EL DORADO COUNTY
TRANSPORTATION COMMISSION

Audited Financial Statements
Supplementary Information and Compliance Report

June 30, 2026

(This page intentionally left blank.)

EL DORADO COUNTY TRANSPORTATION COMMISSION

Audited Financial Statements,
Supplementary Information and Compliance Report

June 30, 2026

Financial Section

Independent Auditor's Report 1
Management's Discussion and Analysis 4

Government-wide financial statements

Statement of Net Position 12
Statement of Activities 13

Fund Financial Statements:

Governmental Funds:
Balance Sheets – Governmental Funds 14
Reconciliation of the Governmental Funds Balance Sheets to the Government-wide Statement of Net Position 15
Statements of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds 16
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Government-wide Statement of Activities 17
Notes to the Financial Statements 18

Required Supplementary Information

Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund 35
Notes to Required Supplementary Information – Budgetary Comparisons 36
Schedule of the Proportionate Share of the Net Pension Liability – Miscellaneous Plan (Unaudited) 37
Schedule of Contributions to the Pension Plan – Miscellaneous Plan (Unaudited) 37
Schedule of Changes in the Net OPEB Liability and Related Ratios (Unaudited) 38
Schedule of Contributions to the OPEB Plan (Unaudited) 39

Supplementary Information

Schedule of Allocations and Expenditures – Local Transportation Fund 40
Schedule of Allocations and Expenditures – State Transit Assistance Fund 41
Schedule of Allocations and Expenditures – State of Good Repair Fund 42
Schedule of Allocations and Expenditures – SB 125 43
Schedule of Indirect and Direct Expenses – Accrual Basis 44

Compliance Report

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* and the Transportation Development Act 45

RICHARDSON & COMPANY LLP
CERTIFIED PUBLIC ACCOUNTANTS

550 Howe Avenue, Suite 210
Sacramento, California 95825

Telephone: (916) 564-8727
FAX: (916) 564-8728

INDEPENDENT AUDITOR'S REPORT

El Dorado County Transportation Commission
Placerville, California

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, and each major fund, of the El Dorado County Transportation Commission (the Commission), as of and for the year ended June 30, 2026, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, and each major fund of the Commission, as of June 30, 2026, and the respective changes in financial position, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Commission'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 generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Commission's basic financial statements. The accompanying schedules of allocations and expenditures and schedule of indirect and direct expenses are presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 20, 2026, on our consideration of the Commission's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Commission'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 Commission's internal control over financial reporting and compliance.

Richardson & Company, LLP

November 20, 2026

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the El Dorado County Transportation Commission's (EDCTC) annual financial report presents a narrative overview and analysis of EDCTC's financial performance during the fiscal year ending June 30, 2026. This discussion and analysis is intended to be used in conjunction with EDCTC's financial statements and notes to the financial statements which follow this section.

EDCTC's primary objective is to administer the regional transportation planning process and implement a programming and funding strategy to address the mobility needs of El Dorado County residents and visitors. The Overall Work Program and Budget is the primary management tool that identifies the activities and annual schedule of work for regional transportation planning for the western slope of El Dorado County. Furthermore, the Regional Transportation Plan 2025-2045 and accompanying Environmental Impact Report serve as a guiding force for transportation improvements over the 20-year period. Additional elements of the Overall Work Program continued at anticipated work levels, including Agency Administration and Intergovernmental Coordination; Multi-Modal Transportation Planning; Project Delivery and Programming; and Public Information and Outreach.

OVERVIEW OF THE FINANCIAL STATEMENTS

The annual financial statements consist of two parts: Management's Discussion and Analysis, as presented in this section, and the basic financial statements. The Discussion and Analysis is intended to serve as an introduction to EDCTC's financial statements. EDCTC's financial statements are comprised of two components: (1) financial statements and (2) notes to the financial statements.

Financial Highlights of the General Fund

- Total Assets $ 1,153,088
- Total Liabilities $ 718,861
- Total Fund Balance $ 434,227
- Total Revenue $ 826,855
- Total Transfers In $ 682,490
- Total Expenditures $ 1,444,700

Required Financial Statements

EDCTC financial statements are designed to provide readers with a broad overview of EDCTC's financial performance.

The Statement of Net Position found on page 12 summarizes all governmental activities. The Net Position Unrestricted deficit is due to the long-term pension liability. These liabilities are planned to be funded with future funding sources that have not been identified.

The Statement of Revenues, Expenditures, and Changes in Fund Balances on page 16 reports information for the General Fund and the Special Revenue Funds.
The notes to the Financial Statements provide additional information that is essential to understand the data provided. These notes can be found on pages 18 through 39 of this report.

FINANCIAL SUMMARY AND DETAILED ANALYSIS

EDCTC's financial position and results of operations are summarized in the following tables, which present condensed comparative information for the current and prior fiscal year. These summaries provide an overview of EDCTC's General Fund and Special Revenue Funds assets, liabilities, deferred outflows and inflows of resources, net position, revenues, and expenses.

It is important to note that EDCTC's reported net position includes both General Funds available to EDCTC and Special Revenue Funds which are constrained for specific purposes outside of EDCTC's discretion. Special Revenue Funds are not available to EDCTC for planning or programming or to meet other financial needs. Accordingly, EDCTC's total net position should not be interpreted as representing funds available for unrestricted use, as the General Fund available is substantially less than the reported net position. The table on Page 9 of this report is included to better detail the EDCTC General Fund and Special Revenue Fund presented in the Statement of Net Position discussed below.

Statement of Net Position

The following table presents a comparative summary of EDCTC's Statement of Net Position for the current and prior fiscal year, highlighting the corresponding increases and decreases between the two periods.

