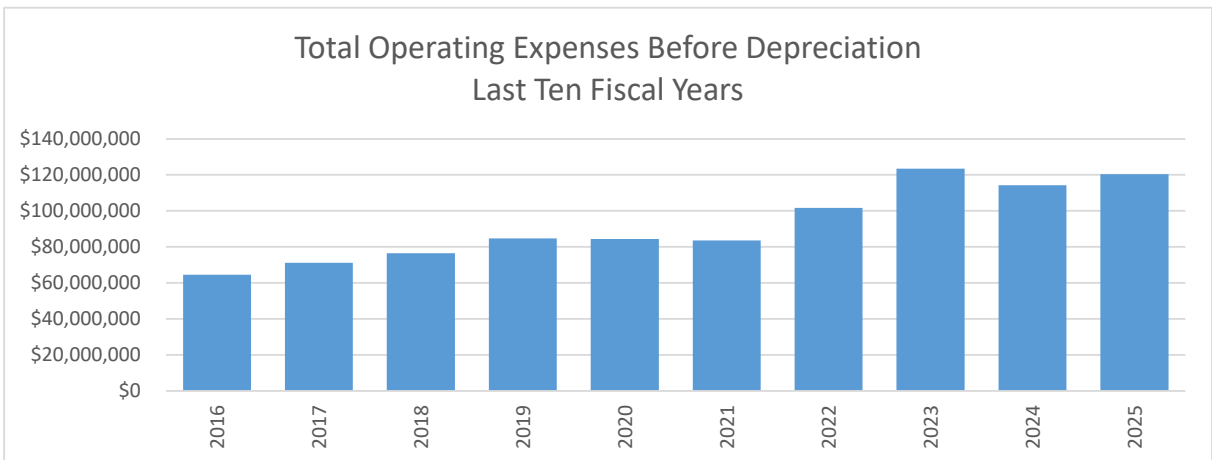
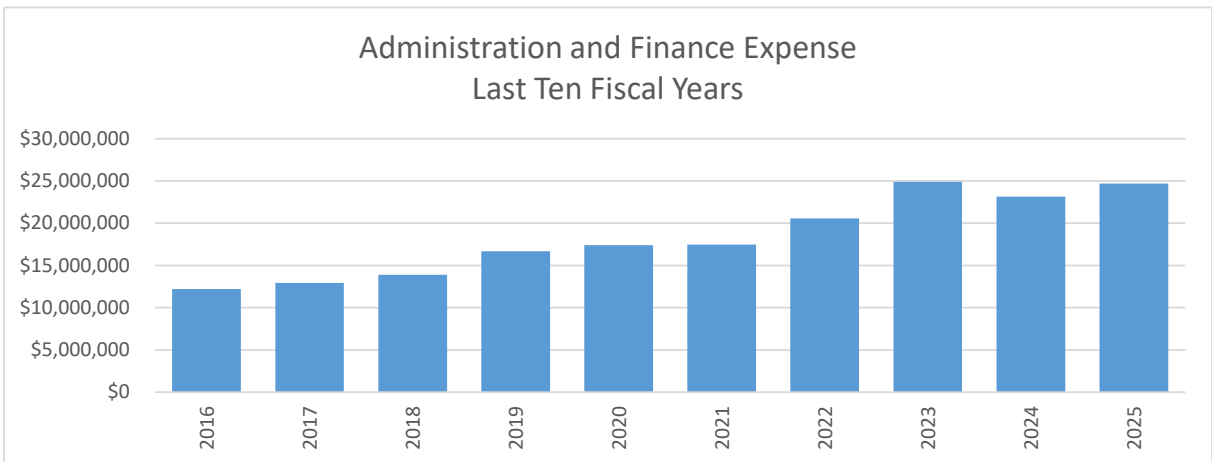
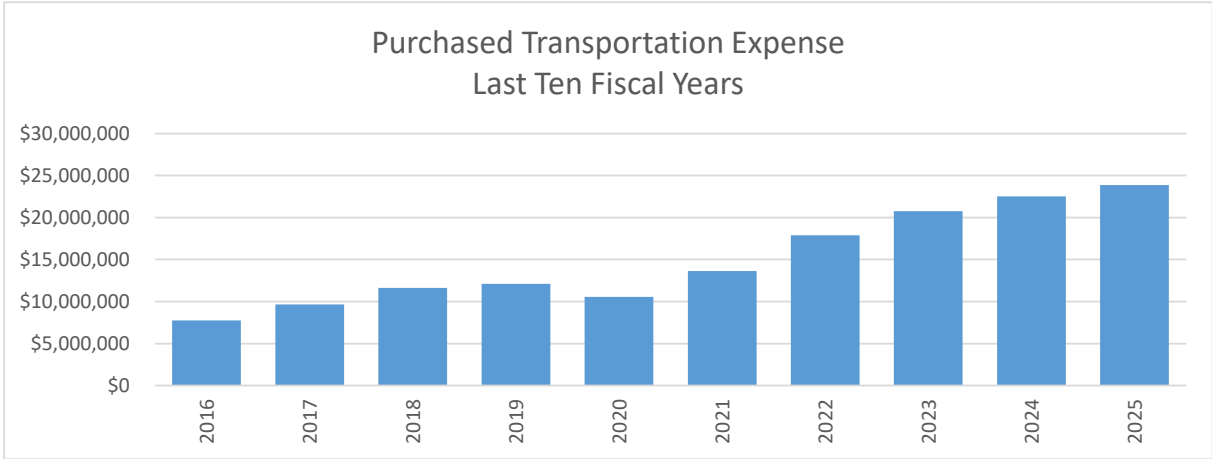


Note: The statistical section contains "Unaudited" data.

