

**ATTACHMENT C**  
**FISCAL YEAR 2024/2025 ANNUAL**  
**FINANCIAL REPORT**

**KINGS COUNTY AREA PUBLIC TRANSIT AGENCY  
COUNTY OF KINGS, CALIFORNIA**

**ANNUAL FINANCIAL REPORT**

**FOR THE FISCAL YEARS ENDED  
JUNE 30, 2025 AND 2024**

**KINGS COUNTY AREA PUBLIC TRANSIT AGENCY  
ANNUAL FINANCIAL REPORT  
JUNE 30, 2025 AND 2024**

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## **INTRODUCTORY SECTION**

January 16, 2026

Board of Directors  
Kings County Area Public Transit Agency  
210 E 7<sup>th</sup> Street  
Hanford, CA 93230

With pleasure, we submit to you Kings County Area Public Transit Agency's (KCAPTA) Annual Comprehensive Financial Report (ACFR) for the fiscal years ending June 30, 2025 and 2024. KCAPTA must undergo an annual audit in conformity with the provisions of the Uniform Guidance as it pertains to audits of state and local governments. State law requires that KCAPTA publish a completed audited financial statement within six months of the close of the fiscal year in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of Certified Public Accountants licensed to practice in the State of California.

This report consists of management's representations concerning the finances of KCAPTA. Responsibility for the data's accuracy and the completeness and fairness of the presentation, including all disclosures, rests with KCAPTA management. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner that presents the financial position and results of KCAPTA's operations. Disclosures are included to enable the reader to understand KCAPTA's activities.

Brown Armstrong Accountancy Corporation, a licensed Certified Public Accounting firm, has audited KCAPTA's financial statements for the fiscal years ending June 30, 2025 and 2024. The goal of the independent audit is to provide reasonable assurance that the financial statements are free of material misstatement. The independent audit includes examining evidence supporting the amounts and disclosures in the financial statements on a test basis, assessing the accounting principles and significant estimates made by management, and evaluating the overall financial statement presentation. The independent auditor's findings are contained in a separate report.

The independent audit was also designed to meet the requirements of a broader, federally mandated "Single Audit" to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. The reports related specifically to the Single Audit are issued under separate cover.

GAAP requires that management provide a narrative introduction, statement overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). KCAPTA's MD&A immediately follows the report of the independent auditors.



**KCAPTA**

610 W. 7th St. • Hanford, CA 93230 • (559) 852-2717 • [www.myKARTbus.com](http://www.myKARTbus.com)

As stewards of the taxpayer's money, KCAPTA continues to achieve its primary objective of safeguarding the funds entrusted to us. Our primary focus is planning, securing, and controlling KCAPTA's financial resources. This includes:

- **Developing an Accurate Budget**  
Develop a realistic budget that indicates what expenditures KCAPTA will incur during the fiscal year. The budget clearly shows how much KCAPTA can spend on each activity.
- **Secure Funding**  
Research, apply, and secure all available funding opportunities to ensure adequate cash flow to support the construction, operation, and maintenance of KCAPTA's transportation system. This includes the day-to-day operations as well as long-term goals.
- **Maintaining Transparency**  
Provide transparency in our operations to all the stakeholders of KCAPTA to instill a sense of trust through consistent actions that show we are reliable, cooperative, and committed to the success of KCAPTA. This includes providing thorough and accurate financial information to all stakeholders.

#### **ACKNOWLEDGEMENTS**

The preparation of this report was only possible with the efficient and dedicated services of KCAPTA Staff. The preparation of this ACFR is a manifestation of Staff's dedication to improving the reporting standard to the Board of Directors and KCAPTA's clientele.

Respectively submitted,

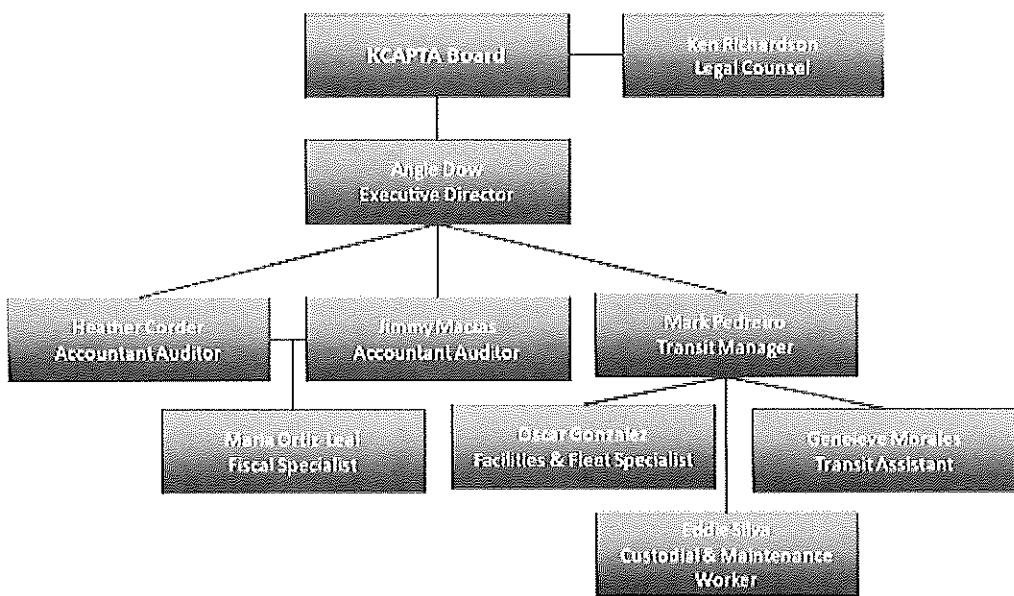
Heather Corder  
Accountant



**KCAPTA**

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# Kings County Area Public Transit Agency



**KINGS COUNTY AREA PUBLIC TRANSIT AGENCY  
ELECTED OFFICIALS AND MANAGEMENT PERSONNEL**

**BOARD OF DIRECTORS**

Joe Neves	Kings County Supervisor	Chair
Doug Verboon	Kings County Supervisor	Director
Nancy Howze	Hanford City Council	Director
Alvaro Preciado	Avenal City Council	Director
Patricia Matthews	Lemoore City Council	Director

**MANAGEMENT STAFF**

Angie Dow	Executive Director
Mark Pedreiro	Transit Manager
Heather Corder	Accountant/Auditor
Jimmy Macias	Accountant/Auditor

## **FINANCIAL SECTION**

## INDEPENDENT AUDITOR'S REPORT

Board of Directors  
Kings County Area Public Transit Agency  
Hanford, California

### Report on the Audit of the Financial Statements

#### *Opinions*

We have audited the accompanying basic financial statements of the Kings County Area Public Transit Agency (KCAPTA) as of and for the fiscal years ended June 30, 2025 and 2024, and the related notes to the financial statements, which collectively comprise KCAPTA's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of KCAPTA, as of June 30, 2025 and 2024, and the respective changes in financial position, and, where applicable, cash flows thereof for the fiscal years then ended in accordance with accounting principles generally accepted in the United States of America.

#### *Basis for Opinions*

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of KCAPTA and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. 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 KCAPTA's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

## ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our 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 auditing standards generally accepted in the United States of America 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 auditing standards generally accepted in the United States of America 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 KCAPTA'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 KCAPTA's ability to continue as a going concern for a reasonable period of time.

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

## ***Required Supplementary Information***

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

## ***Other Information***

Management is responsible for the other information included in the annual report. The other information comprises the Introductory and Statistical Sections but does not include the basic financial statements and our auditor's report thereon. Our 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 Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated January 16, 2026, on our consideration of KCAPTA'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 KCAPTA'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 KCAPTA's internal control over financial reporting and compliance.

BROWN ARMSTRONG  
ACCOUNTANCY CORPORATION

*Brown Armstrong  
Accountancy Corporation*

Bakersfield, California  
January 16, 2026

**KINGS COUNTY AREA PUBLIC TRANSIT AGENCY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2025 AND 2024**

## **Introduction**

The following discussion and analysis of the financial performance and activity of the Kings County Area Public Transit Agency (KCAPTA) provides an introduction and understanding of the basic financial statements of KCAPTA for the fiscal years ending June 30, 2025 and 2024. This discussion has been prepared by management and should be read in conjunction with the financial statements and the notes thereto, which follow this section.

Kings Area Rural Transit (KART) operations in Kings County began in June of 1980 as a joint powers agency comprised of the County of Kings and the Cities of Hanford, Lemoore, Corcoran, and Avenal. In June of 1982, the City of Corcoran determined that the City of Corcoran's reasonable transit needs were being met by its transportation services and withdrew from the agency.

KCAPTA started vanpool programs in 2001. These programs expanded, operating in multiple counties. In 2008, KCAPTA began separating the vanpool programs into a new joint power entity comprised of the counties in which the vanpool programs operate. This process was completed with the formation of the California Vanpool Authority (CalVans) in October 2011. CalVans began operating the vanpool programs as of January 1, 2012. All assets related to the vanpool programs and related staff were transferred to CalVans as of January 1, 2012.

KCAPTA is governed by a five-member Board of Directors (the Board), two of which are appointed from the Kings County Board of Supervisors, one appointed from the City of Hanford, one appointed from the City of Lemoore, and one appointed from the City of Avenal.

KCAPTA operates eight routes in the Hanford area, one route in the Lemoore area, one route between Hanford and Lemoore, one route between Hanford and Lemoore NAS, three county routes, two commuter routes, and two regional routes.

KCAPTA has 44 revenue vehicles (29 buses, 11 cutaways, two electric vehicles, and two vans), eight employees in administration, and 63 contracted employees (MV Transportation, Inc.) working in three Hanford operations and administrative locations: Hanford Transit Center, KCAPTA Administrative Office, and KART Maintenance Facility.

## **The Financial Statements**

KCAPTA's basic financial statements include:

- (1) The Statement of Net Position.
- (2) The Statement of Revenues, Expenses, and Changes in Net Position.
- (3) The Statement of Cash Flows.

The financial statements are prepared in accordance with accounting principles generally accepted in the United States of America.

The Statement of Net Position reports assets and deferred outflows of resources, liabilities and deferred inflows of resources, and the difference as net position. The entire equity section is combined to report the total net position and is displayed in three components: net investment in capital assets, restricted net position, and unrestricted net position.

The net position component of net investment in capital assets consists of capital assets including restricted capital assets, net of accumulated depreciation/amortization. The outstanding balances of any borrowings attributable to the acquisition, construction, or improvements of those assets reduce it.

The restricted net position consists of assets where constraints on their use are externally imposed by creditors (such as through debt covenants, if any), grantors, contributors, or laws and regulations of other governments.

The unrestricted net position consists of net position that does not meet the definition of restricted or net investment in capital assets. This component includes net position designated by management as operating or capital reserves for purposes that may consist of assets allocated to fund capital projects or operations, provided such use is approved by the KCAPTA Board.

Revenues and expenses are categorized as either operating or non-operating based upon the definitions provided by Governmental Accounting Standards Board (GASB) Statements No. 33 and No. 34. Significant recurring resources of KCAPTA are reported as non-operating revenues.

The Statement of Cash Flows is presented using the direct method and includes a reconciliation of operating cash flows to operating income (loss).

## Financial Highlights

### Statement of Revenues, Expenses, and Changes in Net Position

A summary of KCAPTA's Statements of Revenues, Expenses, and Changes in Net Position for fiscal years 2025, 2024, and 2023 is as follows:

	2025	2024	Increase/(Decrease)		2023
			Amount	%	
Operating revenues	\$ 1,680,565	\$ 1,363,942	\$ 316,623	23%	\$ 1,162,136
Operating expenses	<u>10,573,836</u>	<u>10,039,352</u>	<u>534,484</u>	<u>5%</u>	<u>8,488,616</u>
Operating loss	<u>(8,893,271)</u>	<u>(8,675,410)</u>	<u>(217,861)</u>	<u>-3%</u>	<u>(7,326,480)</u>
Non-operating revenues	7,713,851	7,533,114	180,737	2%	7,282,906
Capital contributions and transfers	<u>16,232,603</u>	<u>11,070,732</u>	<u>5,161,871</u>	<u>47%</u>	<u>2,271,315</u>
Increase (decrease) in net position	<u>\$ 15,053,183</u>	<u>\$ 9,928,436</u>	<u>\$ 5,124,747</u>	<u>52%</u>	<u>\$ 2,227,741</u>

KCAPTA's fiscal year 2025 operating revenues increased by 23%, and operating expenses increased by 5% over fiscal year 2024. The fiscal year 2025 operating revenues increased due to increased passenger fares. Operating expenses increased primarily due to an increase in Professional and Special Services. The operating expense increase comes from an increase in the contract with MV Transportation, Inc..

Non-operating revenues are primarily operating subsidies from federal, state, and local funding sources. The increase in non-operating revenues is primarily due to the utilization of the State Transportation funds and 5307 funds allocated to KCAPTA.

Capital contributions in the fiscal year 2025 were higher than fiscal year 2024 due to Section, 5307, and 5311 grants along with State grants used in the amount of \$16.2 million received this fiscal year. Projects for fiscal year 2025 included the purchasing of Vehicle Lifts for the shop, a new truck for Admin, CNG bus engine rebuilds and the construction of the KART Transit Center.

The combined operating and non-operating revenues for 2025 increased by \$497,360 over fiscal year 2024. The increase in operating revenues was due to revenues from passenger fares. The increase in the non-operating revenue was due to the construction of the KART Transit Center.

Below is a schedule showing major sources of revenue broken out between operating and non-operating sources.

	2025	2024	Increase/(Decrease)		2023
			Amount	%	
<b>Operating Revenue by Major Source:</b>					
Passenger	\$ 1,572,639	\$ 1,254,118	\$ 318,521	25%	\$ 1,045,677
Auxiliary	107,926	109,824	(1,898)	-2%	116,459
<b>Non-Operating Revenue by Major Source:</b>					
Local Transportation Fund	2,000,000	1,321,182	678,818	51%	138,769
State Transit Assistance	435,738	32,084	403,654	1,258%	467,561
Federal Cash Grants	4,796,753	5,774,070	(977,317)	-17%	6,428,345
Fresno Rural Transit	91,892	41,194	50,698	123%	42,795
Miscellaneous	86,638	104,900	(18,262)	-17%	89,334
Loss on Sale of Equipment	(7,785)	5,136	(12,921)	-252%	2,859
Interest Income, Net	310,615	254,548	56,067	22%	113,243
<b>Total Revenue</b>	<b>\$ 9,394,416</b>	<b>\$ 8,897,056</b>	<b>\$ 497,360</b>	<b>6%</b>	<b>\$ 8,445,042</b>

KART's passenger fares increased by \$318,521 or 25% in fiscal year 2025 over fiscal year 2024. This was due to an increase in fares received. The increase in fares received was due to the popularity of the quarterly pass and an increase in vanpools.