El Dorado County Transportation Commission's Statement of Net Position

	Governmental Activities		Increase/
	2026	2025	(Decrease)
Assets			
Current and other assets	$ 19,339,013	$ 18,994,073	$ 344,940
Capital assets	49,992	89,698	(39,706)
Total Assets	19,389,005	19,083,771	305,234
Total deferred outflows of resources	222,541	269,982	(47,441)
Liabilities			
Long-term liabilities outstanding	591,597	761,739	(170,142)
Other liabilities	2,120,151	2,702,373	(582,222)
Total Liabilities	2,711,748	3,464,112	(752,364)
Total deferred inflows of resources	124,113	47,692	76,421
Net position:			
Net investment in capital assets			
Restricted	16,887,955	16,015,791	872,164
Unrestricted	(112,270)	(173,842)	61,572
Total Net Position	16,775,685	15,841,949	933,736

Total Assets – Total assets increased due to an increase in Rural Planning Assistance funding and EDCTC's share of the Surface Transportation Block Grant Program (STBG) Exchange Funds. This allowed EDCTC to invest in the Local Agency Investment Fund to earn a higher interest rate.

Total Liabilities – The difference is attributable to the timing of STBG payment distributions to El Dorado County (County) and the City of Placerville (City). In Fiscal Year (FY) 2024/2025, an outstanding payable of $885,000 was recorded as of June 30, 2025, with payment approved in FY 2025/2026. The FY 2025/2026 allocation to the City was paid in June 2026; however, the County's allocation was not approved for payment until August 2026, resulting in an outstanding payable of $454,000 as of June 30, 2026.

The Local Transportation Fund (LTF) Bicycle and Pedestrian Fund recorded a payable of $250,000 at June 30, 2025, which was paid during FY 2025/2026 for the Missouri Flat El Dorado Trail Pedestrian Overcrossing and Placerville Drive Bike and Ped Facilities Project.

Changes in Net Position

The following table presents a comparative summary of EDCTC's Changes in Net Position for the current and prior fiscal year, highlighting the corresponding increases and decreases between the two periods.

El Dorado County Transportation Commission's Changes in Net Position

	Governmental Activities		Increase/
	2026	2025	(Decrease)
REVENUES:			
Sales Tax	$ 9,337,831	$ 9,119,520	$ 218,311
Other governmental revenue	-	10,057,638	(10,057,638)
State and local funds	788,625	867,017	(78,392)
Interest income/other	655,359	430,579	224,780
Surface Transportation Block Grant Program	1,064,249	1,041,490	22,759
TOTAL REVENUES	11,846,064	21,516,244	(9,670,180)
EXPENDITURES:			
Salaries and benefits	937,860	901,658	36,202
Professional services	369,362	615,229	(245,867)
Rents, leases and building maintenance	11,280	15,076	(3,796)
Office and other operating	72,743	63,913	8,830
Transportation services	8,263,386	6,518,222	1,745,164
Road maintenance	1,189,169	1,041,490	147,679
Planning and administration	12,000	218,634	(206,634)
Capital outlay	1,232	654	578
Debt Service			
Principal	46,317	43,194	3,123
Interest and other charges	8,979	12,102	(3,123)
TOTAL EXPENDITURES	10,912,328	9,430,172	1,482,156
Increase (decrease) in net position before transfers	933,736	12,086,072	(11,152,336)
Transfers	-	-	-
Increase (decrease) in net position	933,736	12,086,072	(11,152,336)
Net position - beginning	15,841,949	3,755,877	12,086,072
Net position - ending	$ 16,775,685	$ 15,841,949	$ 933,736

Revenues – Other governmental revenue for June 30, 2025, includes $10,057,638, for the first payment of the Senate Bill (SB) 125 new funding programs of Transit and Intercity Rail Capital Program (TIRCP) and Zero-Emission Transit Capital Program (ZETCP). Year two funding was not received in FY 2025/2026. Interest income increased in all funds with the largest increases in TIRCP and LTF.

Expenditures – Professional Services decreased due to the completion of work on three grant-funded projects, which were substantially completed in FY 2024/2025.

Transportation Services increased in FY 2025/2026 compared to FY 2024/2025 because the El Dorado County Transit Authority (EDCTA) reduced its annual payment in FY 2024/2025 to increase their contingency by $2,000,000.

Planning and Administration decreased in FY 2025/2026 because a one-time ZETCP administrative payment of $208,011 (representing 5% of the program allocation) was made to EDCTC in FY 2024/2025 for TIRCP and ZETCP program oversight. This administrative fee covers oversight and administration for the duration of the program.

Net Position – As of June 30, 2026, EDCTC reported an ending net position of $16,775,685, compared to $15,841,949 in the prior fiscal year. The increase of $933,736 is primarily attributable to $587,518 in LTF due to interest income earned and increased sales tax revenue and $409,566 in interest income earned in the TIRCP and ZETCP funds.

Included in the ending net position is restricted funding of $6,284,676 in the LTF for operations reserve, pedestrian and bikeway projects, transportation projects, and transit contingencies. Additionally, $10,525,387 in TIRCP and ZETCP funding is restricted for zero-emission buses and infrastructure. These resources are restricted for their designated purposes.

DETAILED ANALYSIS OF GOVERNMENTAL FUNDS

The General Fund is the primary operating fund of the EDCTC and accounts for resources used to support its day-to-day operations and regional transportation planning activities. These activities include transportation planning, programming and coordination, administration, regional transportation studies, and other activities necessary to fulfill the agency's responsibilities.

The General Fund's financial position reflects EDCTC's ability to maintain sufficient resources to support ongoing operations and meet future administrative and programmatic needs. Revenues are primarily derived from state transportation funding programs designated to support rural transportation planning including, Rural Planning Assistance, Planning Programming and Monitoring, and transportation planning grants, while expenditures primarily consist of personnel costs, professional and consulting services, administration of Special Revenue Funds, and other operating expenses.