PINELLAS SUNCOAST TRANSIT AUTHORITY

**Expenses by Function/Program
Last Ten Fiscal Years**

Fiscal Years 2016 – 2025



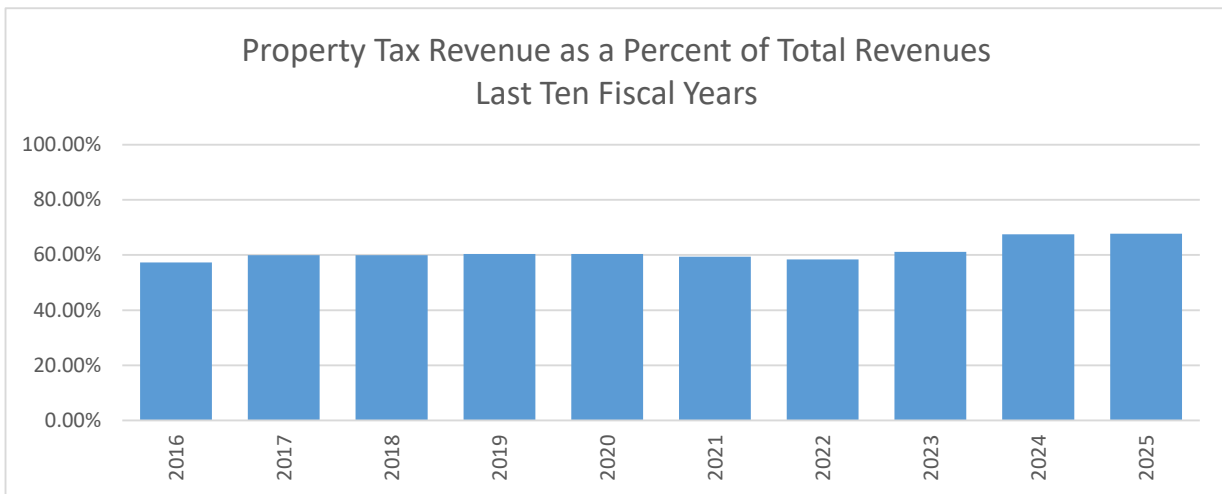
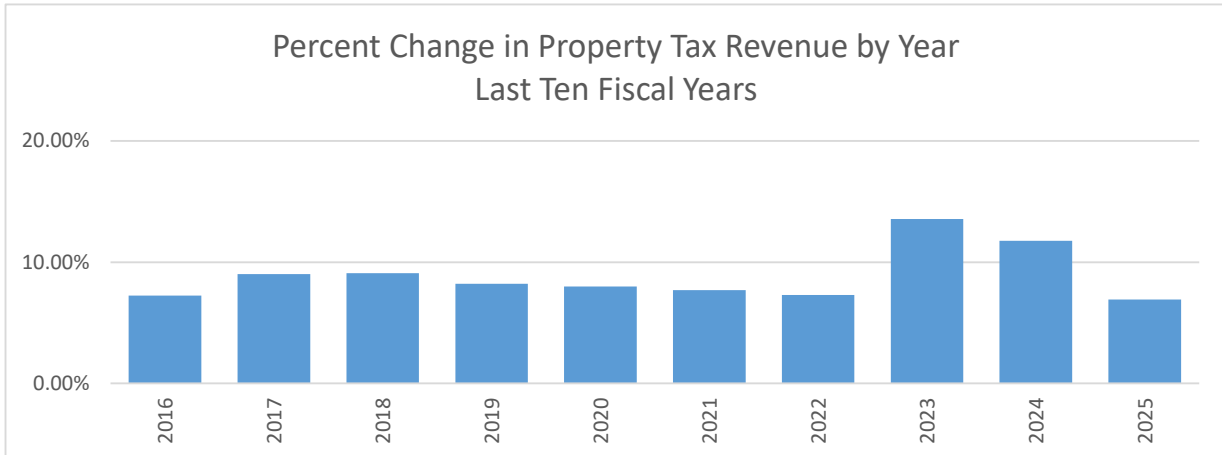
Note: The statistical section contains "Unaudited" data.

PINELLAS SUNCOAST TRANSIT AUTHORITY

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

Fiscal Years 2016 - 2025

Fiscal Year	Property Tax Dollars	Percent Change	Total Revenues	Percent of Total	Millage Rate
2016	38,166,312	7.23%	66,579,624	57.32%	0.7305
2017	41,607,265	9.02%	69,387,428	59.96%	0.7305
2018	45,389,030	9.09%	75,793,804	59.88%	0.7500
2019	49,113,559	8.21%	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
2024	77,764,754	11.76%	115,162,484	67.53%	0.7500
2025	83,135,375	6.91%	122,669,592	67.77%	0.7342



Note: The statistical section contains "Unaudited" data.