Auxiliary revenue decreased by \$1,898 or 2% due to a decrease in advertising.

Local Transit Funds increased by \$678,818 or 51% primarily due to an increase in operating expenses.

State Transit Assistance Funds increased by \$403,654 or 1,258% primarily due to using STA funds to purchase fixed assets and operations.

Federal cash grants decreased by \$977,317 or 17% due to a decrease in the Federal Grants funds received for the building of the KART Transit Center.

Miscellaneous revenues decreased by \$18,262 or 17% due to a slight increase in the LCFS credits received during the fiscal year.

Gain/loss on the sale of equipment decreased by \$12,921 or 252% due to the swap of an electric bus from the manufacturer.

Interest income (expense), net increased by \$56,067 or 22% in fiscal year 2025 over fiscal year 2024. This increase was due to an increase in interest rates.

Below is a schedule showing the details of operating expenses.

	2025	2024	Increase/(Decrease)		2023
			Amount	%	
Salaries	\$ 577,564	\$ 584,499	\$ (6,935)	-1%	\$ 508,493
Fringe Benefits	268,180	245,259	22,921	9%	216,974
Maintenance - Equipment	111,631	96,611	15,020	16%	99,799
Fuel and Oil	330,525	335,493	(4,968)	-1%	448,997
Other Materials and Supplies	19,260	20,848	(1,588)	-8%	22,700
Utilities	82,059	72,877	9,182	13%	65,980
Insurance	71,681	31,642	40,039	127%	38,075
Purchased Transportation	5,878,844	5,756,606	122,238	2%	4,287,339
Miscellaneous	1,519,299	1,203,019	316,280	26%	985,186
Depreciation and Amortization	1,714,793	1,692,498	22,295	1%	1,815,073
<b>Total Operating Expenses</b>	<b>\$ 10,573,836</b>	<b>\$ 10,039,352</b>	<b>\$ 534,484</b>	<b>5%</b>	<b>\$ 8,488,616</b>

Operating expenses (excluding depreciation) for fiscal year 2025 were \$8,859,042, a net increase from 2024 of \$512,188 or 6%. Salaries and fringe benefits increased \$15,986 or 2%, due to salary increases and an increase in the cost Health Insurance. Fuel decreased by \$4,968 or -1%, due to decreases in the cost of fuel.

The purchased transportation contract increased \$122,238 due to an increase in the contracted prices for MV Transportation, Inc.

Depreciation and amortization expense increased by \$22,295 from \$1,692,498 in 2024 to \$1,714,793 in 2025. Depreciation and Amortization expense is consistent with the prior year.

Miscellaneous expenses increased by \$316,280 from \$1,203,019 in 2024 to \$1,519,299 in 2025 due to an increase in the number of Vanpools.

#### Statement of Net Position

A comparison of KCAPTA's Statements of Net Position as of June 30, 2025, 2024, and 2023, is as follows:

	2025	2024	Increase/(Decrease)		2023
			Amount	%	
Current assets	\$ 17,500,837	\$ 17,978,807	\$ (477,970)	-3%	\$ 11,854,670
Noncurrent assets:					
Capital assets, net	39,923,445	25,379,073	14,544,372	57%	15,995,700
<b>Total Assets</b>	<b>57,424,282</b>	<b>43,357,880</b>	<b>14,066,402</b>	<b>32%</b>	<b>27,850,370</b>
Deferred outflows of resources	209,787	252,786	(42,999)	-17%	243,191
Current liabilities	12,266,848	13,266,171	(999,323)	-8%	7,706,283
Noncurrent liabilities	476,937	502,069	(25,132)	-5%	467,998
<b>Total Liabilities</b>	<b>12,743,785</b>	<b>13,768,240</b>	<b>(1,024,455)</b>	<b>-7%</b>	<b>8,174,281</b>
Deferred inflows of resources	3,291	8,616	(5,325)	-62%	13,906
Net position:					
Net investment in capital assets	39,863,394	25,294,643	14,568,751	58%	15,887,703
Restricted (interest earned on grant funds)	74,849	-	74,849	100%	19,790
Unrestricted	4,948,750	4,539,167	409,583	9%	3,997,881
<b>Total Net Position</b>	<b>\$ 44,886,993</b>	<b>\$ 29,833,810</b>	<b>\$ 15,053,183</b>	<b>50%</b>	<b>\$ 19,905,374</b>

Current assets decreased by \$477,696 or -3 % mostly due to a net decrease in receivables.

Noncurrent assets increased by \$14,544,372 or 57% compared to fiscal year 2024 primarily due to the acquisition of fixed assets and construction on the KART Transit Center.

Deferred outflows of resources comprise the difference between expected and actual experience for pensions, changes in assumptions, and employer pension contributions made subsequent to the measurement dates of June 30, 2024 and 2023. Deferred outflows of resources decreased by \$43,002 or -17%. They were primarily due to changes in pension assumptions, differences between projected and actual pension investment earnings, and changes in KCAPTA's proportionate share of the net pension liability. Deferred inflows of resources decreased by \$5,325 or -62% due to the same reason listed above.

Current liabilities decreased by \$1,098,813 or -8% primarily due to a decrease in accounts payable. The accounts payable balance in 2024 was \$5,104,347 which decreased to \$1,339,406 as of June 30, 2025.

Noncurrent liabilities decreased by \$24,975 or -5% due to a decrease in net pension liability.

#### **Statement of Cash Flows**

A comparison presentation of KCAPTA's major sources and uses of cash for the fiscal years ended June 30, 2025, 2024, and 2023, is as follows:

	2025	2024	Increase/(Decrease)		2023
			Amount	%	
Net cash used by operating activities	\$ (10,844,980)	\$ (2,130,697)	\$ (8,714,283)	-409%	\$ (5,637,144)
Net cash provided by noncapital financing activities	12,408,163	5,230,997	7,177,166	137%	6,576,271
Net cash provided (used) by capital and related financing activities	(59,267)	(24,322)	(34,945)	-144%	(1,430,018)
Net cash provided by investing activities	311,156	255,300	55,856	22%	113,482
Net increase (decrease) in cash and cash equivalents	1,815,072	3,331,278	(1,516,206)	46%	(377,409)
Cash and cash equivalents, beginning of year	11,292,596	7,961,318	3,331,278	42%	8,338,727
Cash and cash equivalents, end of year	\$ 13,107,668	\$ 11,292,596	\$ 1,815,072	16%	\$ 7,961,318

Overall, the total cash at the end of 2025 increased by \$1,815,470 over 2024 due to a net increase in cash provided by noncapital financing activities, including federal, state and local assistance.

## Capital Assets

Details of the capital assets, net of accumulated depreciation/amortization, as of June 30, 2025, 2024, and 2023, are as follows:

	2025	2024	Increase/(Decrease)		2023
			Amount	%	
Capital assets not being depreciated:					
Land	\$ 2,734,762	\$ 2,734,762	\$ -	0%	\$ 2,734,762
Construction-in-progress	<u>27,508,753</u>	<u>11,554,912</u>	<u>15,953,841</u>	<u>138%</u>	<u>2,367,228</u>
Total capital assets not being depreciated	<u>30,243,515</u>	<u>14,289,674</u>	<u>15,953,841</u>	<u>112%</u>	<u>5,101,990</u>
Capital assets being depreciated:					
Buildings and improvements	6,102,789	6,032,344	70,445	1%	5,979,809
Revenue equipment	18,342,998	18,282,626	60,372	0%	16,529,909
Service vehicles, shop, office, and other equipment	3,346,511	3,603,001	(256,490)	-7%	3,531,290
Assets held for sale	<u>63,929</u>	<u>70,016</u>	<u>(6,087)</u>	<u>-9%</u>	<u>63,929</u>
Total capital assets being depreciated	<u>27,856,227</u>	<u>27,987,987</u>	<u>(131,760)</u>	<u>0%</u>	<u>26,104,937</u>
Less: accumulated depreciation:					
Buildings and improvements	(3,303,016)	(3,112,438)	(190,578)	-6%	(2,897,323)
Revenue equipment	(11,878,943)	(10,490,463)	(1,388,480)	-13%	(9,206,877)
Service vehicles, shop, office, and other equipment	(3,020,881)	(3,359,667)	338,786	10%	(3,208,444)
Assets held for sale	<u>(63,928)</u>	<u>(63,928)</u>	<u>-</u>	<u>0%</u>	<u>(63,928)</u>
Total accumulated depreciation	<u>(18,266,768)</u>	<u>(17,026,496)</u>	<u>(1,240,272)</u>	<u>-7%</u>	<u>(15,376,572)</u>
Total depreciable capital assets, net	<u>9,589,459</u>	<u>10,961,491</u>	<u>(1,372,032)</u>	<u>-13%</u>	<u>10,728,365</u>
SBITA					
Software	193,422	193,422	-	0%	193,422
Accumulated amortization	<u>(102,951)</u>	<u>(65,514)</u>	<u>(37,437)</u>	<u>57%</u>	<u>(28,077)</u>
Total SBITA, net	<u>90,471</u>	<u>127,908</u>	<u>(37,437)</u>	<u>-29%</u>	<u>165,345</u>
Total Capital Assets, Net	<u>\$ 39,923,445</u>	<u>\$ 25,379,073</u>	<u>\$ 14,544,372</u>	<u>57%</u>	<u>\$ 15,995,700</u>

KCAPTA's capital assets had a net increase of \$14,544,372 in fiscal year 2025. The net increase was due to the building of the KART Transit Center and the purchase of new assets.

More detailed information about KCAPTA's capital assets and depreciation/amortization is presented in Note 4 of the Notes to the Financial Statements.

## Long-Term Debt

At the end of the fiscal year 2025, KCAPTA had one (1) capital lease obligation outstanding in the amount of \$7,161.

More detailed information about KCAPTA's long-term debt is presented in Note 6 of the Notes to the Financial Statements.

## Economic Condition, Outlook, and Activity

As the transit provider for Kings County, KCAPTA's role in providing local and regional transit services is continuously changing to meet an ever-changing environment. Economic changes are closely monitored because of the potential impact on transportation revenues.

KCAPTA prepares an operating and capital budget annually that the Board approves before the beginning of its fiscal year.

KCAPTA maintains strong financial policies for budget and reserve structures that help protect against economic swings and maintain operating liquidity. KCAPTA submits balanced budgets with reasonable estimates for future revenue and expense projections. In planning the KART Transit Center, KCAPTA has maintained reserve funds to ensure operations during any further unforeseen events. These reserves provide the operating liquidity necessary to run grant-funded projects, allowing contracts and projects to proceed on a readiness basis rather than forcing delays for cash-flow management.

While the U.S. economy is not expected to accelerate rapidly, 2026 is projected to be a period of gradual and steady stabilization. Growth is anticipated to remain positive, supported by ongoing business investment, especially in technology, moderate consumer spending, and structured shifts aimed at enhancing productivity and innovation. At the same time, persistent inflationary pressures and elevated interest rates are likely to limit household purchasing power. Overall, the economy is expected to change cautiously, bolstered by long-term investments and technological advancements and the short term remains uneven. In summary, 2026 is shaping up to reflect a resilient yet imperfect economic landscape. The expansion is expected to be incremental instead of rapid.

Staff created KCAPTA's 2026 budget to recognize the expected economic change and its impact on federal transit funds availability, ridership, and revenues.

The capital budget consists of a multi-year bus engine rebuild project, purchase a zero emission bus, new equipment for the facility, replacing equipment at Davis and the purchase and installation of a shelter. Funding for these projects has been identified, approved by the Board, and committed to the projects. Additionally, KCAPTA is in the process of completing the construction of the new Transit Center with Administrative offices. KCAPTA expects the project to be completed by February 2026.

KCAPTA will continue to pursue available funding and support towards increasing transit use to achieve our primary mission, moving people and connecting lives.

#### **Contacting KCAPTA Financial Management**

KCAPTA's financial report is designed to provide KCAPTA's Board of Directors, management, and the public with an overview of KCAPTA's finances. For additional information about this report, please contact Angie Dow, Executive Director, KCAPTA, 210 E. 7<sup>th</sup> Street, Hanford, CA 93230.