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. EDCTC has six Special Revenue funds:

1) STBG Exchange Funds programmed to the County and the City for transportation projects and the City for the Clay Street/Cedar Ravine Intersection.
2) LTF – One-quarter cent retail sales tax received monthly to be used to administer the Transportation Development Act, to provide transit services and pedestrian/bicycle facilities in El Dorado County.
3) State Transit Assistance (STA) Fund – Sales tax collected on diesel fuel received quarterly and allocated to EDCTA.
4) State of Good Repair (SGR) Fund – A portion of the Transportation Improvement Fee included in SB 1, the 2017 Road Repair and Accountability Act, allocated to EDCTA for eligible transit maintenance, rehabilitation and capital projects.
5) TIRCP programmed to the EDCTA to purchase zero-emission buses including installation of the equipment and infrastructure necessary to operate and support zero-emission buses.
6) ZETCP programmed to the EDCTA to purchase zero-emission buses including installation of the equipment and infrastructure necessary to operate and support zero-emission buses.

The Balance Sheet and Statement of Revenues, Expenses, and Changes in Fund Balances report information about EDCTC's financial activities and financial position. EDCTC's fund balance, which portrays the difference between assets and liabilities, is one way to measure financial performance. Changes to accounting and reporting methodology and requirements are impactful to the financial reporting found herein.

The following table presents a comparative summary of EDCTC's Balance Sheet - Governmental Funds for the current and prior fiscal year, highlighting the corresponding increases and decreases between the two periods.

	Governmental Funds						
	General Fund		Special Revenue Funds		Total		Increase/
	2026	2025	2026	2025	2026	2025	(Decrease)
Assets							
Cash and investments	$ 924,531	$ 617,453	$ -	$ -	$ 924,531	$ 617,453	$ 307,078
Due from other governments	153,819	185,916	1,775,430	1,762,234	1,929,249	1,948,150	(18,901)
Due from other funds	-	156,224	-	-	-	156,224	(156,224)
Prepaid expenses and other assets	6,926	3,915	-	-	6,926	3,915	3,011
Total Current Assets	1,085,276	963,508	1,775,430	1,762,234	2,860,706	2,725,742	134,964
Noncurrent Assets							
Restricted cash	67,812	61,270	16,362,509	16,328,850	16,430,321	16,390,120	40,201
Total Noncurrent Assets	67,812	61,270	16,362,509	16,328,850	16,430,321	16,390,120	40,201
Total Assets	$ 1,153,088	$ 1,024,778	$ 18,137,939	$ 18,091,084	$ 19,291,027	$ 19,115,862	$ 175,165
Liabilities							
Current liabilities	$ 718,861	$ 655,196	$ -	$ -	$ 718,861	$ 655,196	$ 63,665
Allocations payable to other governments	-	-	1,249,984	1,919,069	1,249,984	1,919,069	(669,085)
Due to other funds	-	-	-	156,224	-	156,224	(156,224)
Total Liabilities	718,861	655,196	1,249,984	2,075,293	1,968,845	2,730,489	(761,644)
Fund Balance							
Nonspendable	3,915	3,915	-	-	3,915	3,915	-
Restricted	-	-	16,887,955	16,015,791	16,887,955	16,015,791	872,164
Unrestricted	430,312	365,667	-	-	430,312	365,667	64,645
Total Fund Balance	434,227	369,582	16,887,955	16,015,791	17,322,182	16,385,373	936,809
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	$ 1,153,088	$ 1,024,778	$ 18,137,939	$ 18,091,084	$ 19,291,027	$ 19,115,862	$ 175,165

Restricted Fund Balance – Included in the restricted fund balance is $77,892 in the STBG Fund for payment to the City for transportation improvements in FY 2026/2027.

The LTF fund includes $6,284,676 for operations reserve, pedestrian and bikeway projects, transportation projects and contingency for Transit. These funds are restricted for future projects.

The TIRCP and ZETCP accounts include the payment for year one of the program which is restricted for the EDCTA bus fleet to be converted to zero-emission as required by the California Air Resources Board. The total amount including interest earned is $10,525,387.

CURRENTLY KNOWN FACTS, DECISIONS, OR CONDITIONS

For FY 2026/2027, it is expected that the majority of federal, state, and local fund sources will remain constant. Fund reserves, comprised of carryover funding, available to supplement the work program and maintain a reserve to fund unexpected future costs and/or unanticipated revenue shortfalls, will be programmed in FY 2026/2027.

EDCTC will continue employing sound fiscal management, financial planning, investment management, budgeting, and internal financial controls. EDCTC considers these priorities to be an integral responsibility of the agency.

El Dorado County Transportation Commission Historical Financial Report

Refer to the attached Historical Financial Report on page 11 which reflects the historical financial activity of the EDCTC for the actual FY 2020/2021 to budget FY 2026/2027.

Request For Information

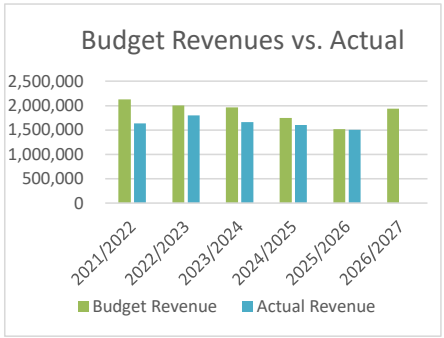
This financial report is designed to provide the reader with a general overview of EDCTC's finances and to demonstrate EDCTC's accountability for funds it receives. If you have questions about this report or need additional financial information, please contact the Fiscal Officer, El Dorado County Transportation Commission, 2828 Easy Street, Suite 1, Placerville, California 95667.