**STATISTICAL SECTION
(UNAUDITED)**

Revenue Capacity

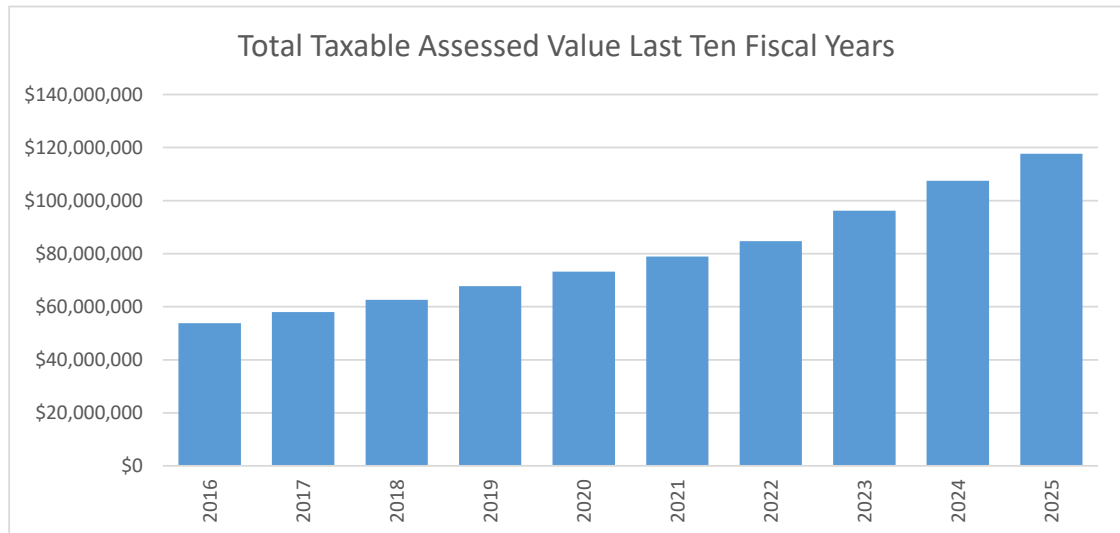
- Taxable Assessed Value and Estimated Actual Value of Taxable Property (FISCAL YEAR 2016 – FISCAL YEAR 2025)
- Direct and Overlapping Property Tax Rates (FISCAL YEAR 2016 – FISCAL YEAR 2025)
- Principal Property Taxpayers (FISCAL YEAR 2016 – FISCAL YEAR 2025)
- Property Tax Levies and Collections (FISCAL YEAR 2016 – FISCAL YEAR 2025)
- Farebox Recovery Percentage (FISCAL YEAR 2016 – FISCAL YEAR 2025)

PINELLAS SUNCOAST TRANSIT AUTHORITY

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

Fiscal Years 2016 - 2025

Fiscal Year	Estimated Actual Value (a)			Total Taxable Assessed Value	Total Direct Tax Rate (d)
	Real Property	Assessed Property (b)	Exemptions (c)		
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
2024	190,022,492	8,695	24,939,512	107,528,234	0.7500
2025	202,918,322	8,657	26,136,095	117,664,527	0.7342



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, gross 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
Last Ten Fiscal Years
(In Mills, Per \$1,000 of Assessed Value)**

Fiscal Years 2016 - 2025

Fiscal Year	Direct Rates (a)			Overlapping Rates (b)				Municipalities	
	Basic Rate	Total Direct Rate	PSTA Maximum Allowed Rate	County Board Rate	School Board Rate	Emergency Medical Service	Others District Rate (c)	Lowest	Highest
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
2024	0.7500	0.7500	0.7500	4.7398	5.9380	0.8418	1.0503	0.5345	6.8550
2025	0.7342	0.7342	0.7500	4.5947	5.8220	0.8050	1.0359	0.5345	6.9777

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 include Forward Pinellas 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 2025 and Nine Years Ago**

Taxpayer	Business	2025		2016	
		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	\$ 176,010,563	0.15%	\$ 114,689,063	0.20%
Bell Value-Add Fund VIII Lansbrook LLC	Real Estate	154,345,644	0.13%		
Walmart Inc.	Retail	145,097,411	0.12%	109,531,424	0.19%
Wyndham Vacation Resorts	Hospitality	136,800,000	0.12%		
Duke Energy Florida LLC	Electric Utility	132,054,172	0.11%	86,708,359	0.15%
Raymond James Financial Inc.	Financial Advisor	130,370,578	0.11%	85,012,537	0.15%
GS ST Pete LLC	Investment	125,500,000	0.11%		
Camden USA Inc	Real Estate	125,015,500	0.11%		
Jemb Pocono LLC	Hospitality	122,000,000	0.10%		
Camden Central LLC	Real Estate	122,000,000	0.10%		
Bellwether Prop FLA	Real Estate			159,285,000	0.27%
DE Bartolo Capital Ptnshp	Retail Mall			125,000,000	0.22%
Beacon430 G E N1814 LLC	Real Estate			71,000,000	0.12%
Bayfront HMA Medical Center LLC	Healthcare			67,513,464	0.12%
B W C W Hospitality	Hospitality			66,714,688	0.12%
T G M Bay Isle LLC	Real Estate			64,987,010	0.11%
		<u>\$ 1,369,193,868</u>	1.16%	<u>\$ 950,441,545</u>	1.64%
Total Taxable Assessed Value		<u>\$ 117,664,527,479</u>		<u>\$ 57,977,920,406</u>	

Source: Pinellas County Property Appraiser

Methodology: Top ten taxpayers identified for Real Property only.

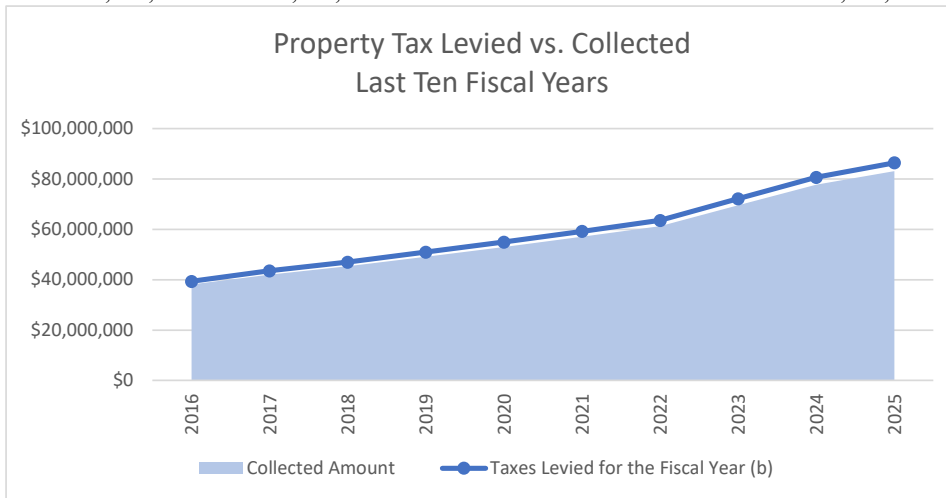
Note: The statistical section contains "Unaudited" data.