## **FINANCIAL STATEMENTS**

**KINGS COUNTY AREA PUBLIC TRANSIT AGENCY**  
**STATEMENTS OF NET POSITION**  
**JUNE 30, 2025 AND 2024**

	<u>2025</u>	<u>2024</u>
<b><u>ASSETS</u></b>		
Current assets:		
Cash and cash equivalents	\$ 13,107,668	\$ 11,292,596
Receivables	4,392,924	6,685,966
Prepaid expenses	245	245
Total current assets	<u>17,500,837</u>	<u>17,978,807</u>
Noncurrent assets:		
Capital assets:		
Land	2,734,762	2,734,762
Construction-in-progress	27,508,753	11,554,912
Buses and equipment	21,431,362	21,651,023
Administrative vehicles	102,215	78,672
Equipment - office	155,932	155,932
Buildings and improvements	6,102,789	6,032,344
Assets held for sale	63,929	70,016
Less accumulated depreciation	(18,266,768)	(17,026,496)
Total capital assets (net of accumulated depreciation)	<u>39,832,974</u>	<u>25,251,165</u>
SBITA asset, net of accumulated amortization	<u>90,471</u>	<u>127,908</u>
Total noncurrent assets	<u>39,923,445</u>	<u>25,379,073</u>
<b>TOTAL ASSETS</b>	<b><u>57,424,282</u></b>	<b><u>43,357,880</u></b>
<b><u>DEFERRED OUTFLOWS OF RESOURCES</u></b>		
Deferred pensions	<u>209,787</u>	<u>252,786</u>
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>	<b><u>209,787</u></b>	<b><u>252,786</u></b>
<b><u>LIABILITIES</u></b>		
Current liabilities:		
Accounts payable	1,377,140	5,104,347
Compensated absences	62,932	65,939
Unearned revenues	10,803,899	8,073,140
Current financed purchase	2,544	2,412
SBITA liability	20,333	20,333
Total current liabilities	<u>12,266,848</u>	<u>13,266,171</u>
Noncurrent liabilities:		
Net pension liability	439,763	440,384
Finance purchase	4,617	7,136
SBITA liability	32,557	54,549
Total noncurrent liabilities	<u>476,937</u>	<u>502,069</u>
<b>TOTAL LIABILITIES</b>	<b><u>12,743,785</u></b>	<b><u>13,768,240</u></b>
<b><u>DEFERRED INFLOWS OF RESOURCES</u></b>		
Deferred pensions	<u>3,291</u>	<u>8,616</u>
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b><u>3,291</u></b>	<b><u>8,616</u></b>
<b><u>NET POSITION</u></b>		
Net investment in capital assets	39,863,394	25,294,643
Restricted (interest earned on grant funds)	74,849	-
Unrestricted	4,948,750	4,539,167
<b>TOTAL NET POSITION</b>	<b><u>\$ 44,886,993</u></b>	<b><u>\$ 29,833,810</u></b>

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

**KINGS COUNTY AREA PUBLIC TRANSIT AGENCY  
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
FOR THE FISCAL YEARS ENDED JUNE 30, 2025 AND 2024**

	2025	2024
<b><u>OPERATING REVENUES</u></b>		
Passenger fares	\$ 1,572,639	\$ 1,254,118
Advertising revenue	<u>107,926</u>	<u>109,824</u>
 Total operating revenues	 <u>1,680,565</u>	 <u>1,363,942</u>
<b><u>OPERATING EXPENSES</u></b>		
Salaries and benefits	845,744	829,758
Insurance	71,681	31,642
Professional and specialized services	7,189,281	6,809,345
General and administrative	310,181	244,005
Fuel, repairs, and maintenance	442,156	432,104
Depreciation and amortization	<u>1,714,793</u>	<u>1,692,498</u>
 Total operating expenses	 <u>10,573,836</u>	 <u>10,039,352</u>
<b>OPERATING LOSS</b>	 <u>(8,893,271)</u>	 <u>(8,675,410)</u>
<b><u>NON-OPERATING REVENUES (EXPENSES)</u></b>		
Federal and state operating grants	7,232,491	7,127,336
Other governmental funds	91,892	41,194
Gain (Loss) on sale of equipment	(7,785)	5,136
Other income	86,638	104,900
Interest income	311,156	255,300
Interest expense	<u>(541)</u>	<u>(752)</u>
 Total non-operating revenues (expenses)	 <u>7,713,851</u>	 <u>7,533,114</u>
<b>NET LOSS BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS</b>	 <u>(1,179,420)</u>	 <u>(1,142,296)</u>
<b><u>CAPITAL CONTRIBUTIONS</u></b>		
Contributions from governmental agencies	<u>16,232,603</u>	<u>11,070,732</u>
 Total capital contributions	 <u>16,232,603</u>	 <u>11,070,732</u>
<b>INCREASE IN NET POSITION</b>	 <u>15,053,183</u>	 <u>9,928,436</u>
<b>NET POSITION, BEGINNING OF YEAR</b>	 <u>29,833,810</u>	 <u>19,905,374</u>
<b>NET POSITION, END OF YEAR</b>	 <u>\$ 44,886,993</u>	 <u>\$ 29,833,810</u>

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

**KINGS COUNTY AREA PUBLIC TRANSIT AGENCY  
STATEMENTS OF CASH FLOWS  
FOR THE FISCAL YEARS ENDED JUNE 30, 2025 AND 2024**

	<b>2025</b>	<b>2024</b>
<b><u>CASH FLOWS FROM OPERATING ACTIVITIES</u></b>		
Receipts from customers	\$ 1,707,224	\$ 1,314,959
Payments to suppliers, contracted entities, and others	(11,358,644)	(2,390,479)
Payments to general and administrative expenses	(1,193,560)	(1,055,177)
Net Cash Used by Operating Activities	<u>(10,844,980)</u>	<u>(2,130,697)</u>
<b><u>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</u></b>		
Federal, state, and local operating assistance	<u>12,408,163</u>	<u>5,230,997</u>
Net Cash Provided by Noncapital Financing Activities	<u>12,408,163</u>	<u>5,230,997</u>
<b><u>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</u></b>		
Federal and state capital grants received	16,232,603	11,070,732
Proceeds from sale of capital assets	3,088	308,219
Payments for capital assets	(16,294,417)	(11,378,954)
Principal paid on capital leases	-	(23,567)
Interest paid on debt	(541)	(752)
Net Cash Used by Capital and Related Financing Activities	<u>(59,267)</u>	<u>(24,322)</u>
<b><u>CASH FLOWS FROM INVESTING ACTIVITIES</u></b>		
Interest income	<u>311,156</u>	<u>255,300</u>
Net Cash Provided by Investing Activities	<u>311,156</u>	<u>255,300</u>
Net Increase in Cash and Cash Equivalents	<u>1,815,072</u>	<u>3,331,278</u>
<b><u>CASH AND CASH EQUIVALENTS</u></b>		
Beginning of Year	<u>11,292,596</u>	<u>7,961,318</u>
End of Year	<u>\$ 13,107,668</u>	<u>\$ 11,292,596</u>
<b>RECONCILIATION OF OPERATING LOSS TO NET CASH USED BY OPERATING ACTIVITIES</b>		
Operating loss	\$ (8,893,271)	\$ (8,675,410)
Adjustments to reconcile operating loss to net cash used by operating activities:		
Depreciation and amortization	1,714,793	1,692,498
(Increase) Decrease in:		
Accounts receivable	26,659	(48,983)
Increase (Decrease) in:		
Accounts payable	(3,727,207)	4,850,970
Compensated absences	(3,007)	7,291
Net pension liability	37,053	42,937
Net Cash Used by Operating Activities	<u>\$ (10,844,980)</u>	<u>\$ (2,130,697)</u>

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

**KINGS COUNTY AREA PUBLIC TRANSIT AGENCY  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2025 AND 2024**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of Reporting Entity**

Kings County Area Public Transit Agency (KCAPTA), a joint powers agency, comprises Kings County (the County) and the cities of Hanford, Lemoore, and Avenal. Operations began in June of 1980. KCAPTA oversees the operation of Kings Area Rural Transit (KART) and, until December 31, 2011, the Vanpool Systems program and the Agricultural Industries Transportation program (as of January 1, 2012, California Vanpool Authority (CalVans) assumed operations of the vanpool programs).

KCAPTA established the operating policies and defined the services to be provided by KART, including service hours and days, fares, and routes of the Public Transit System. The system's day-to-day management and actual operations are contracted with a private firm, MV Transportation, Inc. All operating personnel (managers, dispatchers, mechanics, and drivers) are employees of MV Transportation, Inc.

KART presently uses a fleet of vehicles ranging in size from 5-passenger vans to 33-passenger buses to provide transit services. Three levels of services are offered: fixed route, paratransit, and micro transit service. Paratransit service is available daily in Hanford, Lemoore, and Armona. There are regular Hanford-Lemoore, Hanford-Avenal, Hanford-Corcoran, Hanford-Laton, Hanford-Visalia, and Hanford-Fresno fixed route services, and commuter service to Corcoran State Prison. In addition to regular fares, there are cash cards and 30-day passes.

KCAPTA started the vanpool programs in 2001 to provide services for commuting people. The vanpool programs aimed to provide safe alternative transportation to travel to and from work. Due to the growth of the programs, a new agency was formed on October 21, 2011. The new agency, CalVans, assumed responsibility for the vanpool programs and took over the operations as of January 1, 2012. KCAPTA transferred all assets related to the operations of the vanpool programs to CalVans as of December 31, 2011.

Before July 4, 2005, KCAPTA was part of the governmental structure of the County of Kings (the County). On July 4, 2005, KCAPTA became a public entity separate from the County. Personnel became employees of KCAPTA and maintained the same employment benefits, rights, and protections afforded to employees of the County. The County provides the following benefits and services to KCAPTA on a cost-allocation basis: self-insurance benefits, fiscal and accounting services, banking and investment services, and information technology. KCAPTA reimburses the following services to the County: human resources and motor pool services. These services are reimbursed to the County based upon actual cost or rates established by the County for the services provided to non-County agencies. The County provides additional services to KCAPTA as needed, billed at the standard rate for actual services.

**B. Measurement Focus and Basis of Accounting**

The financial statements of KCAPTA have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP). The Governmental Accounting Standards Board (GASB) is the acknowledged standard setting body for establishing accounting and financial reporting standards followed by governmental entities in the United States.

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**B. Measurement Focus and Basis of Accounting (Continued)**

The Statement of Net Position and the Statement of Revenues, Expenses, and Changes in Net Position are presented using the economic resources measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position, financial position, and cash flows. All assets and all liabilities associated with operations are reported. Proprietary fund equity is classified as net position.

In the Statement of Net Position and Statement of Revenues, Expenses, and Changes in Net Position, business-like activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred, or the economic asset used. Enterprise funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with KCAPTA's principal ongoing operational activities. Charges to customers represent KCAPTA's principal operating revenues and include passenger fares and auxiliary revenues. Operating expenses include the cost of operating, maintenance, and support of transit services and related capital assets; administrative expenses; and depreciation/amortization on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

**C. Pooled Cash and Investments**

The County Treasurer pools cash from various governmental agencies for investment purposes. Interest received on the investment is prorated to individual agencies based on their average cash balances.

The County is authorized to deposit cash and invest excess funds by the California Government Code Section 53600 et. seq. Deposited funds maintained by the County are either secured by Federal depository insurance or collateralized. These pooled funds are carried at cost, which approximates fair value.

**D. Cash and Cash Equivalents**

For purposes of the Statement of Cash Flows, KCAPTA considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

**E. Capital Assets**

Purchases of capital assets are recorded at cost at the time of purchase. Capital assets are defined by KCAPTA as assets with an estimated useful life of more than one year and an initial individual cost of \$5,000 or more. Depreciation/amortization is computed using the straight-line method over the asset's estimated useful life ranging from five to fifty years.

	Years
Buildings and structures	25-50
Revenue equipment	5-10
Service vehicles, shop, office, and other equipment	5-10

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

**F. Construction/Projects-in-Progress**

Costs incurred for construction of associated facility improvements, building expansion, and/or large projects are capitalized as construction/projects-in-progress until they are complete and operational. Depreciation commences at the time of completion.

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

**G. Accrued Vacation and Sick Leave**

All regular full-time and regular part-time employees accumulate vacation based on length of service. Unused accrued vacation is paid out to employees at the date of termination.

All regular full-time and regular part-time employees accumulate sick leave based on length of service. If the employee retires in good standing from California Public Employees' Retirement System (CalPERS) at the time of their separation from KCAPTA employment, they will have, at their option, the ability to (1) apply to CalPERS for retirement service credit for their unused sick leave balance or (2) the option to receive a percentage of the dollar value of accrued sick leave (at the time of retirement) put into an "account" to be used toward the County health insurance premiums only, at a rate not to exceed the family option per month until the employee is eligible (by age) for Medicare or the money runs out, whichever is first. The retiree health benefit percentage shall be as follows:

Service Hours	Percent of Compensation (based on hours)	
	Health Benefit	
20,801-31,200		25%
31,201-41,600		35%
41,601 and over		45%

The accrued vacation liability and 25% of accrued sick leave liability is recorded on the Statement of Net Position as a current liability. Changes to the liability are recorded as an increase or decrease to operating expenditures on the Statement of Revenues, Expenses, and Changes in Net Position.

**H. Pensions**

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

**I. Deferred Outflows and Inflows of Resources**

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until then.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

**J. Classification of Revenues and Expenses**

**Operating revenues:** Operating revenues include activities that have the characteristics of exchange transactions such as passenger revenues, advertising revenues, and concessions.

**Operating expenses:** Payments to suppliers, to employees, on behalf of employees, and all payments that do not result from transactions defined as capital and related financing, noncapital financing, or investing activities.

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**J. Classification of Revenues and Expenses (Continued)**

Non-operating revenues: Non-operating revenues include activities that have the characteristics of non-exchange transactions and other revenue sources that are defined as non-operating revenues by GASB Statement No. 9, *Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Governmental Entities that Use Proprietary Fund Accounting*, and GASB Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*. Examples of non-operating revenues would be sales tax revenues, federal grants, and investment income.

Non-operating expenses: Payments that result from transactions defined as capital and related financing, non-capital financing, payments to pass-through agencies, or investing activities.

**K. Contributed Capital**

In accordance with GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*, capital grants are required to be included in the determination of net income, which resulted in an increase in net revenues of \$16,232,603 and \$11,070,732 for the fiscal years ended June 30, 2025 and 2024, respectively.

**L. Unearned Revenues**

Unearned revenues arise when resources are received by KCAPTA before it has earned them.

**M. Federal, State, and Local Grants**

Federal, State, and local grants are accounted for in accordance with the purpose for which the grants are intended. Grants for operating assistance and the acquisition of equipment are recorded as revenues in the fiscal year in which the related grant conditions are met. Advances received on grants are recorded as unearned revenue until related grant conditions are met.

**N. Pass-Through Activities**

Revenues associated with grants, where KCAPTA serves as the administering agent, are recorded either as non-operating revenues or capital contributions based on the approved use of the grant. The related expense is recorded as "pass-through to other agencies" in the Statement of Revenues, Expenses, and Changes in Net Position as the expenses do not support the operations of KCAPTA nor provide an asset.

**O. Estimates**

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

**P. Net Position**

Net position represents the residual interest in KCAPTA's assets and deferred outflows of resources after liabilities and deferred inflows of resources are deducted. Net position is presented in three broad components: net investment in capital assets, restricted, and unrestricted. Net investment in capital assets includes capital assets, net of accumulated depreciation/amortization and outstanding principal balances of debt attributable to the acquisition, construction, or improvement of those assets. Net position is restricted when constraints are imposed by the third parties or by law through constitutional provisions or enabling legislation. All other net position is unrestricted. Operating losses excluding depreciation/amortization are funded by operating and capital reserves.

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Q. Funding Sources/Program**

***Federal Grants***

**Section 5307 Formula Capital and Operating Grants for Urbanized Areas with a Population of 200,000 or More**

Section 5307 provides grants to finance planning and capital projects at 80%. Capital projects include the acquisition, construction, improvement, and other incidental costs of facilities and equipment used in the operation or lease of transportation services. Operating assistance is provided at 50% to finance program administration, technical assistance activities, and operating assistance to transit authorities to continue existing service and to meet routine changes in demand.