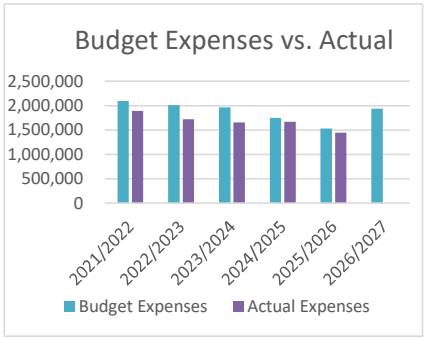
EL DORADO COUNTY TRANSPORTATION COMMISSION
HISTORICAL FINANCIAL REPORT

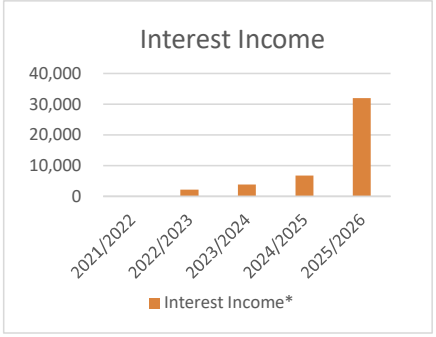
	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027
	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	BUDGET
Budget Revenue	1,743,608	2,130,854	2,004,324	1,965,655	1,749,546	1,518,783	1,939,642
Actual Revenue	1,463,052	1,640,732	1,803,843	1,661,197	1,607,347	1,509,345	0
Budget vs. Actual Revenue	**(280,556)**	**(490,122)**	**(200,481)**	**(304,458)**	**(142,199)**	**(9,438)**	
% Revenue vs. Budget	**-16.1%**	**-23.0%**	**-10.0%**	**-15.5%**	**-8.1%**	**-0.6%**	
Budget Expenses	1,728,604	2,094,316	2,012,213	1,968,034	1,747,998	1,534,577	1,939,642
Actual Expenses	1,470,131	1,890,863	1,724,579	1,659,655	1,670,945	1,444,700	0
Budget vs. Actual Expenses	**(258,473)**	**(203,453)**	**(287,634)**	**(308,379)**	**(77,053)**	**(89,877)**	
% Expenses vs. Budget	**-15.0%**	**-9.7%**	**-14.3%**	**-15.7%**	**-4.4%**	**-5.9%**	
Current Year Total Assets	666,311	693,687	684,514	746,420	1,024,778	1,153,088	0
Prior Year Total Assets	762,059	666,311	693,687	684,514	746,420	1,024,778	0
Assets Gain/Losses	**(95,748)**	**27,376**	**(9,173)**	**61,906**	**278,358**	**128,310**	**0**
% Change in Assets	**-14.4%**	**3.9%**	**-1.3%**	**8.3%**	**27.2%**	**11.1%**	**0.0%**
Current Year Total Liabilities	368,856	341,313	252,876	313,240	655,196	718,861	0
Prior Year Total Liabilities	457,525	368,856	341,313	252,876	313,240	655,196	0
Liabilities Gain/Losses	**(88,669)**	**(27,543)**	**(88,437)**	**60,364**	**341,956**	**63,665**	**0**
% Change in Liabilities	**-24.0%**	**-8.1%**	**-35.0%**	**19.3%**	**52.2%**	**8.9%**	**0.0%**
Interest Income*	370	71	2,218	3,856	6,745	32,047	0
Total Investments/Interest	**370**	**71**	**2,218**	**3,856**	**6,745**	**32,047**	**0**
Grants Awarded:							
Local Transportation Climate Adaptation Program*	0	0	0	3,000,000	0	0	0
SB1 - Road Maint/Rehab Acct (RMRA)	180,000	0	0	0	0	0	0
FHWA/FTA 5304	0	0	0	217,124	0	0	132,750
FHWA State Planning & Research	185,040	0	0	0	0	0	0
Partnership Planning	0	0	0	0	0	0	0
Sustainable Communities	0	0	0	0	0	0	0
SB1 - Sustainable Communities	0	0	0	0	0	0	0
State Highway Account (SHA)	175,000	250,000	75,000	0	0	0	0
Active Transportation Program	0	0	0	0	0	0	0
Rural Planning Assistance Grants	10,000	0	0	85,000	77,250	0	90,000
Total Grant Funding Awarded	**550,040**	**250,000**	**75,000**	**3,302,124**	**77,250**	**0**	**222,750**

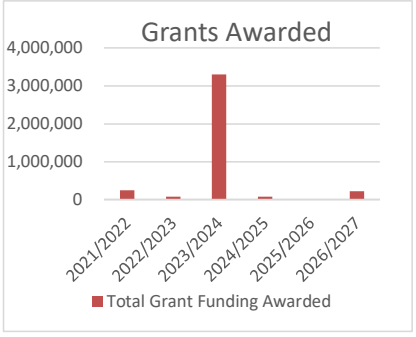
* Interest Income increased in 2025/26 due to participation in the Local Agency Investment Fund (LAIF)

** Grant awarded to EDCTC and administered by the City of Placerville









EL DORADO COUNTY TRANSPORTATION COMMISSION

STATEMENT OF NET POSITION

June 30, 2026

	Governmental Activities
ASSETS	
Current Assets:	
Cash and investments	$ 924,531
Due from other governments	1,929,249
Prepaid expenses and other assets	6,926
Total Current Assets	2,860,706
Noncurrent Assets:	
Restricted cash and investments	16,430,321
Capital assets being depreciated/amortized, net	49,992
Net other postemployment benefits asset	47,986
Total Noncurrent Assets	16,528,299
TOTAL ASSETS	19,389,005
DEFERRED OUTFLOWS OF RESOURCES	
Pension plan	216,785
Other postemployment benefits plan	5,756
TOTAL DEFERRED OUTFLOWS OF RESOURCES	222,541
LIABILITIES	
Current Liabilities:	
Accounts payable	20,017
Accrued payroll taxes and benefits	19,693
Unearned revenues	679,151
Contract retentions payable	
Allocations payable to other governments	1,249,984
Compensated absences, due within one year	101,641
Lease liability, due within one year	49,665
Total Current Liabilities	2,120,151
Noncurrent Liabilities:	
Compensated absences, due in more than one year	66,470
Lease liability, due in more than one year	53,255
Net pension liability, due in more than one year	471,872
Total Noncurrent Liabilities	591,597
TOTAL LIABILITIES	2,711,748
DEFERRED INFLOWS OF RESOURCES	
Pension plan	77,094
Other postemployment benefits plan	47,019
TOTAL DEFERRED INFLOWS OF RESOURCES	124,113
NET POSITION	
Restricted	16,887,955
Unrestricted	(112,270)
TOTAL NET POSITION	$ 16,775,685