PINELLAS SUNCOAST TRANSIT AUTHORITY

**Property Tax Levies and Collections
Last Ten Fiscal Years**

Fiscal Years 2016 - 2025

Fiscal Year	Taxes Levied for the Fiscal Year (b)	Collected Within the Fiscal Year of Levy (a)		Collections in Subsequent Years (c)	Total Collections to Date	
		Collected Amount	Percentage of Levy		Amount	Percentage of Levy
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%
2024	80,646,176	77,764,754	96.43%	-	77,764,754	96.43%
2025	86,389,296	83,135,375	96.23%	-	83,135,375	96.23%



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

(a) Section 197.162, Florida Statutes, provides 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.

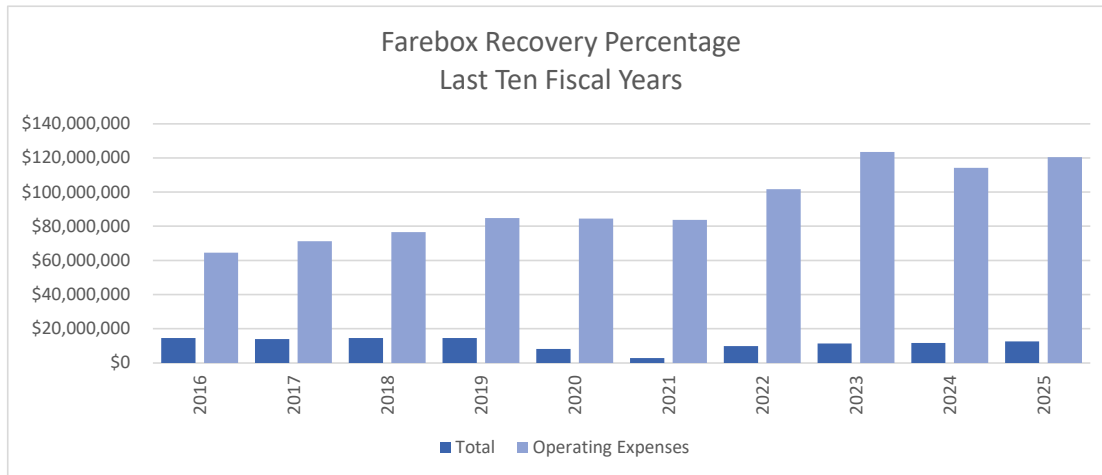
Note: The statistical section contains "Unaudited" data.

PINELLAS SUNCOAST TRANSIT AUTHORITY

**Farebox Recovery Percentage
Last Ten Fiscal Years**

Fiscal Years 2016 – 2025

<u>Fiscal Year</u>	<u>Farebox Revenues</u>	<u>Government Fare Subsidies</u> (c)	<u>Total</u>	<u>Operating Expenses</u> (a)	<u>Farebox Recovery</u>
2016	11,989,862	2,635,050	14,624,912	64,582,580	22.65%
2017	10,838,756	3,042,380	13,881,136	71,182,150	19.50%
2018	10,974,717	3,527,509	14,502,226	76,551,740	18.94%
2019	10,663,635	3,915,144	14,578,779	84,735,054	17.21%
2020 (b)	4,842,477	3,261,232	8,103,709	84,438,901	9.60%
2021 (b)	807,558	2,084,834	2,892,392	83,671,965	3.46%
2022	7,211,470	2,555,887	9,767,357	101,731,175	9.60%
2023	7,927,542	3,462,040	11,389,582	123,503,071	9.22%
2024	7,714,744	3,953,984	11,668,728	114,252,711	10.21%
2025	7,714,549	4,895,584	12,610,133	120,386,415	10.47%



(a) Excludes depreciation.

(b) Passenger fares were not collected for half of FY 2020 and almost all of FY 2021 due to the COVID-19 Pandemic.

(c) Added a new breakout column for Governmental Fare Subsidies.

Note: The statistical section contains "Unaudited" data.

**STATISTICAL SECTION
(UNAUDITED)**

Demographic and Economic Information

- Demographic and Economic Statistics (FISCAL YEAR 2016 – FISCAL YEAR 2025)
- Principal Employers (FISCAL YEAR 2016 and FISCAL YEAR 2025)

PINELLAS SUNCOAST TRANSIT AUTHORITY

**Demographics, Population and Economic Statistics
Last Ten Fiscal Years**

Fiscal Years 2016 - 2025

Fiscal Year	Pinellas County Population (a)	Personal Income (dollars in thousands) (b)	Per Capita Personal Income (b)	School Enrollment (c)	Unemployment Rate (d)
2025	974,210	N/A (e)	N/A (e)	83,634	4.1%
2024	977,859	75,615,671	77,328	91,021	3.6%
2023	978,777	69,142,453	70,642	93,702	3.0%
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%

(a) Source: Bureau of Economic & Business Research, University of Florida (2016-2025).

(b) Source: Bureau of Economic Analysis, U.S. Department of Commerce (2016-2025).

(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.

PINELLAS SUNCOAST TRANSIT AUTHORITY

**Principal Employers
Current Year and Nine Years Ago**

Fiscal Years 2016 and 2025

Employer	2025 (a)			2016 (b)		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Pinellas County Public School District	13,210	1	2.72%	10,713	1	2.21%
Publix Super Markets Inc.	7,575	2	1.56%			
US Department of Veteran Affairs	5,124	3	1.05%	4,568	2	0.94%
Walmart Inc.	4,676	4	0.96%			
Raymond James Financial, Inc.	4,600	5	0.95%	2,800	5	0.58%
All Childrens Health Systems	3,865	6	0.80%	3,250	4	0.67%
City of St Petersburg	3,855	7	0.79%	3,372	3	0.70%
Morton F Plant Hospital	3,363	8	0.69%	2,550	7	0.53%
Mease Hospital Trustees	2,582	9	0.53%			
Pinellas County Sheriffs Office	2,522	10	0.52%	2,684	6	0.55%
St. Petersburg College				2,367	8	0.49%
Home Shopping Network				2,150	9	0.44%
Pinellas County Board of Commissioners				2,057	10	0.42%
Total County Employment	485,856			484,845		

(a) Source: Florida Department of Commerce

(b) Source: Florida Research and Economic Database and Pinellas County Department of Economic Development

Note: The statistical section contains "Unaudited" data.