**Section 5311 Capital and Operating Grants**

Section 5311 provides formula funding to states for supporting public transportation in areas of less than 50,000 population. Eighty percent of the statutory formula is based on the nonurbanized population of the state. Twenty percent of the formula is based on land area. No state may receive more than five percent of the amount apportioned for land area. In addition, the Federal Transit Administration (FTA) adds amounts apportioned based on nonurbanized population according to the growing states formula factors of 49 U.S.C. 5340 to the amounts apportioned to the states under the Section 5311 program. Section 5311 funding is apportioned by the State of California based on population of the rural area of the County.

Funds may be used for eligible capital expenses (at 80%), project administration, and operating expenses (at 50%) to provide efficient and coordinated public transportation service in nonurbanized areas.

**Section 5339 Bus and Bus Facilities Infrastructure Investment Program**

Section 5339 provides formula funding for the replacement, rehabilitation, and purchase of buses and related equipment and to construct bus-related facilities, including technological changes or innovations to modify low or no emission vehicles or facilities.

**Congestion Mitigation and Air Quality (CMAQ)**

The State apportions Federal CMAQ funding for projects that will contribute to meeting the attainment of national ambient air quality standards for ozone and/or carbon monoxide in Clean Air Act non-attainment areas. The Kings County Association of Governments (KCAG) is responsible for selecting and prioritizing projects for funding, in consultation with the State, for this program.

**Transportation Development Credits (Toll Revenue Credits)**

Transportation Development Credits (formerly referred to as Toll Revenue Credits) provide a credit toward a project's local share for certain expenditures with toll revenues. The amount of the credit toward local share to be earned by a state is based on revenues generated by toll authorities within a state. Under the provisions of 23 U.S.C. 120(j), the Federal Highway Administration (FHWA) oversees the determination of transportation development credits within each state. For the FTA, the effect of utilizing transportation development credits means that the FTA, in essence, provides 100 percent of the total net project cost.

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

**Q. Funding Sources/Program (Continued)**

***State Grants***

**Transportation Development Act Capital and Operating Grants**

The Transportation Development Act (TDA) provides two major sources of funding for public transportation: the Local Transportation Fund (LTF) and the State Transit Assistance Fund (STA). These funds are for the development and support of public transportation needs that exist in California and are allocated to areas of each county based on population, taxable sales, and transit performance.

**LTF:** KCAG, as the designated Regional Transportation Planning Agency, monitors the LTF; determines the annual apportionments; notifies the claimants; and approves the apportionments, allocations, and uses of the LTF funds. KCAPTA annually receives LTF money from each member agency based on their individual share, based on a formula of service hours provided and population. The apportionment is based on the population of the cities and unincorporated areas of the County.

**STA:** STA funds come from statewide sales tax and diesel fuel tax as a second source of TDA funding. It is used for transportation, planning, and mass transportation purposes. The funds are apportioned to KCAG by a formula based on population and operator revenues, which then reallocates the funds to transit operators on the same basis.

**California Transit Assistance Fund**

The Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006 includes the creation of the California Transit Assistance Fund (CTAF). Capital projects eligible for funding by CTAF provide increased protection against security or safety threats.

**Low Carbon Transit Operation Program**

The Low Carbon Transit Operations Program (LCTOP) is one of several programs that are part of the Transit, Affordable Housing, and Sustainable Communities Program established by the California Legislature in 2014 by Senate Bill 862. The LCTOP was created to provide operating and capital assistance for transit agencies to reduce greenhouse gas emissions and improve mobility, with a priority on serving disadvantaged communities. Approved projects in LCTOP will support new or expanded bus or rail services, expand intermodal transit facilities, and may include equipment acquisition, fueling, maintenance, and other costs to operate those services or facilities, with each project required to reduce greenhouse gas emissions.

**Senate Bill 1 - State of Good Repair Program (SB1-SGR)**

Senate Bill 1 (SB1), the Road Repair and Accountability Act of 2017, was signed into law on April 28, 2017. This legislative package invests \$54 billion over the next decade to fix roads, freeways, and bridges in communities across California and puts more dollars toward transit and safety. These funds will be split equally between state and local investments. The State of Good Repair Program (SGR) can be used for transit capital projects or services to maintain or repair existing transit fleets and facilities. Also approved are new vehicles or facilities that improve existing transit services. The money is made available to transit operators based on the STA formula.

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Q. Funding Sources/Program (Continued)**

***State Grants* (Continued)**

**San Joaquin Valley Air Pollution Control District (SJVAPCD)**

The California Clean Air Act (CCA) requires local air pollution control districts to reduce emissions from motor vehicles. Assembly Bill (AB) 2766, AB 923, Senate Bill (SB) 709, and AB 2522 authorized districts to impose fee upon certain registered motor vehicles within the district, and the governing board of the San Joaquin Valley Air Pollution Control District (SJVAPCD) has imposed those fees. Legislation required the SJVAPCD to use those funds for activities related to reduce air pollution from motor vehicles and for related planning, monitoring, enforcement, and technical studies necessary for the implementation of the California Clean Air Act of 1988. On August 11, 2011, the SJVAPCD began to accept applications to approve funding those projects deemed to be most suitable for vehicle license fees and other funding. SJVAPCD has a public benefit grants program for new alternative fuel vehicle purchases. The grant is for public agencies requesting funding up to \$20,000 per vehicle for the purchase of new alternative fuel vehicles.

**Transit and Intercity Rail Capital Program (TIRCP)**

The Transit and Intercity Rail Capital Program (TIRCP) was created by Senate Bill (SB) 862 and modified by Senate Bill 9, to provide grants from the Greenhouse Gas Reduction fund (GGRF) to fund transformative capital improvements that will modernize California's intercity, commuter, and urban rail systems, and bus and ferry transit systems to significantly reduce emissions of greenhouse gases, vehicle miles traveled, and congestion. There were six cycles of funding, and the California State Transportation Agency (CalSTA) awarded more than \$10 billion in funding to 132 projects. This grant had a competitive process for allocation.

**R. New Accounting Pronouncements – Implemented**

**GASB Statement No. 101 – *Compensated Absences*.** The requirements of this statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. There was no effect on KCAPTA's accounting and financial reporting as a result of implementing this standard.

**GASB Statement No. 102 – *Certain Risk Disclosures*.** The requirements of this statement are effective for fiscal years beginning after June 15, 2024, and all fiscal years thereafter. Management evaluated KCAPTA's funding sources, banking relationships, major counterparties, and legal/contractual restrictions and concluded no concentrations or constraints met the statement's disclosure threshold as of June 30, 2025.

**S. Future Governmental Accounting Standards Board Standards**

**GASB Statement No. 103 – *Financial Reporting Model Improvements*.** The requirements of this statement are effective for fiscal years beginning after June 15, 2025, and all fiscal years thereafter. KCAPTA will implement GASB Statement No. 103 when and where applicable.

**GASB Statement No. 104 – *Disclosure of Certain Capital Assets*.** The requirements of this statement are effective for fiscal years beginning after June 15, 2025, and all fiscal years thereafter. KCAPTA will implement GASB Statement No. 104 when and where applicable.

## **NOTE 2 – CASH AND CASH EQUIVALENTS**

Cash and cash equivalents consist of cash in the County Treasury as part of the common investment pool and with a commercial bank. These pooled funds are carried at cost, which approximates fair value. Investment income from the pool is allocated back to the respective funds based on each fund's equity in the pool. Any investment losses are proportionately shared by all funds in the pool. At June 30, 2025 and 2024, KCAPTA had \$13,045,174 and \$11,167,591, respectively, with the County Treasurer.

At June 30, 2025 and 2024, the reported amount of KCAPTA's deposits with banks was \$62,244 and \$124,755, respectively.

At June 30, 2025 and 2024, the reported amount of KCAPTA's petty cash on hand was \$250.

The County is authorized to deposit cash and invest excess funds by California Government Code Sections 53601 et seq. and 53635 et seq. The County is restricted by Government Code Section 53635, pursuant to Section 53601, to invest in time deposits, U.S. government securities, state registered warrants, notes or bonds, State Treasurer's investment pool, banker's acceptances, commercial paper, negotiable certificates of deposit, and repurchase agreements.

Investments in investment pools are considered unclassified as to credit risk because they are not evidenced by securities that exist in physical or book entry form. Investments in investment pools and other pooled investments are excluded from the concentration of credit risk disclosure under GASB Statement No. 40.

Interest rate risk is the risk that the market value of securities in the portfolio will fall due to changes in general interest rates. Interest rate risk is mitigated by: (a) structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity, and (b) by investing operating funds primarily in shorter-term securities. As of fiscal year-end 2025 and 2024, the weighted average maturity of the investments contained in the County Treasury investment pool was approximately 18 months and 17 months, respectively.

Credit risk is the risk of loss due to the failure of the security issuer or backer. Credit risk is mitigated by (a) limiting investments to the safest types of securities; (b) prequalifying the financial institutions, broker/dealers, intermediaries, and advisors with which the Treasury will do business; and (c) diversifying the investment portfolio so that potential losses on individual securities will be minimized.

As of fiscal year-end 2025 and 2024, the County Treasury investments in medium-term notes were rated Aaa to Aa3 by Moody's Investors Service (Moody's). The Federal Agencies, Money Market Mutual Funds, and Collateralized Timed Deposits are rated AAA to Aaa by Moody's.

Custodial credit risk does not apply to a local government's indirect investment in securities with mutual funds or government investment pools. The County issues a financial report that includes custodial credit risk disclosures for the cash in the County Treasury. The report may be obtained by writing to the Kings County Treasurer, Government Center, 1400 West Lacey Boulevard, Hanford, California 93230.

### **NOTE 3 – RECEIVABLES**

Receivables for the fiscal years ended June 30, 2025 and 2024, consisted of the following balances:

	<b>2025</b>	<b>2024</b>
Accounts	\$ 33,244	\$ 59,903
Due from other governments	<u>4,359,680</u>	<u>6,626,063</u>
<b>Total</b>	<b><u>\$ 4,392,924</u></b>	<b><u>\$ 6,685,966</u></b>

Management considers all receivables to be fully collectible. No allowance for uncollectible accounts has been recorded.

### **NOTE 4 – CAPITAL ASSETS AND DEPRECIATION/AMORTIZATION**

Capital assets, net of accumulated depreciation/amortization, as of June 30, 2025 and 2024, are as follows:

	Balance June 30, 2024	Additions	Retirements	Reclassifications/ Adjustments	Balance June 30, 2025
<b>Capital assets, not being depreciated:</b>					
Land	\$ 2,734,762	\$ -	\$ -	\$ -	\$ 2,734,762
Construction-in-progress	<u>11,554,912</u>	<u>15,953,841</u>	<u>-</u>	<u>-</u>	<u>27,508,753</u>
<b>Total capital assets, not being depreciated:</b>	<b><u>14,289,674</u></b>	<b><u>15,953,841</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>30,243,515</u></b>
<b>Capital assets, being depreciated:</b>					
Buses	18,282,626	60,372	-	-	18,342,998
Equipment	3,368,397	139,944	(419,977)	-	3,088,364
Administrative vehicles	78,672	45,436	(21,893)	-	102,215
Equipment - office	155,932	-	-	-	155,932
Buildings and improvements	6,032,344	70,445	-	-	6,102,789
Assets held for sale	<u>70,016</u>	<u>-</u>	<u>(6,087)</u>	<u>-</u>	<u>63,929</u>
<b>Total capital assets, being depreciated:</b>	<b><u>27,987,987</u></b>	<b><u>316,197</u></b>	<b><u>(447,957)</u></b>	<b><u>-</u></b>	<b><u>27,856,227</u></b>
<b>Less accumulated depreciation for:</b>					
Buses	(10,490,463)	(1,388,480)	-	-	(11,878,943)
Equipment	(3,164,688)	(77,230)	415,191	-	(2,826,727)
Administrative vehicles	(50,332)	(16,657)	21,893	-	(45,096)
Equipment - office	(144,647)	(4,411)	-	-	(149,058)
Buildings and improvements	(3,112,438)	(190,578)	-	-	(3,303,016)
Assets held for sale	<u>(63,928)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(63,928)</u>
<b>Total accumulated depreciation</b>	<b><u>(17,026,496)</u></b>	<b><u>(1,677,356)</u></b>	<b><u>437,084</u></b>	<b><u>-</u></b>	<b><u>(18,266,768)</u></b>
<b>Total depreciable capital assets, net</b>	<b><u>10,961,491</u></b>	<b><u>(1,361,159)</u></b>	<b><u>(10,873)</u></b>	<b><u>-</u></b>	<b><u>9,589,459</u></b>
<b>SBITA</b>					
Software	193,422	-	-	-	193,422
Accumulated amortization	<u>(65,514)</u>	<u>(37,437)</u>	<u>-</u>	<u>-</u>	<u>(102,951)</u>
<b>Total SBITA, net</b>	<b><u>127,908</u></b>	<b><u>(37,437)</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>90,471</u></b>
<b>Total Capital Assets, Net</b>	<b><u>\$ 25,379,073</u></b>	<b><u>\$ 14,555,245</u></b>	<b><u>\$ (10,873)</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 39,923,445</u></b>

**NOTE 4 – CAPITAL ASSETS AND DEPRECIATION/AMORTIZATION (Continued)**

	Balance June 30, 2023	Additions	Retirements	Reclassifications/ Adjustments	Balance June 30, 2024
<b>Capital assets, not being depreciated:</b>					
Land	\$ 2,734,762	\$ -	\$ -	\$ -	\$ 2,734,762
Construction-in-progress	2,367,228	9,187,684	-	-	11,554,912
<b>Total capital assets, not being depreciated:</b>	<b>5,101,990</b>	<b>9,187,684</b>	<b>-</b>	<b>-</b>	<b>14,289,674</b>
<b>Capital assets, being depreciated:</b>					
Buses	16,529,909	2,060,937	(308,220)	-	18,282,626
Equipment	3,296,686	77,798	-	(6,087)	3,368,397
Administrative vehicles	78,672	-	-	-	78,672
Equipment - office	155,932	-	-	-	155,932
Buildings and improvements	5,979,809	52,535	-	-	6,032,344
Assets held for sale	63,929	-	-	6,087	70,016
<b>Total capital assets, being depreciated:</b>	<b>26,104,937</b>	<b>2,191,270</b>	<b>(308,220)</b>	<b>-</b>	<b>27,987,987</b>
<b>Less accumulated depreciation for:</b>					
Buses	(9,206,877)	(1,288,723)	5,137	-	(10,490,463)
Equipment	(3,030,378)	(134,310)	-	-	(3,164,688)
Administrative vehicles	(38,976)	(11,356)	-	-	(50,332)
Equipment - office	(139,090)	(5,557)	-	-	(144,647)
Buildings and improvements	(2,897,323)	(215,115)	-	-	(3,112,438)
Assets held for sale	(63,928)	-	-	-	(63,928)
<b>Total accumulated depreciation</b>	<b>(15,376,572)</b>	<b>(1,655,061)</b>	<b>5,137</b>	<b>-</b>	<b>(17,026,496)</b>
<b>Total depreciable capital assets, net</b>	<b>10,728,365</b>	<b>536,209</b>	<b>(303,083)</b>	<b>-</b>	<b>10,961,491</b>
<b>SBITA</b>					
Software	193,422	-	-	-	193,422
Accumulated amortization	(28,077)	(37,437)	-	-	(65,514)
<b>Total SBITA, net</b>	<b>165,345</b>	<b>(37,437)</b>	<b>-</b>	<b>-</b>	<b>127,908</b>
<b>Total Capital Assets, Net</b>	<b>\$ 15,995,700</b>	<b>\$ 9,686,456</b>	<b>\$ (303,083)</b>	<b>\$ -</b>	<b>\$ 25,379,073</b>

The amount recorded for depreciation and amortization for the fiscal years ended June 30, 2025 and 2024, was \$1,714,793 and \$1,692,498, respectively.