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

EL DORADO COUNTY TRANSPORTATION COMMISSION

STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2026

		Governmental Activities
PROGRAM EXPENSES		
Planning and administration		$ 1,447,773
Transportation claimants		9,464,555
	TOTAL PROGRAM EXPENSES	10,912,328
PROGRAM REVENUES		
Operating grants and contributions		1,852,874
	NET PROGRAM EXPENSE	(9,059,454)
GENERAL REVENUES		
State shared revenue - sales tax		9,337,831
Interest income		649,176
Other revenues		6,183
	TOTAL GENERAL REVENUES	9,993,190
	CHANGE IN NET POSITION	933,736
Net position, beginning of year		15,841,949
	NET POSITION, END OF YEAR	$ 16,775,685

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

EL DORADO COUNTY TRANSPORTATION COMMISSION

BALANCE SHEETS - GOVERNMENTAL FUNDS

June 30, 2026

	General Fund	Major Special Revenue Funds						
	Planning and Administration	Surface Transportation Block Grant Program Fund	Local Transportation Fund	State Transit Assistance Fund	State of Good Repair Fund	TIRCP Fund	ZETCP Fund	Total Governmental Funds
ASSETS								
Current Assets:								
Cash and investments	$ 924,531							$ 924,531
Due from other governments	153,819		$ 1,234,362	$ 457,907	$ 83,161			1,929,249
Prepaid costs and other assets	6,926							6,926
Total Current Assets	1,085,276		1,234,362	457,907	83,161			2,860,706
Noncurrent Assets:								
Restricted cash and investments	67,812	$ 532,504	5,050,314	1,432	252,872	$ 9,708,757	$ 816,630	16,430,321
Total Noncurrent Assets	67,812	532,504	5,050,314	1,432	252,872	9,708,757	816,630	16,430,321
TOTAL ASSETS	$ 1,153,088	$ 532,504	$ 6,284,676	$ 459,339	$ 336,033	$ 9,708,757	$ 816,630	$ 19,291,027
LIABILITIES								
Current Liabilities:								
Accounts payable	$ 20,017							$ 20,017
Accrued payroll taxes and benefits	19,693							19,693
Unearned revenues	679,151							679,151
Allocations payable to other governments		$ 454,612		$ 459,339	$ 336,033			1,249,984
TOTAL CURRENT LIABILITIES	718,861	454,612		459,339	336,033			1,968,845
FUND BALANCE								
Nonspendable	3,915							3,915
Restricted for:								
Operations reserve			$ 305,000					305,000
Pedestrian and bikeway projects			390,223					390,223
Transportation projects		77,892	1,589,453					1,667,345
Zero-emission buses and infrastructure						$ 9,708,757	$ 816,630	10,525,387
Contingencies			4,000,000					4,000,000
Unrestricted	430,312							430,312
TOTAL FUND BALANCE	434,227	77,892	6,284,676			9,708,757	816,630	17,322,182
TOTAL LIABILITIES AND FUND BALANCE	$ 1,153,088	$ 532,504	$ 6,284,676	$ 459,339	$ 336,033	$ 9,708,757	$ 816,630	$ 19,291,027

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

EL DORADO COUNTY TRANSPORTATION COMMISSION

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEETS
TO THE GOVERNMENT-WIDE STATEMENT OF NET POSITION

June 30, 2026

Fund balance - governmental funds, June 30, 2026	$ 17,322,182
Amounts reported for governmental activities in the statement of net position are different from those reported in the governmental funds above because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.	6,413
Lease liability, and related right of use asset, is not due and payable in the current period and therefore are not reported in the fund statements.	
Right of use asset	43,579
Lease liability	(102,920)
Pension and OPEB contributions subsequent to the valuation measurement date and other items will reduce the pension and OPEB liability in the future and are reported as deferred outflows of resources on the statement of net position.	
Pension plan	216,785
OPEB plan	5,756
Certain long-term assets and liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds:	
Compensated absences	(168,111)
Net pension liability	(471,872)
Net other postemployment benefits asset	47,986
Employee pension and OPEB differences to be recognized in the future as pension and OPEB expense are reported as deferred inflows of resources on the statement of net position.	
Pension plan	(77,094)
OPEB plan	(47,019)
Net position - governmental activities, June 30, 2026	$ 16,775,685