**STATISTICAL SECTION
(UNAUDITED)**

Operating Information

- Service Effort and Accomplishments (FISCAL YEAR 2016 – FISCAL YEAR 2025)
- Unlinked Passenger Changes (FISCAL YEAR 2016 – FISCAL YEAR 2025)
- Vehicles Available for Annual Maximum Service (FISCAL YEAR 2016 – FISCAL YEAR 2025)
- Budgeted Number of Employees (FISCAL YEAR 2016 – FISCAL YEAR 2025)
- Miscellaneous Statistical Data (FISCAL YEAR 2016 – FISCAL YEAR 2025)

PINELLAS SUNCOAST TRANSIT AUTHORITY

**Vehicles Available for Annual Maximum Service
Last Ten Fiscal Years**

Fiscal Years 2016 – 2025

<u>Fiscal Year</u>		<u>Revenue Vehicle Miles</u>	<u>Percent of Change</u>	<u>Revenue Vehicle Hours</u>	<u>Percent of Change</u>
2016		11,793,761	-4.18%	725,525	-2.73%
2017	(a)	14,045,889	19.10%	922,578	27.16%
2018		12,941,983	-7.86%	943,788	2.30%
2019		13,725,641	6.06%	1,018,979	7.97%
2020	(b)	12,183,561	-11.24%	874,319	-14.20%
2021		12,597,094	3.39%	893,772	2.22%
2022	(c)	11,964,864	-5.02%	847,146	-5.22%
2023	(d)	13,369,707	11.74%	919,029	8.49%
2024	(e)	16,846,116	26.00%	978,707	6.49%
2025	(f)	18,022,695	6.98%	1,011,563	3.36%

Source: PSTA

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

(a) In Fiscal Year 2017 Privatized Paratransit Services increased significantly by 2.8 Million miles and related service hours.

(b) The decrease is due to the COVID-19 pandemic and reduced service.

(c) With the start of the SunRunner, other routes were restructured reducing miles and hours.

(d) SunRunner Bus Rapid Transit (BRT) service started in October 2022.

(e) Includes Vanpool service started in January 2024.

(f) Represents first full year of Vanpool.

Note: The statistical section contains "Unaudited" data.

PINELLAS SUNCOAST TRANSIT AUTHORITY

**Vehicles Available for Annual Maximum Service
Last Ten Fiscal Years**

Fiscal Years 2016 – 2025

<u>Fiscal Year</u>	<u>Total Unlinked Passenger Trips (a)</u>		<u>Percent of Change</u>
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%
2024	10,729,597		2.29%
2025	10,853,492	(e)	1.15%

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.

(e) Due to hurricane Milton, PSTA operated no or free service.

Note: All bus data includes directly operated including SunRunner BRT and purchased bus service.

Note: The statistical section contains "Unaudited" data.

PINELLAS SUNCOAST TRANSIT AUTHORITY

**Vehicles Available for Annual Maximum Service
Last Ten Fiscal Years**

Fiscal Years 2016 – 2025

Fiscal Year	Fixed Route		Demand Response	SunRunner	Total
2016	228		158	0	386
2017	236		133	0	369
2018	223		159	0	382
2019	247	(a)	166	0	413
2020	241		166	0	407
2021	238		200	0	438
2022	238		167	0	405
2023	220		200	9	429
2024	222		228	12	462
2025	228		252	(b) 12	492

Source: PSTA

(a) Twenty (20) replacement trolleys received.

(b) Increased estimates of Uber and Lyft programs.

Note: The statistical section contains "Unaudited" data.

PINELLAS SUNCOAST TRANSIT AUTHORITY
Budgeted Number of Employees
Last Ten Fiscal Years
Fiscal Years 2016 - 2025

<u>Fiscal Year</u>	<u>Transportation</u>	<u>Maintenance</u>	<u>Administration</u>	<u>Total</u>	
2016	438	102	65	605	
2017	438	103	67	608	
2018	441	101	68	610	
2019	445	102	72	619	(a)
2020	458	104	76	638	(b)
2021	464	104	76	644	
2022	477	104	80	661	(c)
2023	482	107	82	671	(d)
2024	470	107	82	659	(e)
2025	481	107	80	668	(f)

(a) The Project Management Office was created in 2018 and in 2019 we started to add structure to it in anticipation of 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 2022 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.

(e) Route reductions.

(f) New drivers budgeted for Spark service.

Note: The statistical section contains "Unaudited" data.