**NOTE 5 – UNEARNED REVENUES**

Unearned revenues consist of LTF, STA, SB1, Proposition 1B Security funds, and LCTOP funds received for multiple-year capital projects. Following is a schedule of capital projects and unearned revenues as of June 30, 2025.

Project Description	Estimated Beginning	Estimated Ending	Estimated Cost	Unearned Revenues
New Transit Center	\$ 4,561,261	FY 25/26	\$ 30,000,000	\$ 3,496,725
Davis Street Electrification	2,373,955	FY 26/27	5,000,000	3,364,502
Quarter Passes	185,876	FY 26/27	237,440	237,436
Purchase CNG Bus	426,750	FY 25/26	441,710	441,709
CNG Buses	426,750	FY 25/26	187,158	71,951
Transit Study	50,000	FY 23/24	50,000	50,000
Park and Ride Lot	394,856	FY 25/26	480,940	480,942
Utility Cart	24,885	FY 25/26	24,885	24,885
Route 15	2,388,000	FY 35/36	2,388,000	2,388,000
Vanpool Subsidy	247,800	FY 27/28	247,800	247,749
			\$ 39,057,933	\$ 10,803,899

**NOTE 5 – UNEARNED REVENUES (Continued)**

Following is a schedule of capital projects and unearned revenues as of June 30, 2024.

Project Description	Estimated Beginning	Estimated Ending	Estimated Cost	Unearned Revenues
New Transit Center	\$ 3,335,226	FY 25/26	\$ 30,000,000	\$ 4,561,261
Davis Street Electrification	-	FY 26/27	5,000,000	2,373,955
Vanpool Subsidy	48,800	FY 26/27	44,000	44,000
Electric Bus Charger	36,442	FY 25/26	40,000	36,442
CNG Buses	815,246	FY 25/26	450,000	426,750
Transit Study	50,000	FY 23/24	50,000	50,000
Park and Ride Lot	-	FY 25/26	400,000	394,856
Discounted Fares	14,672	FY 23/24	185,876	185,876
			<u>\$ 36,169,876</u>	<u>\$ 8,073,140</u>

**NOTE 6 – LONG-TERM LIABILITIES**

A summary of long-term liability activity for the fiscal years ended June 30, 2025 and 2024, is as follows:

	Balance July 1, 2024	Additions	Reductions	Balance June 30, 2025	Due Within One Year
Finance purchase	\$ 9,548	\$ -	\$ (2,387)	\$ 7,161	\$ 2,544
SBITA liability	74,882		(21,992)	52,890	20,333
Compensated absences	65,939	1,718	(4,725)	62,932	62,932
Net pension liability	440,384	-	(621)	439,763	-
<b>Total long-term liabilities</b>	<b>\$ 590,753</b>	<b>\$ 1,718</b>	<b>\$ (29,725)</b>	<b>\$ 562,746</b>	<b>\$ 85,809</b>

	Balance July 1, 2023	Additions	Reductions	Balance June 30, 2024	Due Within One Year
Finance purchase	\$ 11,969	\$ -	\$ (2,421)	\$ 9,548	\$ 2,412
SBITA liability	96,028	-	(21,146)	74,882	20,333
Compensated absences	58,648	7,891	(600)	65,939	65,939
Net pension liability	382,562	57,822	-	440,384	-
<b>Total long-term liabilities</b>	<b>\$ 549,207</b>	<b>\$ 65,713</b>	<b>\$ (24,167)</b>	<b>\$ 590,753</b>	<b>\$ 88,684</b>

Finance Purchase

On March 17, 2023, KCAPTA entered into a contract with Kansas State Bank of Manhattan to purchase a copy machine. The contract was for \$12,503 borrowed at an effective annual interest rate of 6.39%. Sixty payments were scheduled, and the note will mature in March 2028.

**NOTE 6 – LONG-TERM LIABILITIES (Continued)**

**Finance Purchase (Continued)**

A summary of remaining principal and interest amounts by fiscal year are shown below:

Fiscal Year	Principal	Interest	Total
2026	\$ 2,544	\$ 397	\$ 2,941
2027	2,697	231	2,928
2028	<u>1,920</u>	<u>57</u>	<u>1,977</u>
<b>Total</b>	<b>\$ 7,161</b>	<b>\$ 685</b>	<b>\$ 7,846</b>

Equipment and related accumulated amortization under capital leases are as follows:

	2025	2024
Equipment	\$ 12,503	\$ 12,503
Accumulated amortization	<u>5,626</u>	<u>(3,126)</u>
<b>Net value of equipment acquired through capital leases</b>	<b>\$ 18,129</b>	<b>\$ 9,377</b>

Amortization of leased equipment is included with depreciation/amortization expense.

**Subscription-Based Information Technology Arrangements (SBITA) Liabilities**

For the years ended June 30, 2025 and 2024, KCAPTA recognized intangible right-to-use software arrangements of \$193,422. Accumulated amortization for the years ended June 30, 2025 and 2024, was \$102,951 and \$65,514, respectively. The asset will be amortized over the lease terms, as the lease terms correspond with KCAPTA's ability to access any software or equipment related to the SBITA. There are no residual value guarantees in the arrangement provisions. The SBITA arrangement has an interest rate of 4.0%. The arrangement will end December 2027.

A summary of the combined remaining principal and interest amounts by fiscal year for the SHI Microsoft agreement are shown below:

Fiscal Year	Principal	Interest	Total
2026	\$ 20,333	\$ 2,182	\$ 22,515
2027	22,872	1,302	24,174
2028	<u>9,685</u>	<u>387</u>	<u>10,072</u>
<b>Total</b>	<b>\$ 52,890</b>	<b>\$ 3,871</b>	<b>\$ 56,761</b>

**NOTE 7 – COMPENSATED ABSENCES**

Accumulated compensated absences payable in future years are recorded as an expense in the fiscal year earned by employees. At June 30, 2025 and 2024, \$62,932 and \$65,939, respectively, had been accrued and are included in accrued payroll and related liabilities.

## **NOTE 8 – DEFINED BENEFIT PENSION PLAN**

### **General Information about the Pension Plan**

**Plan Description** – KCAPTA participates in CalPERS, a cost sharing multiple-employer defined benefit pension plan administered by the CalPERS Board of Administration. Because KCAPTA's Plan has less than 100 active members, it is required to participate in a larger CalPERS risk pool. All qualified permanent and probationary employees are eligible to participate in KCAPTA's Miscellaneous Plan administered by CalPERS.

CalPERS issues a publicly available financial report that includes the applicable financial statements and required supplementary information for CalPERS. The report may be obtained from their executive office: 400 Q Street, Sacramento, California 95811.

Pursuant to Assembly Bill 340/Senate Bill 197 (AB340/SB197) (Public Employees' Pension Reform Act of 2013 (PEPRA)), all qualified permanent and probationary employees hired after January 1, 2013, are designated as "New Members" and qualified permanent and probationary employees hired on or before January 1, 2013, are designated as "Classic Members." This was later amended by AB 1222, enacted on October 4, 2013, which exempts public transit employees whose interests are protected by Section 13(c) of the Federal Transit Act from PEPRA. The bill provides an exemption from PEPRA for transit employees from January 1, 2013, until January 1, 2015, or until a court determines that the provisions of PEPRA do not violate their collective bargaining rights, whichever is sooner. In December of 2014, the court's decision triggered the end of the exemption. All transit employees with appointments starting on or after January 1, 2013, through December 29, 2014, will retain their classic retirement benefits for this period. All employees hired on or after December 30, 2014, will be subject to PEPRA retirement benefits.

**Benefits Provided** – CalPERS provides service retirement and disability benefits, annual cost-of-living adjustments (COLA), and death benefits to Plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Benefit provisions are established by state statutes, legislatively amended, within the Public Employees' Retirement Law. Employees are eligible to retire at or after reaching the required minimum age, having attained five years of credited service, and are entitled to an annual retirement benefit. Benefits are payable monthly for life, in an amount equal to a percent of their average full-time pay rate based on the last consecutive 36 months of service.

**Contributions** – "Classic Member" participants are required to contribute 7.00% of their annual covered salary, and "New Members" are required to contribute 6.75% of their annual covered salary for the fiscal years ended June 30, 2025 and 2024. KCAPTA is required to contribute the remaining amounts necessary to fund the benefits for its members using the actuarial basis recommended by the CalPERS actuaries and actuarial consultants and adopted by the CalPERS Board of Administration. The required employer contribution rates for the fiscal years ended June 30, 2025 and 2024, were 11.88% and 11.84%, respectively, for "Classic Member" participants, and 7.87% and 7.68% and for "New Members," respectively. KCAPTA's total contributions to CalPERS for the fiscal years ended June 30, 2025 and 2024, was \$92,904 and \$83,996, respectively, and equals 100% of the required contribution for each year. (See Required Supplementary Information, Schedule of Contributions.)

### **Pension Liability, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

At June 30, 2025 and 2024, KCAPTA reported a liability of \$439,763 and \$440,384, respectively, for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2024 and 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2023 and 2022. KCAPTA's proportion of the net pension liability was based on a projection of KCAPTA's long-term share of contributions to the pension plan relative to the projected contributions of all participating entities, actuarially determined. At June 30, 2025 and 2024, KCAPTA's proportion was 0.009090% and 0.008810%, respectively, which was an increase of 0.00029% and 0.000630% from its proportion measured as of June 30, 2024 and 2023, respectively.

**NOTE 8 – DEFINED BENEFIT PENSION PLAN (Continued)**

**Pension Liability, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)**

For the fiscal years ended June 30, 2025 and 2024, KCAPTA recognized pension expense of \$129,958 and \$126,933, respectively. At June 30, 2025 and 2024, KCAPTA reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
2025		
Differences between expected and actual experience	\$ 38,022	\$ 1,484
Changes of assumptions	11,303	-
Difference between projected and actual investment earnings	25,317	-
Differences between employer's contributions and proportionate share of contributions	12,959	1,808
Change in employer's proportion	29,282	-
Contributions subsequent to the measurement date	<u>92,904</u>	<u>-</u>
Total	<u>\$ 209,787</u>	<u>\$ 3,292</u>
2024		
Differences between expected and actual experience	\$ 22,498	\$ 3,490
Changes of assumptions	26,588	-
Difference between projected and actual investment earnings	71,302	-
Differences between employer's contributions and proportionate share of contributions	5,033	5,126
Change in employer's proportion	43,369	-
Contributions subsequent to the measurement date	<u>83,996</u>	<u>-</u>
Total	<u>\$ 252,786</u>	<u>\$ 8,616</u>

\$92,904 and \$83,996 reported as deferred outflows of resources related to pensions resulting from KCAPTA contributions subsequent to the June 30, 2024 and 2023 measurement dates, respectively, will be recognized as a reduction of the net pension liability in the fiscal years ended June 30, 2026 and 2025, respectively. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Fiscal Year Ended June 30	
2026	\$ 47,711
2027	68,493
2028	6,063
2029	(8,676)
2030	-
Thereafter	<u>-</u>
Total	<u>\$ 113,591</u>

**NOTE 8 – DEFINED BENEFIT PENSION PLAN (Continued)**

**Actuarial Assumptions**

For the measurement periods ended June 30, 2024 and 2023, the total pension liability was determined by rolling the total pension liability determined in the June 30, 2023 and 2022 actuarial accounting valuations to June 30, 2024 and 2023. The June 30, 2024 and 2023 total pension liability was based on the following actuarial methods and assumptions:

Valuation Date	June 30, 2023
Measurement Date	June 30, 2024
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Discount Rate	6.90%
Inflation	2.30%
Salary Increase	Varies by Entry Age and Service
Investment Rate of Return	6.90%
Mortality	Derived using CalPERS' Membership data for all funds (1) Contract COLA up to 2.30% until Purchasing Power Protection Allowance Floor on Purchasing power applies
Post-Retirement Benefit Increase	

(1) The mortality table was developed based on CalPERS-specific data. The rates incorporate Generational Mortality to capture ongoing mortality improvement using 80% of Scale MP 2020 published by the Society of Actuaries. For more details, please refer to the 2021 experience study report that can be found on the CalPERS website.

Valuation Date	June 30, 2022
Measurement Date	June 30, 2023
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Discount Rate	6.90%
Inflation	2.30%
Salary Increase	Varies by Entry Age and Service
Investment Rate of Return	6.90%
Mortality	Derived using CalPERS' Membership data for all funds (1) Contract COLA up to 2.30% until Purchasing Power Protection Allowance Floor on Purchasing power applies
Post-Retirement Benefit Increase	

(1) The mortality table was developed based on CalPERS-specific data. The rates incorporate Generational Mortality to capture ongoing mortality improvement using 80% of Scale MP 2020 published by the Society of Actuaries. For more details, please refer to the 2021 experience study report that can be found on the CalPERS website.