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

EL DORADO COUNTY TRANSPORTATION COMMISSION

STATEMENTS OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS

For the Year Ended June 30, 2026

	General Fund	Major Special Revenue Funds						
	Planning and Administration	Surface Transportation Block Grant Program Fund	Local Transportation Fund	State Transit Assistance Fund	State of Good Repair Fund	TIRCP Fund	ZETCP Fund	Total Governmental Funds
REVENUES:								
Sales taxes			$ 7,200,804	$ 1,807,607	$ 329,420			$ 9,337,831
State subvention allocation	$ 455,861							455,861
State transportation improvement program	56,817							56,817
Freeway Service Patrol Income	205,725							205,725
Other intergovernmental revenues	70,222							70,222
Interest income	32,047		197,872	3,078	6,613	$ 377,790	$ 31,776	649,176
Other	6,183							6,183
Surface Transportation Block Grant Program		$ 1,064,249						1,064,249
TOTAL REVENUES	826,855	1,064,249	7,398,676	1,810,685	336,033	377,790	31,776	11,846,064
EXPENDITURES:								
Salaries and benefits	928,176							928,176
Professional services	193,933							193,933
Freeway Service Patrol	175,429							175,429
Rents, leases and building maintenance	14,017							14,017
Office and other operating	31,162							31,162
Memberships and publication	6,788							6,788
Local mileage and travel	5,356							5,356
Staff development	4,983							4,983
Communications	13,229							13,229
Insurance	11,225							11,225
Transportation services			6,116,668	1,810,685	336,033			8,263,386
Road maintenance		1,189,169						1,189,169
Planning and administration			12,000					12,000
Capital outlay	5,106							5,106
Debt service								
Principal	46,317							46,317
Interest and other charges	8,979							8,979
TOTAL EXPENDITURES	1,444,700	1,189,169	6,128,668	1,810,685	336,033			10,909,255
(DEFICIENCY) EXCESS OF REVENUES OVER EXPENDITURES	(617,845)	(124,920)	1,270,008			377,790	31,776	936,809
OTHER FINANCING SOURCES (USES)								
Transfers in	682,490							682,490
Transfers out			(682,490)					(682,490)
TOTAL OTHER FINANCING SOURCES (USES)	682,490		(682,490)					
NET CHANGE IN FUND BALANCE	64,645	(124,920)	587,518			377,790	31,776	936,809
Fund balance, beginning of year	369,582	202,812	5,697,158			9,330,967	784,854	16,385,373
FUND BALANCE, END OF YEAR	$ 434,227	$ 77,892	$ 6,284,676	$ -	$ -	$ 9,708,757	$ 816,630	$ 17,322,182

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

EL DORADO COUNTY TRANSPORTATION COMMISSION

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES TO THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2026

Net change in fund balance - governmental funds	$ 936,809
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.	
Depreciation expense	(1,232)
Capital outlay	5,106
Lease payments reduce long-term liabilities in the statement of net position. Right of use asset is recorded in the statement of activities and is allocated over the life of the lease as amortization expense.	
Amortization - right of use asset	(43,580)
Principal payments on lease liability	46,317
Changes in certain expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	
Change in compensated absences liability	(31,793)
Change in net pension liability and related deferred inflows and outflows	22,449
Change in net other postemployment benefits liability and related deferred inflows and outflows	(340)
Change in net position - governmental activities	$ 933,736

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

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the El Dorado County Transportation Commission (Commission) have been prepared in conformity with generally accepted accounting principles as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the Commission's accounting policies are described below.

Description of Reporting Entity: The Commission was created pursuant to Section 29532(b) of the Government Code as a local transportation commission for the western slope of El Dorado County, excluding the portion of the County within the Tahoe Regional Planning Agency boundaries, on July 23, 1975. A Joint Exercise of Powers Agreement was signed between El Dorado County and the City of Placerville whereby the Commission would operate as a Joint Powers Agency pursuant to Section 6500 of the California Government Code and would be administratively separated from the County. The Commission's operations were separated from El Dorado County on January 1, 1994. The Commission's responsibilities include establishing rules and regulations to provide for administering transportation planning and allocating the Local Transportation Fund, State Transit Assistance Fund and State of Good Repair Fund in accordance with the applicable sections of the Government Code, Public Utilities Code and Administrative Code included within the Transportation Development Act as well as Transit and Intercity Rail Capital Program (TIRCP) and Zero-Emission Transit Capital Program (ZETCP) Funds in accordance with Senate Bill (SB) 125. The Commission is also responsible for administering the regional transportation planning process, updating the Regional Transportation Plan and the Regional Transportation Improvement Program, working with the Sacramento Area Council of Governments to determine air quality conformity of transportation plans, programs and projects, administering the Freeway Service Patrol program and administering the Airport Land Use Commission of El Dorado County (the ALUC).

The Commission is composed of nine members: four appointed by the El Dorado County Board of Supervisors, three appointed by the City Council of Placerville, and two non-voting ex-officio members, one from the City of South Lake Tahoe and one from Caltrans.

The Commission has one blended component unit, the ALUC. The ALUC provides technical and advisory support on airport land use planning issues for the existing local County of El Dorado airport facilities. The ALUC is reported on a blended basis due to the governing body of the Commission serving as the governing body of the ALUC and the Commission being able to impose its will on the ALUC. The ALUC had no significant activity during the year ended June 30, 2026.

Basis of Presentation – Government-wide Financial Statements: The government-wide financial statements (i.e., the statement of net position and statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Nonexchange revenues are recognized when all eligibility requirements have been met. Cost reimbursement grant revenues are recognized when program expenses are incurred in accordance with program guidelines. When nonexchange revenues are received before eligibility requirements are met, they are reported as unearned revenue until earned. Sales tax revenue is recorded as revenue when the appropriation becomes effective which is in the same fiscal year as the sales taxes are collected by the State of California.

Basis of Presentation – Fund Financial Statements: The accounts of the Commission are organized on the basis of funds. A fund is a separate accounting entity with a self-balancing set of accounts. Each fund is established for the purpose of accounting for specific activities in accordance with applicable regulations, restrictions, or limitations. Major individual governmental funds are reported as separate columns in the fund financial statements. The Commission considers all of its Special Revenue Funds to be major funds.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Commission considers grant revenues to be available if they are collected within 180 days of the end of the current fiscal period. All other revenues are considered to be available if they are collected within 120 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual basis accounting, except for compensated absences and termination benefits, which are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds.