PINELLAS SUNCOAST TRANSIT AUTHORITY
Miscellaneous Statistical Data
Last Ten Fiscal Years

Fiscal Years 2016 - 2025

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Population served by PSTA excluding Vanpool	954,569	962,003	970,532	978,045	984,925	964,490	969,491	978,777	977,859	974,210
Population served by PSTA including Vanpool									4,052,996	4,048,904
Service Area Square Miles excluding Vanpool	304	304	304	304	304	304	304	304	304	304
Service Area Square Miles including Vanpool									3,840 (b)	3,840
Number of Bus Routes	44	45	44	44	44	44	44	45	43	43
Annual PSTA Passenger Miles (in millions) (Inclusive of all services)	61,086	60,919	59,101	73,091	62,048	55,319	48,146	54,466	62,916	64,666
Directional Route Miles for all Services	912.9	899.3	899.3	902.3	906.5	878.4	875.4	875.7	857.1	858.7
Average PSTA Fixed Route Annual On Time Performance Percentage	78.6	64.8 (a)	65.2	69.2	71.3	71.2	67.2	70.4	70.4	72.0
Number of Bus Stop Locations	4,906	4,752	4,752	4,665	4,602	4,382	4,395	4,447	4,294	4,486
Number of Transit Centers	4	4	4	4	4	4	4	4	4	4
Number of Transfer Hubs	14	14	14	14	14	14	14	14	14	14
Number of Passenger Shelters	531	530	657	662	654	688	700	684	664	704
Vehicles Available for Annual Maximum Service	386	369	382	413	407	438	405	429	462	492
Average Vehicle Age in Years (PSTA Bus only)	8.25	8.80	8.80	8.80	10.80	10.80	10.41	10.00	10.73	6.75
Net Investment in Capital Assets (in thousands)	\$ 76,019	\$ 75,914	\$ 75,484	\$ 86,662	\$ 85,483	\$ 109,961	\$ 116,646	\$ 123,754	\$ 131,727	\$ 199,028

Source: PSTA

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

(b) Vanpool added, 6 counties covered.

Note: The statistical section contains "Unaudited" data.

**STATISTICAL SECTION
(UNAUDITED)**

Debt Capacity

- Schedule of Outstanding Debt (FISCAL YEAR 2016 – FISCAL YEAR 2025)

PINELLAS SUNCOST TRANSIT AUTHORITY

**Schedule of Outstanding Debt
Last Ten Fiscal Years**

Fiscal Years 2022-2025

Fiscal Year	Total Debt	Leases Liability	SBITA Liability	Revenue Vehicle Miles	Debt Per Revenue Mile	Revenue Vehicle Hours	Debt Per Revenue Vehicle Hours
2022	\$ 1,007,085	\$ 11,962	\$ 995,123	11,964,864	\$ 0.08	847,146	\$ 1.19
2023	\$ 4,554,110	\$ 3,927,090	\$ 627,020	13,369,707	\$ 0.34	919,029	\$ 4.96
2024	\$ 4,661,706	\$ 3,869,613	\$ 792,093	16,846,116	\$ 0.28	978,707	\$ 4.76
2025	\$ 4,779,740	\$ 4,176,662	\$ 603,078	18,022,695	\$ 0.27	1,011,563	\$ 4.73

Note: Information is provided for only those years it is available.

Note: The statistical section contains "Unaudited" data.

SECTION IV
REGULATORY SECTION



**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND
OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

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 business-type activities of Pinellas Suncoast Transit Authority (the Authority), as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated April 16, 2026.

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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

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

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

We identified a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2025-001 that we consider to be a significant deficiency.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the 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*.

Pinellas Suncoast Transit Authority's Response to Findings

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

Purpose of This Report

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



CliftonLarsonAllen LLP

Tampa, Florida
April 16, 2026



INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND STATE PROJECT AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND CHAPTER 10.550, RULES OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA

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

Report on Compliance for Each Major Federal Program and State Project

Opinion on Each Major Federal Program and State Project

We have audited Pinellas Suncoast Transit Authority's (the Authority) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* and the requirements identified as subject to audit in the State of Florida Department of Financial Services' *State Projects Compliance Supplement* that could have a direct and material effect on each of the Authority's major federal programs and state projects for the year ended September 30, 2025. The Authority's major federal programs and state projects are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Authority complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and state projects for the year ended September 30, 2025.

Basis for Opinion on Each Major Federal Program and State Project

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); 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 Local Government Entity Audits (Chapter 10.550). Our responsibilities under those standards and the Uniform Guidance and Chapter 10.550 are further described in the Auditors' 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 that 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 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 projects.

Auditors' 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 GAAS, *Government Auditing Standards*, and 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 project as a whole.

In performing an audit in accordance with GAAS, *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, 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 and state project 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 Auditors' 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.



CliftonLarsonAllen LLP

Tampa, Florida
April 16, 2026

**PINELLAS SUNCOAST TRANSIT AUTHORITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED SEPTEMBER 30, 2025**

SECTION I - SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued? Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? No
- Significant deficiency(ies) identified that are not considered to be material weakness(es)? Yes

Noncompliance material to the financial statements noted? No

Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified? No
- Significant deficiency(ies) identified that are not considered to be material weakness(es)? None reported

Type of auditors' report issued 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)? No

Identification of Major Federal Programs:

<u>Assistance Listing Numbers</u>	<u>Name of Federal Program or Cluster</u>
20.500 , 20.507, 50.526	Federal Transit Cluster

Dollar threshold used to distinguish between Type A and Type B programs: \$2,287,009

Auditee qualified as low-risk auditee? Yes

**PINELLAS SUNCOAST TRANSIT AUTHORITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2025**

SECTION I - SUMMARY OF AUDITORS' RESULTS (CONTINUED)

State Financial Assistance

Internal control over state projects:

- Material weakness(es) identified? No
- Significant deficiency(ies) identified that are not considered to be material weakness(es)? No

Type of auditors' report issued on compliance for major state projects? Unmodified

Any audit findings disclosed that are required to be reported in accordance with Chapter 10.557? No

Identification of Major State Projects:

CSFA Numbers	Name of State Project
31.102	Diesel Emissions Mitigation Program

Dollar threshold used to distinguish between Type A and Type B state projects \$924,224

SECTION II - FINANCIAL STATEMENT FINDINGS

2025-001 Grant Revenue Recognition

Type of Finding: Significant Deficiency in Internal Control Over Financial Reporting

Criteria:

The Committee of Sponsoring Organizations of the Treadway Commissions (COSO) Internal Control Framework states that control activities are a component of internal control. Control activities are policies and procedures established to ensure that management directives are carried out and consist of two elements: a policy that establishes what should be done and the procedure that implements the policy. COSO Framework requires that control activities be in place for adequate internal control over financial reporting. Internal control procedures affect management's ability to ensure financial transactions are authorized and accurate. Management is also responsible for establishing and maintaining effective internal controls over financial reporting to ensure transactions are properly recorded and reported in the correct period.