## **NOTE 8 – DEFINED BENEFIT PENSION PLAN (Continued)**

### **Actuarial Assumptions (Continued)**

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

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11+ years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the rounded single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equal to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses. The expected real rates of return by asset class are as followed:

Asset Class	Current Target Allocation	Real Return Years 1 - 10 <sup>(a,b)</sup>
Global Equity - Cap-Weighted	30.00%	4.54%
Global Equity - Non-Cap-Weighted	12.00%	3.84
Private Equity	13.00%	7.28
Treasury	5.00%	0.27
Mortgage-Backed Securities	5.00%	0.50
Investment Grade Corporates	10.00%	1.56
High Yield	5.00%	2.27
Emerging Market Debt	5.00%	2.48
Private Equity	5.00%	3.57
Real Assets	15.00%	3.21
Leverage	-5.00%	(0.59)
<b>Total</b>	<b>100.00%</b>	

<sup>(a)</sup> An expected inflation of 2.30% was used for this period.

<sup>(c)</sup> Figures are based on the 2021-22 Asset Liability Management study.

### **Discount Rate**

The discount rates used to measure the total pension liability was 6.90% as of June 30, 2025 and 2024, respectively. The projection of cash flows used to determine the discount rate assumed that contributions from Plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current Plan members. Therefore, the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

## **NOTE 8 – DEFINED BENEFIT PENSION PLAN (Continued)**

### **Sensitivity of the Net Pension Liability to Changes in the Discount Rate.**

The following presents KCAPTA's proportionate share of the net pension liability calculated using the discount rate 6.90 percent on June 30, 2025 and 2024 as well as what KCAPTA's proportionate share of the net pension liability would be if it were calculated using a discount rate of 1-percentage-point lower or 1-percentage-point higher than the current rate:

	2025	Current		
		1% Decrease 5.90%	Discount Rate 6.90%	1% Increase 7.90%
Net pension liability		\$ 749,400	\$ 439,763	\$ 184,886
<hr/>				
2024		Current		
		1% Decrease 5.90%	Discount Rate 6.90%	1% Increase 7.90%
Net pension liability		\$ 719,372	\$ 440,384	\$ 210,753

### **Pension Plan Fiduciary Net Position**

Detailed information about KCAPTA's pension plan's fiduciary net position is available in the separately issued CalPERS financial report.

## **NOTE 9 – DEFERRED COMPENSATION PLAN**

KCAPTA has made available to its eligible employees a deferred compensation plan under the terms of Section 457 of the Internal Revenue Code. KCAPTA matches 33.3% of the management employee's deferral up to a maximum of \$2,500 annually. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. Amounts accumulated under the plan have been invested in several investment options at the direction of the employee. For the fiscal years ended June 30, 2025 and 2024, \$22,400 and \$21,930, respectively, had been contributed to the Deferred Compensation Plan, which is not included as part of the KCAPTA's financial statements.

GASB Statement No. 32 rescinded GASB Statement No. 2 and established accounting and financial reporting standards for Internal Revenue Code Section 457 deferred compensation plans of state and local governmental employers. The laws governing these plans were changed to state that as of August 20, 1996, new plans would not be considered eligible unless all assets and income of the plan are held in trust or covered by annuity contract for the exclusive benefits of the participants and their beneficiaries. KCAPTA's plan meets this requirement.

## **NOTE 10 – CONTINGENT LIABILITIES**

Grants have been received by KCAPTA for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to a request for reimbursement for costs disallowed under the terms of the grants. The amount, if any, of costs that may be disallowed by the granting agencies cannot be determined at this time. Management expects such amounts, if any, to be immaterial.

## NOTE 11 – TRANSPORTATION DEVELOPMENT ACT REQUIREMENTS

### Local Transportation Fund

Under the TDA of 1971, KCAPTA received apportionments of Local Transportation Funds of \$2,000,000 and \$2,000,000 for the fiscal years ended June 30, 2025 and 2024, respectively. \$2,000,000 and \$1,321,182 were used to meet operating and capital expenditures in the fiscal years 2025 and 2024, respectively. Unexpended proceeds on June 30, 2025 and 2024, were \$4,197,377 and \$4,197,377, respectively.

### State Transit Assistance

STA funds in the amount of \$4,259,513 and \$1,463,717 for the fiscal years ended June 30, 2025 and 2024, respectively, were received. \$1,444,435 and \$1,594,523 were used to meet operating and capital expenditures in the fiscal years 2025 and 2024, respectively. The funds will be used for the acquisition of land need to construct the new Hanford Transit Station and the match for replacement of buses. Unexpended proceeds at June 30, 2025 and 2024, were \$6,066,109 and \$3,251,031, respectively.

### **Sections 6633.2 and 6633.5**

Pursuant to Sections 6633.2 and 6633.5 of the TDA, the ratio of fare revenues to operating cost of not less than 20% are set for an urban operator with a population of 500,000 or less and 10% for operators serving a non-urbanized area. The TDA allows the transportation planning agency to reduce the required minimum farebox recovery ratio to as low as 15%. Beginning with the fiscal year ended June 30, 2008, KCAG set the farebox ratio for KCAPTA at 15%.

The additional operating cost to a transit operator of providing comparable complementary paratransit services, pursuant to the Americans with Disabilities Act, that exceed the operator's prior year costs as adjusted by the Consumer Price Index are excluded from operating cost.

### **Section 99268.19**

Pursuant to Section 99268.19 of the TDA, if fare revenues are insufficient to meet the applicable ratio of fare revenues to operating cost required by this article, an operator may satisfy that requirement by supplementing its fare revenues with local funds. As used in this section, "local funds" means any nonfederal or nonstate grant funds or other revenues generated by, earned by, or distributed to an operator. KCAPTA local funds includes advertisement revenues and concession sales.

KCAPTA's farebox ratios are as follows:

	<u>2025</u>	<u>2024</u>
Farebox and local support	<u>\$ 1,772,457</u>	<u>\$ 1,405,136</u>
Operating cost, excluding depreciation and amortization	<u>\$ 8,859,043</u>	<u>\$ 8,346,854</u>
Farebox ratio	<u>20.01%</u>	<u>16.83%</u>

### Public Transportation Modernization, Improvement, and Service Enhancement Account (PTMISEA)

The PTMISEA was created by Proposition 1B, the Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006. The PTMISEA funds were available to transit operators over a ten-year period. KCAPTA has applied for and received all of the PTMISEA funds available to KCAPTA. As of June 30, 2022, KCAPTA expended all funds plus interest earned on approved projects.

During the fiscal years ended June 30, 2025 and 2024, KCAPTA did not receive any PTMISEA funds.

**NOTE 11 – TRANSPORTATION DEVELOPMENT ACT REQUIREMENTS (Continued)**

**Public Transportation Modernization, Improvement, and Service Enhancement Account (PTMISEA) (Continued)**

During the fiscal year ended June 30, 2015, KCAPTA applied for and received \$1,477,904 from the State's PTMISEA account for CNG Bus Purchases. As of June 30, 2017, all of the funds (\$1,477,904) plus interest accrued (\$27,463) had been expended for this project.

During the fiscal year ended June 30, 2013, KCAPTA applied for and received \$1,457,871 from the State's PTMISEA account for (1) Bus Stop Amenities, (2) Intelligent Transportation System, and (3) Facility Improvements. As of June 30, 2017, all of the funds (\$1,457,871) plus interest accrued (\$29,494) had been expended on the projects.

During the fiscal year ended June 30, 2012, KCAPTA applied for and received \$2,169,459 from the State's PTMISEA account for (1) Davis Street Bus Facility Improvement Project, (2) Purchase New Transit Buses, (3) Bus Stop Amenities, and (4) Intelligent Transportation System. As of June 30, 2017, all of the funds (\$2,169,459) plus interest accrued (\$4,976) had been expended on the projects.

During the fiscal year ended June 30, 2011, KCAPTA applied for and received \$800,230 from the State's PTMISEA account for the Davis Street Bus Facility Improvement Project. As of June 30, 2011, all of the funds (\$800,230) plus interest accrued (\$48,423) had been expended for this project.

During the fiscal year ended June 30, 2008, KCAPTA applied for and received \$1,420,539 from the State's PTMISEA account for (1) purchase new CNG buses for KCAPTA fixed route transit system, (2) Purchase new paratransit buses for KCAPTA demand response system, and (3) the construction of a Compressed Natural Gas (CNG) fueling station. The construction of a CNG fueling station was canceled and the funds moved to a new project, Mobile Data Terminals. As of June 30, 2011, all of the funds (\$1,420,539) plus interest accrued (\$31,419) had been expended on the projects.

As of June 30, 2018, KCAPTA has spent \$7,326,003 for the purchase of new CNG buses, new paratransit buses, Mobile Data Terminals, Fare Collection Boxes, Bus Facility Improvement Project, Bus Stop Amenities, and Bus Intelligent System. There were no unexpended proceeds on June 30, 2019.

These funds were held in an interest-bearing account. Interest earned as of June 30, 2018, 2017, 2016, 2015, 2014, 2013, 2012, 2011, 2010, 2009, and 2008 was \$246, \$1,004, \$17,030, \$9,992, \$12,759, \$15,381, \$9,957, \$14,700, \$26,082, \$20,916, and \$13,708, respectively. Prior to the fiscal year ended June 30, 2021, all of the interest earned (\$141,775) had been expended on the projects.

**California Transit Assistance Fund (CTAF)**

During the fiscal years ended June 30, 2025 and 2024, KCAPTA did not receive any CTAF funds. As of June 30, 2025 and 2024, KCAPTA did not spend CTAF funds.

During the fiscal year ended June 30, 2018, KCAPTA applied for and received \$118,342 from the CTAF funds for Facility Security Improvements. During the fiscal years ended June 30, 2017, 2016, and 2015, KCAPTA did not receive any CTAF funds.

During the fiscal year ended June 30, 2014, KCAPTA applied for and received \$236,684 from the CTAF for Communication Equipment and Transit Security Enhancements. As of June 30, 2016, all of the funds (\$236,684) plus the interest accrued (\$1,600) have been expended on the projects.

During the fiscal year ended June 30, 2013, KCAPTA applied for and received \$118,342 from the CTAF for security enhancement at bus stop locations. As of June 30, 2015, the project was completed and all funds (\$118,342) plus interest earned (\$784) were expended on the project.

During the fiscal year ended June 30, 2012, KCAPTA did not receive any CTAF funds.

## **NOTE 11 – TRANSPORTATION DEVELOPMENT ACT REQUIREMENTS (Continued)**

### **California Transit Assistance Fund (CTAF) (Continued)**

During the fiscal year ended June 30, 2011, KCAPTA applied for and received \$23,364 from the CTAF for security enhancement at the bus facility. During the fiscal year ended June 30, 2010, KCAPTA applied for and received \$103,261 from the CTAF for security enhancement at the bus facility. As of June 30, 2012, the project has been completed and all funds (\$126,625) plus interest earned (\$2,914) had been expended for this project.

During the fiscal year ended June 30, 2008, KCAPTA applied for and received \$142,087 from the CTAF to install bus surveillance equipment on the fixed route buses. As of June 30, 2009, the project was completed and all funds (\$142,087) plus interest earned (\$1,652) were expended on the project.

These funds are held in an interest-bearing account. No interest was received for the fiscal years ended June 30, 2025 and 2024. Interest earned as of June 2022, 2021, 2020, 2019, 2018, 2017, 2016, 2015, 2014, 2013, 2012, 2011, 2010, and 2009 was \$2,257, \$0, \$354, \$1,684, \$320, \$0, \$48, \$1,053, \$997, \$285, \$1,012, \$1,606, \$297, and \$1,652, respectively.

### **Low Carbon Transit Operation Program (LCTOP)**

During the fiscal year ended June 30, 2025, KCAPTA applied for and received \$357,030 from the LCTOP funds for Quarter passes and weekday service to LNAS. As of June 30, 2025, \$163,594 of LCTOP funds were expended on the project. The remaining funds (\$193,436) were recorded as unearned revenue at June 30, 2025.

During the fiscal year ended June 30, 2024, KCAPTA applied for and received \$278,745 from the LCTOP funds for Quarter passes and Free Fares subsidy. As of June 30, 2025 and 2024, \$185,876 and \$92,869 LCTOP funds were expended on the project, respectively. There were no remaining funds at June 30, 2025.

During the fiscal year ended June 30, 2023, KCAPTA applied for and received \$334,543 from the LCTOP funds for an Increased Route Frequency, a park and ride lot, and Free Fares subsidy. In fiscal year 2023, \$119,872 LCTOP funds were expended on the project. During fiscal years 2025 and 2024, \$146,490 and \$14,672 LCTOP funds were expended on the project, respectively. The remaining funds (\$53,510) were recorded as unearned revenue at June 30, 2025.

During the fiscal year ended June 30, 2022, KCAPTA applied for and received \$141,592 from the LCTOP funds for an Increased Route Frequency and Free Fares subsidy. As of June 30, 2022, \$141,592 LCTOP funds plus \$10 interest earned was expended on the project. There were no remaining funds at June 30, 2025.

During the fiscal year ended June 30, 2021, KCAPTA applied for and received \$252,206 from the LCTOP funds for Increased Route Frequency, free fares, and new vanpool subsidy. From fiscal year 2021 through 2023, \$203,406 was expended on projects. During fiscal year 2025 and 2024, \$0 and \$4,800 was expended on the project, respectively. The remaining funds (\$44,000) were recorded as unearned revenue at June 30, 2025. KCAPTA applied to LCTOP and requested to move this project to Quarter Passes. This was approved in December 2025 and will be used for this purpose in FY 25/26.

During the fiscal year ended June 30, 2020, KCAPTA applied for and received \$252,040 from the LCTOP funds for a zero-emission bus. From fiscal year 2020 through 2022, \$10,916, was expended on projects. During fiscal year 2023, \$241,124 was expended on the project. There were no remaining funds at June 30, 2025.

During the fiscal year ended June 30, 2019, KCAPTA applied for and received \$193,980 from the LCTOP funds for (1) Information Technology Project (2) Bus Stop Amenities (3) Hanford/Lemoore NAS Express. In fiscal year 2021 these projects were reprogrammed. The Bus Stop Amenities were reprogrammed to the Increased Frequency project in the amount of \$32,546. The Information Technology Project and NAS Express were reprogrammed to the Zero Emission bus project. From fiscal year 2019 through 2022, \$178,957 were expended on projects. During the fiscal year 2023, remaining funds of \$15,023 was expended on the projects. There were no remaining funds at June 30, 2025.