The Commission reports the following major governmental funds:

General Fund – The General Fund (Planning and Administration) is the general operating fund of the Commission and accounts for revenues collected to provide services and finance the fundamental operations of the Commission. The fund is charged with all costs of operations not reported in another fund.

Special Revenue Funds – Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. In its capacity as a Regional Transportation Planning Agency, the Commission is responsible for the administration of several special revenue funds which provide funding for transportation planning, transit operations, pedestrian and bicycle facilities and street and roads maintenance and improvements. The following Special Revenue Funds are considered to be major funds:

Surface Transportation Block Grant Program Fund: The Surface Transportation Block Grant Program Fund represents an apportionment under the Federal Transportation Bill whereby the Commission allocates funds to agencies for projects included in the adopted Federal Statewide Transportation Improvement Program.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Local Transportation Fund: The Local Transportation Fund represents revenues generated from a ¼ cent sales tax imposed by the State of California pursuant to the Transportation Development Act. Agencies file claims with the Commission for the monies and allocations are made for planning, transit, pedestrian, bicycle, streets and roads purposes. The Commission reviews the claims, determines the agency's eligibility to receive funds, and, upon approval, allocates the funds to the agencies.

State Transit Assistance Fund: The State Transit Assistance (STA) Fund represents revenues earned based on a portion of the State gasoline tax. Funds for the program are provided by the State from the statewide sales tax on motor vehicle fuel (gasoline) and use fuel (diesel). The money is appropriated to the State Controller's Office and is then allocated by formula to each designated regional planning and programming agency. The formula allocates 50% of the funds based upon population of the region compared to the population of the State, and the remaining 50% is based upon transit operator revenues for the prior fiscal year compared with statewide transit operator revenues. Agencies file claims with the Commission for the monies and allocations are made solely for transit related projects.

State of Good Repair Fund: The State of Good Repair (SGR) Fund represents revenue generated from a portion of the new Transportation Improvement Fee on vehicle registrations created by Senate Bill 1, the Road Repair and Accountability Act of 2017. The fee is provided by the Commission to eligible agencies under the SGR Program. SGR fees are available for capital assistance to rehabilitate and modernize existing local transportation systems, including the purchase of new vehicles and the maintenance and rehabilitation of transit facilities and vehicles.

Transit and Intercity Rail Capital Program Fund: The Transit and Intercity Rail Capital Program (TIRCP) was created by Senate Bill (SB) 862 (Chapter 36, Statutes of 2014) and modified by SB 9 (Chapter 710, Statutes of 2015), to provide grants from the State of California 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.

The Commission reports the following non-major governmental fund:

Zero-Emission Transit Capital Program Fund: AB 102 (Chapter 38, Statutes of 2023) and SB 125 (Chapter 54, Statutes of 2023) amended the Budget Act of 2023 to appropriate $4,000,000,000 of funding from the State of California General Fund to the TIRCP over the next two fiscal years as well as $910,000,000 of GGRF funding and $190,000,000 of PTA funding over the next four fiscal years to establish the Zero-Emission Transit Capital Program (ZETCP). SB 125 authorizes the use of ZETCP funding for zero-emission transit equipment, including, but not limited to, zero-emission vehicles and refueling infrastructure and to fund transit operating expenditures that prevent service reduction or elimination in order to maintain or increase ridership, including ensuring the safety and state of good repair of the vehicles and infrastructure necessary to operate service, as well as those that pay for free and reduced fare programs. Planning efforts necessary to implement one or more of the Innovative Clean Transit Plan efforts within the region, and planning expenses related to implementation of ridership recovery and retention strategies, may be programmed as operating expenses out of the PTA portion of funds disbursed to each planning agency.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Restricted Cash and Investments: The amount reported as restricted cash and investments consist of balances held in special revenue funds for specific transportation projects and funds deposited into a Section 115 plan trust.

Due from Other Governments: Due from other governments consists mainly of amounts due from state and federal agencies under grant agreements and other revenue sources. Management believes these amounts to be fully collectible and, accordingly, no allowance for doubtful accounts is required.

Capital Assets: Capital assets for governmental fund types of the Commission are not capitalized in the funds used to acquire or construct them. Capital acquisitions are reflected as expenditures in the governmental fund, and the related assets are reported in the government-wide financial statements at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at the acquisition value, which is the price that would be paid to acquire an asset with equivalent service potential in an orderly market transaction at the acquisition date. Capital assets are defined as assets with an initial cost of $1,000 or more and an estimated useful life in excess of one year. Provision is made for depreciation by the straight-line method over the estimated useful lives of these individual assets, which range from three to ten years for office furniture and equipment and fifteen years for leasehold improvements. 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.

Right-to-use lease assets are recognized at the lease commencement date and represent the Commission's right to use an underlying asset for the lease term. Right-to-use lease assets are measured at the initial value of the lease liability plus any payments made to the lessor before commencement of the lease term, less any lease incentives received from the lessor at or before the commencement of the lease term, plus any initial direct costs necessary to please the lease asset into service. Right-to-use assets are amortized over the shorter of the lease term or useful life of the underlying asset using the straight-line method.

Unearned Revenues: Unearned revenues arise when resources are received before the Commission has legal claim to them (i.e., when grant monies are received prior to the incurrence of qualifying expenses). Unearned revenues at June 30, 2026 in the General Fund mainly consisted of State Transportation Improvement Program (STIP) revenue and Surface Transportation Block Grant Program revenue received prior to the incurrence of qualifying expenses.

Compensated Absences: The Commission's personnel policy allows employees to accumulate earned but unused vacation and sick leave, which will be paid to employees upon separation from the Commission's service, subject to a vesting policy that ranges from 20% after five years of service up to 100% after 20 years of service and a maximum of 500 hours.