Condition:

The Authority did not consistently record grant revenues received during the fiscal year in the proper accounting period. During our audit, we identified grant revenues related to the Authority's VW settlement funds from the State of Florida that were not recognized in the correct accounting period. As a result, grant revenues in 2025 were understated by \$2,290,911.

**PINELLAS SUNCOAST TRANSIT AUTHORITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2025**

SECTION II - FINANCIAL STATEMENT FINDINGS (CONTINUED)

2025-001 Grant Revenue Recognition (Continued)

Cause:

The Authority's internal control did not detect or prevent or detect the error.

Effect:

Revenues could be misstated if grant transactions are not accounted for correctly.

Recommendation:

We recommend management implement formal written procedures over grant revenue recognition, including a documented process to evaluate grant eligibility and revenue recognition timing, periodic monitoring of grant activity to ensure revenues are recorded in the appropriate fiscal period and fund, and evidence of supervisory review of grant-related journal entries and reconciliations prior to period-end close.

These improvements would help strengthen internal controls and reduce the risk of future misstatements related to grant accounting.

Management Response:

Management agrees with the finding and recommendation.

SECTION III - FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL PROGRAMS

Our audit did not disclose any matters required to be reported in accordance with 2 CFR 200.516(a).

SECTION IV - FINDINGS AND QUESTIONED COSTS – MAJOR STATE PROJECTS

Our audit did not disclose any matters required to be reported in accordance with Rule 10.554(1)(I)4, Rules of the Florida Auditor General.

**Schedule of Expenditures of Federal Awards
and State Financial Assistance**

Year Ended September 30, 2025

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:					
<i>Direct Program:</i>					
Federal Transit Capital Investments Grant	20.500	FL 2019-039	-	\$ (8,433)	\$ -
Federal Transit Capital Investments Grant	20.500	FL 2020-071	-	319,859	-
Federal Transit Capital Investments Grant	20.500	FL 2022-037	-	311,549	-
Total Assistance Listing Number 20.500				<u>622,975</u>	<u>-</u>
Federal Transit Areas of Persistent Poverty	20.505	FL 2023-017	-	89,310	-
Total Assistance Listing Number 20.505				<u>89,310</u>	<u>-</u>
Federal Transit Formula Grant	20.507	FL 2017-024	-	253,386	-
Federal Transit Formula Grant	20.507	FL 2017-109	-	52,315	-
Federal Transit Formula Grant	20.507	FL 2018-080	-	533,864	-
Federal Transit Formula Grant	20.507	FL 2019-015	-	1,817,670	-
Federal Transit Formula Grant	20.507	FL 2019-039	-	35,964	-
Federal Transit Formula Grant	20.507	FL 2019-085	-	91,549	-
Federal Transit Formula Grant	20.507	FL 2021-001	-	1,067,871	-
Federal Transit Formula Grant	20.507	FL 2021-075	-	5,218,024	-
Federal Transit Formula Grant	20.507	FL 2022-036	-	3,000,000	-
Federal Transit Formula Grant	20.507	FL 2022-049	-	9,164,486	-
Federal Transit Formula Grant	20.507	FL 2021-080	-	200,000	-
Federal Transit Formula Grant	20.507	FL 2023-061	-	2,500,000	-
Federal Transit Formula Grant	20.507	FL 2023-069	-	7,550,594	-
Federal Transit Formula Grant	20.507	FL 2025-023	-	18,879,925	-
Federal Transit Formula Grant	20.507	FL 2025-024	-	5,679,145	-
Federal Transit Formula Grant	20.507	FL 2025-025	-	(7,341)	-
Total Assistance Listing Number 20.507				<u>56,037,452</u>	<u>-</u>
Federal Transit Discretionary Low-No Grant	20.526	FL 2019-085	-	30,000	-
Federal Transit Discretionary Low-No Grant	20.526	FL 2022-049	-	1,654,752	-
Federal Transit Discretionary Low-No Grant	20.526	FL 2022-050	-	16,342,100	-
Total Assistance Listing Number 20.526				<u>18,026,852</u>	<u>-</u>
Federal Transit Public Transportation Innovation	20.530	FL 2021-013	-	28,000	-
Federal Transit Public Transportation Innovation	20.530	FL 2023-097	-	554,323	-
Total Assistance Listing Number 20.530				<u>582,323</u>	<u>-</u>
Federal Transit Community Project Funding Congressionally Directed	20.534	FL 2023-044	-	181,362	-
Federal Transit Community Project Funding Congressionally Directed	20.534	FL 2025-031	-	47,963	-
Total Assistance Listing Number 20.534				<u>229,325</u>	<u>-</u>
Federal Transit National Infrastructure Investments (RAISE)	20.933	FL 2024-067	-	75,596	-
Total Assistance Listing Number 20.530				<u>75,596</u>	<u>-</u>
Total Federal Transit Cluster				<u>75,663,833</u>	<u>-</u>
<i>Passed through the Florida Department of Transportation:</i>					
Enhanced Mobility of Seniors and Individuals with Disabilities:					
Section 5310 Program	20.513	G3106	451172-1-94-01	80,351	-
Section 5310 Program	20.513	G2520	437546-1-94-03	(7,400)	-
Section 5310 Program	20.513	G2494	437546-1-84-02	(3,643)	-
Section 5310 Program	20.513	G3112	437546-1-84-02	451,861	-
Total Assistance Listing Number 20.513				<u>521,168</u>	<u>-</u>
<i>Passed through Pinellas County Metropolitan Planning Organization:</i>					
Section 5305(d) Planning Grant	20.505	G2V08		48,652	-
Total Assistance Listing Number 20.505				<u>48,652</u>	<u>-</u>
Total U.S. Department of Transportation				<u>76,233,653</u>	<u>-</u>
Total Expenditures of Federal Awards				\$ <u>76,233,653</u>	\$ <u>-</u>