## **NOTE 11 – TRANSPORTATION DEVELOPMENT ACT REQUIREMENTS (Continued)**

### **Low Carbon Transit Operation Program (LCTOP) (Continued)**

These funds are held in an interest-bearing account. Interest earned as of June 30, 2025, 2024, 2023, 2022, 2021, 2020, 2019, 2018, 2017, 2016, and 2015 was \$26,296, \$22,385, \$9,541, \$2,616, \$4,225, \$6,828, \$4,097, \$902, \$1,125, \$431, and \$2, respectively.

### **State of Good Repair Program**

During the fiscal year ended June 30, 2025, KCAPTA applied for and received \$240,158 from the State of Good Repair funds for a CNG bus repair and two sets of mobile vehicle lifts. As of June 30, 2025, \$187,939 State of Good Repair funds were expended on the project. The remaining funds (\$52,219) were recorded as unearned revenue at June 30, 2025.

During the fiscal year ended June 30, 2024, KCAPTA applied for \$217,414 from the State of Good Repair funds for a CNG bus repair. KCAPTA received \$223,983 and \$204,251 were expended. The remaining funds (\$19,732) were recorded as unearned revenue at June 30, 2025.

During the fiscal year ended June 30, 2023, KCAPTA applied for and received \$208,140 from the State of Good Repair funds for an Electric Mini Bus All of those funds were expended during 2023. There were no remaining funds at June 30, 2025.

During the fiscal year ended June 30, 2022, KCAPTA applied for \$201,801 from the State of Good Repair funds for the KART Park and Ride lot. KART received 202,609. As of June 30, 2023, \$7,753 of the SB1 funds were expended on the project. As of June 30, 2025 and 2024, \$17,340 and \$0 State of Good Repair funds were expended on the project. The remaining funds (\$177,516) were recorded as unearned revenue at June 30, 2025.

During the fiscal year ended June 30, 2021, KCAPTA applied for and received \$196,503 from the State of Good Repair funds for a 35' Bus, CNG Bus repair and Shop lifts. From fiscal year 2021 through 2022, \$74,703 was expended on the project. Remaining funds of \$73,627 were expended during June 30, 2023. There were no remaining funds at June 30, 2025.

During the fiscal year ended June 30, 2020, KCAPTA applied for and received \$128,128 from the State of Good Repair funds for a 35' Bus. As of June 30, 2020, \$48,984 of the SB1 funds had been expended on the project, and \$29,997 was transferred to the SGR funds from fiscal year 2019. The remaining funds \$130,583 were expended during June 30, 2023. There were no remaining funds at June 30, 2025.

During the fiscal year ended June 30, 2019, KCAPTA applied for and received \$150,196 from the State of Good Repair funds for a 35' Bus. From the fiscal year 2019 through 2021, \$158,431 of the funds were expended on the project, and \$29,997 was transferred from the SGR funds from fiscal year 2020. The remaining funds \$21,761 were expended during June 30, 2023. There were no remaining funds at June 30, 2025.

During the fiscal year ended June 30, 2018, KCAPTA applied and received \$35,569 from the State of Good Repair for a Bus Security Camera System. From fiscal year 2018 through 2022, \$33,878, was expended on projects. During fiscal year 2023, \$1,691 was spent on the project. There were no remaining funds at June 30, 2025.

## **NOTE 12 – FEDERAL TRANSPORTATION FUNDS**

Under provisions of Section 5307 of the FTA, federal resources are made available for operating, planning, capital, and capital maintenance, subject to certain limitations. For the fiscal years ended June 30, 2025 and 2024, KCAPTA spent federal assistance funds in the amount of \$7,726,119 and \$5,891,385, respectively.

#### **NOTE 12 – FEDERAL TRANSPORTATION FUNDS (Continued)**

Under provisions of Section 5311 of the FTA, KCAPTA spent federal assistance of \$412,387 and \$1,171,285 for the fiscal years ended June 30, 2025 and 2024, respectively.

Under provisions of Section 5339 of the FTA, KCAPTA spent federal assistance of \$70,445 and \$5,529,108 for the fiscal years ended June 30, 2025 and 2024, respectively.

#### **NOTE 13 – RISK MANAGEMENT LIABILITY**

KCAPTA is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; injuries to employees; and natural disasters. KCAPTA is insured with commercial carriers. KCAPTA's schedule of insurance coverage is as follows:

Type of Coverage	Limits	Effective Dates
Workers' Compensation	\$125,000 per occurrence	7/01/2024 to 7/01/2025
Excess Worker's Compensation	Statutory	7/01/2024 to 7/01/2025
Commercial Auto, Commercial Property, and Crime	Varies	6/18/2024 to 8/31/2025
General Liability	\$2,000,000	6/19/2024 to 8/31/2025
General Excess Liability	\$2,000,000	6/19/2024 to 8/31/2025
Public Officials and Employment Practices Liability	\$1,000,000	12/26/2024 to 12/26/2025

KCAPTA requires the operator, MV Transportation, Inc., to maintain the following policies:

Type of Coverage	Limits	Effective Dates
Workers' Compensation	\$1,000,000	5/01/2025 to 5/01/2026
Commercial General Liability	\$10,000,000	5/01/2025 to 5/01/2026
Commercial Automobile Liability	\$10,000,000	5/01/2025 to 5/01/2026
Automobile Collision and Comprehensive	Cash value of Vehicles	5/01/2025 to 5/01/2026

#### **NOTE 14 – SUBSEQUENT EVENTS**

Subsequent events have been evaluated through January 16, 2026, the date these financial statements were available to be issued.

**REQUIRED SUPPLEMENTARY INFORMATION**

**KINGS COUNTY AREA PUBLIC TRANSIT AGENCY  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
FOR THE LAST 10 FISCAL YEARS**

	2025	2024	2023	2022	2021
Proportion of the net pension liability	0.009090%	0.008810%	0.008180%	0.006230%	0.007199%
Proportionate share of the net pension liability	\$ 439,763	\$ 440,384	\$ 382,562	\$ 118,328	\$ 303,643
Covered payroll	\$ 508,493	\$ 499,330	\$ 462,420	\$ 436,462	\$ 453,613
Proportionate share of the net pension liability as a percentage of its covered payroll	86.48%	88.19%	82.73%	27.11%	66.94%
Plan fiduciary net position as a percentage of the total pension liability	80.33%	78.43%	78.19%	90.49%	77.71%
	2020	2019	2018	2017	2016
Proportion of the net pension liability	0.006757%	0.006344%	0.006190%	0.006086%	0.006410%
Proportionate share of the net pension liability	\$ 270,601	\$ 239,100	\$ 243,935	\$ 203,013	\$ 235,436
Covered payroll	\$ 402,724	\$ 372,171	\$ 323,088	\$ 314,517	\$ 236,270
Proportionate share of the net pension liability as a percentage of its covered payroll	67.19%	64.24%	75.50%	64.55%	99.65%
Plan fiduciary net position as a percentage of the total pension liability	77.73%	77.69%	73.31%	74.06%	78.40%

**Notes to Schedule:**

**Changes of Assumptions**

In 2015, amounts reported as changes in assumptions resulted primarily from adjustments to expected retirement ages of general employees.

In 2016, the discount rate was changed from 7.5 percent (net of administrative expense) to 7.65 percent to correct for an adjustment to exclude administrative expense.

In 2018, the discount rate was changed from 7.6 percent to 7.15 percent.

In 2023, the discount rate was changed from 7.15 percent to 6.90 percent

**KINGS COUNTY AREA PUBLIC TRANSIT AGENCY  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CONTRIBUTIONS  
FOR THE LAST 10 FISCAL YEARS**

	2025	2024	2023	2022	2021
Actuarially Determined Contributions	\$ 92,904	\$ 83,996	\$ 25,140	\$ 43,095	\$ 31,240
Contributions in Relation to the Actuarially Determined Contribution	<u>(92,904)</u>	<u>(83,996)</u>	<u>(74,278)</u>	<u>(65,953)</u>	<u>(57,570)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (49,138)</u>	<u>\$ (22,858)</u>	<u>\$ (26,330)</u>
Covered Payroll	\$ 497,211	\$ 508,493	\$ 499,330	\$ 462,420	\$ 436,462
Contributions as a Percentage of Covered Payroll	18.69%	16.52%	14.88%	14.26%	13.19%
	2020	2019	2018	2017	2016
Actuarially Determined Contributions	\$ 41,201	\$ 37,089	\$ 31,797	\$ 24,135	\$ 30,208
Contributions in Relation to the Actuarially Determined Contribution	<u>(57,591)</u>	<u>(46,616)</u>	<u>(34,632)</u>	<u>(31,068)</u>	<u>(30,559)</u>
Contribution Deficiency (Excess)	<u>\$ (16,390)</u>	<u>\$ (9,527)</u>	<u>\$ (2,835)</u>	<u>\$ (6,933)</u>	<u>\$ (351)</u>
Covered Payroll	\$ 453,613	\$ 402,724	\$ 372,171	\$ 323,088	\$ 314,517
Contributions as a Percentage of Covered Payroll	12.70%	11.58%	9.31%	9.62%	9.72%

**Notes to Schedule:**

Methods and assumptions used to determine contribution rates:

Valuation Date	June 30, 2023
Measurement Date	June 30, 2024
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Discount Rate	6.90%
Inflation	2.30%
Salary Increase	Varies by Entry Age and Service
Investment Rate of Return	6.90%
Mortality	Derived using CalPERS' Membership data for all funds (1) Contract COLA up to 2.30% until Purchasing Power Protection Allowance Floor on Purchasing power applies
Post-Retirement Benefit Increase	

(1) The mortality table was developed based on CalPERS-specific data. The rates incorporate Generational Mortality to capture ongoing mortality improvement using 80% of Scale MP 2020 published by the Society of Actuaries. For more details, please refer to the 2021 experience study report that can be found on the CalPERS website.

## **STATISTICAL SECTION**

**KINGS COUNTY AREA PUBLIC TRANSIT AGENCY  
STATISTICAL SECTION**

This part of Kings County Area Public Transit Agency (KCAPTA) annual 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 KCAPTA's overall financial health.

<u>CONTENTS</u>	<u>PAGE</u>
<b>Financial Trends</b>	39-42
These schedules contain trend information to help the reader understand how KCAPTA's financial performance and well-being have changed over time.	
<b>Revenue Capacity</b>	43-44
These schedules contain information to help the reader assess KCAPTA's most significant operating revenue, Passenger Fares.	
<b>Debt Capacity</b>	45
This schedule assists readers in understanding and assessing KCAPTA's debt burden and its ability to issue future debt.	
<b>Demographic and Economic Statistics</b>	46-47
This schedule offers demographic and economic indicators to help the reader understand the environment within which KCAPTA's financial activities take place and help make comparisons over time with other governments.	
<b>Operating Information</b>	48-52
These schedules contain contextual information about KCAPTA's operation and resources to assist readers in using financial statement information to understand and assess KCAPTA's economic condition.	

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

**KINGS COUNTY AREA PUBLIC TRANSIT AGENCY  
STATISTICAL SECTION**

**FINANCIAL TRENDS**

**SCHEDULES OF NET POSITION  
LAST 10 FISCAL YEARS**

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
<b>NET POSITION</b>										
Net Investment in Capital										
Assets	\$ 39,863,394	\$ 25,294,643	\$ 15,887,703	\$ 14,024,622	\$ 14,713,289	\$ 11,568,507	\$ 11,520,260	\$ 11,105,775	\$ 12,340,309	\$ 15,606,675
Restricted (Interest Earned on Grant Funds)	74,849	-	19,790	33,047	28,117	16,560	-	-	-	-
Unrestricted	4,948,750	4,539,167	3,997,881	3,619,964	3,233,016	3,007,576	2,820,809	2,638,546	2,366,058	2,217,998
<b>Total</b>	<b>\$ 44,886,993</b>	<b>\$ 29,833,810</b>	<b>\$ 19,905,374</b>	<b>\$ 17,677,633</b>	<b>\$ 17,974,422</b>	<b>\$ 14,592,643</b>	<b>\$ 14,341,069</b>	<b>\$ 13,744,321</b>	<b>\$ 14,708,367</b>	<b>\$ 17,824,673</b>

**KINGS COUNTY AREA PUBLIC TRANSIT AGENCY  
STATISTICAL SECTION**

**FINANCIAL TRENDS**

**SCHEDULES OF CHANGES IN NET POSITION  
LAST 10 FISCAL YEARS**

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
<b>OPERATING</b>										
Total Operating Revenues	\$ 1,680,565	\$ 1,363,942	\$ 1,162,136	\$ 901,673	\$ 744,267	\$ 530,728	\$ 670,858	\$ 735,914	\$ 661,141	\$ 720,523
Total Operating Expenses	10,573,836	10,039,352	8,488,616	7,989,994	7,545,159	6,820,178	6,684,298	5,939,610	5,988,449	4,946,059
Operating Loss	(8,893,271)	(8,675,410)	(7,326,480)	(7,088,321)	(6,800,892)	(6,289,450)	(6,013,440)	(5,203,696)	(5,325,308)	(4,225,536)
Total Nonoperating Revenues	7,713,851	7,533,114	7,282,906	5,789,785	5,106,986	4,687,208	4,310,773	3,497,878	1,822,952	3,265,932
<b>NET LOSS BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS</b>										
(1,179,420)	(1,142,296)	(43,574)	(1,298,536)	(1,693,926)	(1,602,242)	(1,702,667)	(1,705,818)	(3,502,356)	(959,604)	
Total Capital Contributions	16,232,603	11,070,732	2,245,516	1,001,747	5,075,705	1,853,816	2,299,415	743,772	384,050	3,985,737
Transfer In	-	-	25,799	-	1,809	-	-	-	-	-
Transfer Out	-	-	-	-	(1,809)	-	-	-	-	-
<b>CHANGES IN NET POSITION</b>	<b>\$ 15,053,183</b>	<b>\$ 9,928,436</b>	<b>\$ 2,227,741</b>	<b>\$ (296,789)</b>	<b>\$ 3,381,779</b>	<b>\$ 251,574</b>	<b>\$ 596,748</b>	<b>\$ (962,046)</b>	<b>\$ (3,118,306)</b>	<b>\$ 3,026,133</b>

**KINGS COUNTY AREA PUBLIC TRANSIT AGENCY  
STATISTICAL SECTION**

**FINANCIAL TRENDS**

**SCHEDULES OF REVENUES BY SOURCE  
LAST 10 FISCAL YEARS**

Fiscal Year	OPERATING REVENUES		NON-OPERATING REVENUES (EXPENSES)						TOTAL NON-OPERATING REVENUES (EXPENSES)	
	Passenger Fares	Advertisements/Concessions	TOTAL OPERATING REVENUES	Federal Cash Grants	Local Cash Grants	Interest, Net	Gain/(Loss) on Sale of Capital Assets		Other	
2025	\$ 1,572,639	\$ 107,926	\$ 1,680,565	\$ 4,796,753	\$ 2,527,630	\$ 310,615	\$ (7,785)	\$ 86,638	\$ 7,713,851	
2024	1,254,118	109,824	1,363,942	5,774,070	1,394,460	254,548	5,136	104,900	7,533,114	
2023	1,045,677	116,459	1,162,136	6,428,345	649,125	113,243	2,859	89,334	7,282,906	
2022	794,566	107,107	901,673	5,244,991	384,769	46,300	21,233	92,492	5,789,785	
2021	670,790	73,477	744,267	4,661,116	356,953	49,346	(6,782)	46,333	5,108,966	
2020	485,364	45,364	530,728	3,412,505	1,115,705	120,655	-	38,343	4,687,208	
2019	612,866	57,992	670,858	2,928,198	1,226,038	124,542	30	31,965	4,310,773	
2018	616,013	119,901	735,914	2,646,982	769,323	80,444	500	629	3,497,878	
2017	558,127	103,014	661,141	2,869,957	492,052	47,739	(1,670,926)	84,130	1,822,952	
2016	617,405	103,118	750,523	2,904,463	118,429	50,049	-	192,991	3,265,932	

**KINGS COUNTY AREA PUBLIC TRANSIT AGENCY  
STATISTICAL SECTION**

**FINANCIAL TRENDS**

**SCHEDULES OF EXPENSES BY CLASSIFICATION  
LAST 10 FISCAL YEARS**

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
<b>OPERATING EXPENSES</b>										
Salaries	\$ 577,564	\$ 584,499	\$ 508,493	\$ 462,420	\$ 436,462	\$ 453,613	\$ 402,724	\$ 372,171	\$ 323,088	\$ 294,033
Fringe Benefits	268,180	245,259	216,974	90,929	184,996	190,234	192,923	102,394	242,697	102,788
Maintenance - Equipment	111,631	96,611	99,799	80,080	90,697	92,254	53,248	56,598	56,705	24,165
Fuel and Oil	330,525	335,493	448,997	357,667	233,633	199,892	106,495	177,048	107,794	191,168
Other Materials and Supplies	19,260	20,848	22,700	12,627	30,405	35,761	46,536	40,058	47,502	42,087
Rent and Leases	-	-	-	-	4,062	-	-	-	-	-
Utilities	82,059	72,877	65,980	67,618	64,694	60,318	61,583	52,452	54,595	52,715
Insurance	71,681	31,642	38,075	69,224	26,561	32,829	26,554	25,642	34,178	17,971
Purchased Transportation	5,878,844	5,756,606	4,287,339	4,143,419	3,741,841	3,547,218	3,558,873	2,733,458	2,733,896	2,560,040
Miscellaneous	1,519,299	1,203,019	985,166	1,013,200	822,162	328,146	375,663	400,149	393,361	299,054
Depreciation and Amortization	1,714,793	1,692,498	1,815,073	1,692,810	1,913,708	1,875,851	1,859,698	1,973,640	1,992,333	1,362,038
<b>Total Operating Expenses</b>	<b>\$ 10,573,836</b>	<b>\$ 10,039,352</b>	<b>\$ 8,488,616</b>	<b>\$ 7,989,994</b>	<b>\$ 7,545,159</b>	<b>\$ 6,820,178</b>	<b>\$ 6,684,298</b>	<b>\$ 5,939,610</b>	<b>\$ 5,986,449</b>	<b>\$ 4,946,059</b>

KINGS COUNTY AREA PUBLIC TRANSIT AGENCY  
STATISTICAL SECTION

REVENUE CAPACITY

SERVICE CONSUMPTION  
KART  
LAST 10 FISCAL YEARS

Fiscal Year	Annual Passenger Miles	Unlinked Passenger Trips
2025	10,067,518	720,418
2024	8,824,953	635,539
2023	7,701,916	582,762
2022	6,722,478	490,448
2021	5,178,887	386,746
2020	3,421,757	548,691
2019	4,390,719	702,428
2018	4,550,413	719,223
2017	4,721,387	738,148
2016	3,859,715	705,306

Annual Passenger Miles: Calculated by multiplying the number of trips x average distance traveled.

Unlinked Passenger Trips: The 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.

Source: National Transit Database and Finance Department

KINGS COUNTY AREA PUBLIC TRANSIT AGENCY  
STATISTICAL SECTION

REVENUE CAPACITY

PASSENGER RATES  
KART  
EFFECTIVE JANUARY 1, 2017

CASH FARES

LOCAL ROUTES

General Fare	\$1.25
Child (under 11)	FREE

OUT OF TOWN ROUTES

General Fare	\$1.75
Child (under 11)	FREE

PARATRANSIT

General Fare	\$2.50
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GO-KART

General Fare	\$3.00
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30-DAY PASS

Local Routes	\$50.00
Out of Town Routes	\$60.00
Paratransit	\$100.00
Local Routes Student/Disable/Senior	\$40.00
Out of Town Student/Disable/Senior	\$50.00

Source: Finance Department

**KINGS COUNTY AREA PUBLIC TRANSIT AGENCY  
STATISTICAL SECTION**

**DEBT CAPACITY**

**RATIOS OF OUTSTANDING DEBT  
LAST 10 FISCAL YEARS**

Fiscal Year Ended June 30	Capital Lease Vehicles	Capital Lease Equipment	Note Payable Equipment	Note Payable Capital	Note Payable Operating	Total	Percentage of Personal Income	Debt per Capita
2016	\$ -	\$ 6,169	\$ -	\$ -	\$ -	\$ 6,169	0.12%	41
2017	-	3,152	-	-	-	3,152	0.06%	21
2018	-	10,551	-	-	-	10,551	0.20%	73
2019	-	8,498	-	-	-	8,498	0.16%	59
2020	-	6,337	-	-	-	6,337	0.12%	42
2021	-	4,062	-	-	-	4,062	0.08%	27
2022	-	1,667	-	-	-	1,667	0.04%	11
2023	-	11,969	-	-	-	11,969	0.16%	-
2024	-	9,548	-	-	-	9,548	0.13%	-
2025	-	7,161	-	-	-	7,161	0.10%	-

**KINGS COUNTY AREA PUBLIC TRANSIT AGENCY  
STATISTICAL SECTION**

**DEMOGRAPHIC AND ECONOMIC STATISTICS**

**DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST 10 FISCAL YEARS**

Fiscal Year Ended June 30	(1) Population	(2) Personal Income	(2) Per Capita Personal Income	(3) Unemployment
2025	156,545	\$ 7,126,202 *	Not Available	9.80%
2024	152,627	6,918,643 *	43,994	7.70%
2023	151,494	6,717,129	46,966	7.00%
2022	152,486	6,866,639	45,031	6.40%
2021	152,543	6,586,197	43,176	8.00%
2020	153,608	6,358,910	41,397	13.10%
2019	153,710	6,030,809	36,599	7.80%
2018	151,662	5,344,067	36,961	8.20%
2017	149,537	5,302,517	35,326	8.80%
2016	149,785	5,135,686	34,287	10.00%

**Data Source:**

- (1) California Department of Finance January 2024 Population Report.
- (2) U.S. Department of Commerce, Bureau of Economic Statistics
- (3) U.S. Department of Labor, Bureau of Labor Statistics

\* Data not available, estimates based on % change from fiscal year 21 to fiscal year 22.

**KINGS COUNTY AREA PUBLIC TRANSIT AGENCY  
STATISTICAL SECTION**

**DEMOGRAPHIC AND ECONOMIC STATISTICS**

**DEMOGRAPHIC AND ECONOMIC STATISTICS (Continued)  
LAST 10 FISCAL YEARS**

Fiscal Year Ended June 30	(1) Taxable Sales (Kings County)	(2) Local Transportation Funds (Kings County)	(2) Local Transportation Funds (KCAPTA)	KCAPTA % of Kings County Local Transportation Funds
2025	\$ 2,702,624,442 *	\$ 6,200,000	\$ 2,000,000	32.3%
2024	2,902,148,981	6,222,693	1,700,000	27.3%
2023	2,750,852,115	6,633,298	2,000,000	30.2%
2022	2,607,442,763	6,467,818	1,200,000	18.6%
2021	2,467,533,607	5,884,795	946,622	16.1%
2020	2,155,651,517	4,208,300	1,200,000	28.5%
2019	1,832,315,335	4,600,208	592,501	12.9%
2018	1,734,054,868	4,248,034	592,618	14.0%
2017	1,701,360,707	4,046,607	519,883	12.8%
2016	1,734,382,743	4,525,735	805,878	17.8%

**Data Source:**

(1) California Board of Equalization  
(2) Finance Department (estimates)

\*Data not available, estimates based on % change from fiscal year 20 to fiscal year 21.

**KINGS COUNTY AREA PUBLIC TRANSIT AGENCY  
STATISTICAL SECTION**

**OPERATING INFORMATION**

**FULL-TIME AND PART-TIME EMPLOYEES BY FUNCTION  
LAST 10 FISCAL YEARS  
AS OF JUNE 30**

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Administrative Staff	3	3	3	3	3	3	3	2	2	2
Facility and Fleet Specialist	1	1	1	1	1	1	1	1	1	1
Fiscal Specialist	1	1	1	1	1	1	1	1	-	-
Transit Assistant	1	1	1	1	1	1	1	2	2	2
Transit Aid	1	1	1	-	-	-	-	-	-	-
<b>Total</b>	<b>7</b>	<b>7</b>	<b>7</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>5</b>	<b>5</b>

Source: Finance Department

KINGS COUNTY AREA PUBLIC TRANSIT AGENCY  
STATISTICAL SECTION

OPERATING INFORMATION

VEHICLES OPERATED IN MAXIMUM SERVICE  
LAST 10 FISCAL YEARS

<u>FISCAL YEAR</u>	<u>FIXED ROUTE</u>	<u>DIAL-A-RIDE</u>	<u>VANPOOL</u>
2025	15	6	50
2024	17	6	44
2023	15	6	36
2022	17	5	36
2021	16	5	30
2020	18	5	-
2019	16	5	-
2018	16	5	-
2017	16	5	-
2016	16	5	-

Source: National Transit Database

KINGS COUNTY AREA PUBLIC TRANSIT AGENCY  
STATISTICAL SECTION

OPERATING INFORMATION

PROFILE  
AS OF JUNE 30, 2025

General Statistic and Service Information	
Employees	7
Purchased Transportation Employees	63
Vehicles Available for Services	44
Hanford Routes	8
Hanford/Lemoore Routes	3
Lemoore City Routes	2
Avenal Routes	5
Corcoran Routes	(Monday-Friday)
Visalia Routes	(Monday-Friday)
Fresno Routes	(Monday-Friday)
Laton/Hardwick Routes	(Monday-Friday)

Source: Finance Department and MV Transportation, Inc.

**KINGS COUNTY AREA PUBLIC TRANSIT AGENCY  
STATISTICAL SECTION**

**OPERATING INFORMATION**

**2026 OPERATING BUDGET**

	<u>2025</u>	<u>2026</u>	<u>Difference</u>	<u>% Change</u>
<b>REVENUES</b>				
Passenger Fares	\$ 1,328,000	\$ 1,397,000	\$ 69,000	5.20%
Non-Transportation Revenues	142,000	122,825	(19,175)	-13.50%
Operating Assistance				
Federal and State Operating Grants	6,526,170	6,138,725	(387,445)	-5.94%
Other Governmental Funds	2,000,000	2,485,500	485,500	24.28%
Other Income	133,000	115,000	(18,000)	-13.53%
<b>TOTAL REVENUES</b>	<b><u>\$ 10,129,170</u></b>	<b><u>\$ 10,259,050</u></b>	<b><u>\$ 129,880</u></b>	<b><u>1.28%</u></b>
<b>EXPENDITURES</b>				
Labor and Fringe Benefits	\$ 858,700	\$ 1,039,450	\$ 180,750	21.05%
Professional Services	1,745,000	1,392,000	(353,000)	-20.23%
Fuel, Lubricants, and Supplies	800,000	475,000	(325,000)	-40.63%
Utilities	25,000	75,000	50,000	200.00%
Insurance	75,000	100,000	25,000	33.33%
Purchased Transportation	6,005,000	6,578,000	573,000	9.54%
Miscellaneous	620,470	599,600	(20,870)	-3.36%
<b>TOTAL EXPENDITURES</b>	<b><u>\$ 10,129,170</u></b>	<b><u>\$ 10,259,050</u></b>	<b><u>\$ 129,880</u></b>	<b><u>1.28%</u></b>

Source: Finance Department

**KINGS COUNTY AREA PUBLIC TRANSIT AGENCY  
STATISTICAL SECTION**

**OPERATING INFORMATION**

**2025 GOALS AND PERFORMANCE MEASURES**

Performance	1. Service Efficiency Goal			2. Service Effectiveness Goal		
	Operating Farebox Ratio	Standard for Maximum Operating Cost			Minimum Passenger Trip per...	
		Passenger Trip	Vehicle Mile	Vehicle Hour	Vehicle Revenue Hour	Vehicle Revenue Mile
<b>KART Service</b>						
Standard	22%	\$ 3.00	\$ 6.35	\$ 80.00	20.00	2.60
Local Routes*	8.4%	\$ 14.28	\$ 10.43	\$ 141.44	9.91	0.73
Standard	15%	\$ 6.50	\$ 3.15	\$ 80.00	10.00	0.60
County Route**	6.3%	\$ 30.94	\$ 4.44	\$ 159.02	5.14	0.14
Standard	5%	\$ 25.00	\$ 9.50	\$ 80.00	2.50	0.30
Paratransit	6%	\$ 47.76	\$ 9.80	\$ 110.40	2.31	0.21
Standard	15%	\$ 5.00	\$ 4.80	\$ 80.00	14.00	1.10
Systemwide	8.1%	\$ 15.73	\$ 9.24	\$ 140.52	8.93	0.59

\*Local Routes: Hanford Routes 1-9; Lemoore Route 20; Lemoore NAS Route 21; and Lemoore City Routes 30-31.

\*\*County Routes: Avenal Route 1-2; Corcoran Route 13; Laton Route 14; Visalia Route 15; and Fresno Route 17.