**Schedule of Expenditures of Federal Awards
and State Financial Assistance**

Year Ended September 30, 2025

Federal or State Grantor/Pass-Through Grantor/Program title	Assisted Listing # CSFA#	Contract Number	FPN Number	Expenditures	Transfers to Subrecipients
Florida Department of Transportation					
<i>Direct Program:</i>					
Commuter Assistance Program	55.007	G1Y56	412533-1-84-21	\$ 8,599	\$ -
	55.007	G3780	412534-2-84-25	169,172	-
Total CSFA 55.007				<u>177,771</u>	<u>-</u>
Block Grant Program	55.010	G2B91	402513-1-84-23	5,348,703	-
	55.010	G2N43	402513-1-84-24	1,290,851	-
Total CSFA 55.010				<u>6,639,554</u>	<u>-</u>
Public Transit Service Development Program	55.012	G1B92	437245-2-94-01	67,915	-
	55.012	G2O60	437245-1-84-01	79,365	-
	55.012	G2644	437245-1-84-01	1,587,261	-
	55.012	G2L56	450333-1-84-23	712	-
	55.012	G3514	443425-1-84-24	22,359	-
Total CSFA 55.012				<u>1,757,612</u>	<u>-</u>
Transit Corridor Program	55.013	G1Z24	410695-1-84-22	109,540	-
	55.013	G2B65	418265-1-84-23	45,837	-
	55.013	G2B89	410695-1-84-22	291,438	-
	55.013	G2N45	418265-1-84-23	237,096	-
	55.013	G2N48	418265-1-84-23	230,925	-
	55.013	G2B61	450822-284-01	35,853	-
Total CSFA 55.013				<u>950,690</u>	<u>-</u>
State Intermodal Development Program	55.014	G2B90	448807-1-94-01	53,628	-
	55.014	G3740	448807-1-94-02	35,313	-
Total CSFA 55.014				<u>88,941</u>	<u>-</u>
Total Florida Department of Transportation				<u>9,614,568</u>	<u>-</u>
State of Florida, Commission for the Transportation Disadvantaged					
<i>Direct Program:</i>					
Trips & Equipment	55.001	G2Z42	432027-1-84-01	3,120,069	-
	55.001	G3E15	432028-1-84-01	1,061,918	-
Total CSFA 55.001				<u>4,181,987</u>	<u>-</u>
Innovation and Service Development Grant	55.045	G3086	4508222-84-01	226,280	-
	55.045	G3F31	4508222-84-01	93,423	-
Total CSFA 55.045				<u>319,703</u>	<u>-</u>
Total Commission for the Transportation Disadvantaged				<u>4,501,690</u>	<u>-</u>
State of Florida, Department of Environmental Protection					
<i>Direct Program:</i>					
Electric Transit Bus Grant Program	37.102	VW312	-	16,690,911	-
Total CSFA 37.102				<u>16,690,911</u>	<u>-</u>
Total Expenditures of Florida State Financial Assistance				<u>\$ 30,807,169</u>	<u>\$ -</u>
Total Expenditures of Federal Awards and State Financial Assistance				<u>\$ 107,040,822</u>	<u>\$ -</u>

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, 2025

(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 \$63.7 million in capital assets was purchased using federal grant awards during the fiscal year ending September 30, 2025. 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, 2025 PSTA had no subrecipients.

(4) Indirect Cost Rate

The Authority has not elected to use the 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.



MANAGEMENT LETTER

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

Report on the Financial Statements

We have audited the financial statements of Pinellas Suncoast Transit Authority (the Authority) as of and for the fiscal year ended September 30, 2025, and have issued our report thereon dated April 16, 2026.

Auditors' 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 Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditors' Report on Compliance for Each Major Federal Program and State Project and Report on Internal Control over Compliance; Schedule of Findings and Questioned Costs; and Independent Accountants' Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated April 16, 2026, 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 financial audit report. There were no findings or recommendations made in the preceding financial 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. There were no component units.

Financial Condition and Management

Sections 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 met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific conditions met. In connection with our audit, we determined that 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 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:

- a. The total number of district employees compensated in the last pay period of the district's fiscal year as 680.
- 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 \$49,113,624.
- 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: none.
- 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)6, Rules of the Auditor General, the Authority reported:

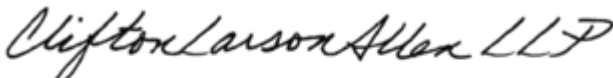
- a. The mileage rate or rates imposed by the district as 0.7342.
- b. The total amount of ad valorem taxes collected by or on behalf of the district as \$81,474,068.
- c. The total amount of outstanding bonds issued by the district and the terms of such bonds as none.

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, of fraud, waste, or abuse, that has occurred or is likely to have occurred, that has 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 note any such findings.

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, the Board of Directors, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.



CliftonLarsonAllen LLP

Tampa, Florida
April 16, 2026



INDEPENDENT ACCOUNTANTS' REPORT

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

We have examined Pinellas Suncoast Transit Authority (the Authority) compliance with Section 218.415, Florida Statutes, regarding the investment of public funds during the year ended September 30, 2025. 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 judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

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

In our opinion, the Authority complied, in all material respects, with Section 218.415, Florida Statutes, regarding the investment of public funds during the year ended September 30, 2025.

This report is intended solely for the information and use of the Authority and the Auditor General, State of Florida, and is not intended to be, and should not be, used by anyone other than these specified parties.

CliftonLarsonAllen LLP
CliftonLarsonAllen LLP

Tampa, Florida
April 16, 2026

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