The Commission accrues 100% of vacation and the portion of sick leave available to be paid and expected to be used for time-off. The cost of vacation and sick leave is recognized in the period earned by the employee in the government-wide statements. Amounts that are expected to be liquidated with expendable available financial resources, for example, as a result of employee resignations or retirements that are currently payable, are reported as expenditures and liability of the governmental fund that will pay it. Amounts not expected to be liquidated with expendable available financial resources represent a reconciling item between the fund and government-wide statements. No expenditure is reported in the governmental fund financial statements for these amounts.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Pension Plan: For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to the pension plan, and pension expense, information about the fiduciary net position of the Commission's California Public Employees' Retirement System (CalPERS) plan (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.

Other Postemployment Benefits (OPEB): For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the OPEB plan and additions to/deductions from the OPEB plan's fiduciary net position have been determined on the same basis. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Lease Liability: Lease liabilities represent the Commission's obligation to make lease payments arising from the lease. Lease liabilities are recognized at the lease commencement date based on the present value of future lease payments expected to be made during the lease term. The present value of lease payments are discounted based on a borrowing rate determined by the Commission.

Fund Balance: In the fund financial statements, governmental funds report nonspendable, restricted, committed, assigned and unassigned balances.

Nonspendable Funds – Fund balance should be reported as nonspendable when the amounts cannot be spent because they are either not in spendable form, or are legally or contractually required to be maintained intact. Nonspendable balances are not expected to be converted to cash within the next operating cycle, which include prepaid costs.

Restricted Funds – Fund balance should be reported as restricted when constraints placed on the use of resources are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation. The purpose of each restriction is listed on the face of the balance sheet.

Committed Funds – Fund balance should be reported as committed when the amounts can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority, which is by resolution of the Commission. These amounts cannot be used for any other purpose unless the governing body modifies or removes the fund commitment.

Assigned Funds – Fund balance should be reported as assigned when the amounts are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed.

Unassigned Funds – Unassigned fund balance is the residual classification of the Commission's funds and includes all spendable amounts that have not been restricted, committed, or assigned to specific purposes.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Net Position: The government-wide financial statements present net position. Net position is categorized as the net investment in capital assets, restricted, committed and unrestricted.

Investment in Capital Assets – This category groups all capital assets into one component of net position. Accumulated depreciation reduces the balance in this category.

Restricted Net Position – This category presents external restrictions imposed by creditors, grantors, contributors, laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Position – This category represents net position of the Commission not restricted for any project or other purpose.

When both restricted and unrestricted resources are available for use, it is the Commission's policy to use restricted resources first, then unrestricted resources as they are needed. When an expenditure is incurred for which committed, assigned or unassigned fund balances are available, the Commission considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Commission has provided otherwise in its commitment or assignment actions.

Deferred Outflows and Inflows of Resources: In addition to liabilities, the statement of net position reports separate sections for deferred outflows and deferred inflows of resources. *Deferred outflows of resources* represent a consumption of net position by the government that is applicable to a future reporting period. *Deferred inflows of resources* represent an acquisition of net position that is applicable to a future reporting period. These amounts will not be recognized as an outflow of resources (expense) or an inflow of resources (revenue) until the earning process is complete. Deferred outflows and inflows of resources represent amounts deferred related to the Commission's pension and OPEB plan as described in Notes F and G.

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

New Pronouncements: The Commission implemented GASB Statement No. 103, *Financial Reporting Model Improvements* during the year ended June 30, 2026, which resulted in changes to the Management's Discussion and Analysis and Budgetary Comparison Schedule.

NOTE B – CASH AND INVESTMENTS

At June 30, 2026, the Commission's pooled cash and investments are classified in the accompanying financial statements as follows:

Governmental Activities	
Cash and investments	$ 924,531
Restricted cash and investments	16,430,321
Total cash and investments	$ 17,354,852

The Commission's cash and investments as of June 30, 2026 are as follows:

Bank deposits	$ 1,148,908
Local Agency Investment Account (LAIF)	308,127
County cash and investments pool	15,830,005
Investments held by pension trust CEPPT	67,812
Total cash and investments	$ 17,354,852

Investment Policy: California statutes, and the Joint Exercise of Powers Agreement establishing the Commission discussed in Note A, authorize governmental agencies to invest surplus funds in a variety of credit instruments as provided in the California Government Code, Section 53600, Chapter 4 – Financial Affairs. The Commission's investment policy further limits its investments to bank deposits, including certificates of deposit, and investments in the Local Agency Investment Fund (LAIF).

Investment in the County of El Dorado Cash and Investments Pool: A portion of the Commission's Special Revenue Funds cash and investments is invested in the County of El Dorado (the County) cash and investments pool, which is managed by the County Treasurer. On a monthly basis, the Treasurer allocates interest to participants based upon their average daily balances. Required disclosure information regarding categorization of investments and other deposit and investment risks applicable to the County's cash and investments pool may be found in the County's Annual Comprehensive Financial Report (ACFR). The County's ACFR may be obtained by contacting the County of El Dorado Auditor-Controller's Office at 360 Fair Lane, Placerville, CA.

The County's Treasury Oversight Committee oversees the Treasurer's investments and policies. The value of the pool shares in the County's cash and investments pool that may be withdrawn is determined on an amortized cost basis, which is different than the fair value of the Commission's position in the pool. Investments held in the County's cash and investments pool are available on demand, and without restrictions, and are stated at amortized cost, which approximates fair value.

Investment in LAIF: LAIF is stated at amortized cost, which approximates fair value. The LAIF is a special fund of the California State Treasury through which local governments may pool investments. The total fair value amount invested by all public agencies in LAIF was $193,568,322,617, which is managed by the State Treasurer. The Local Investment Advisory Board (the Board) has oversight responsibility for LAIF. The Board consists of five members as designated by State Statute. The fair value of the Commission's investment in this pool is reported in the accompanying financial statements at amounts based upon the Commission's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis.

NOTE B – CASH AND INVESTMENTS (Continued)

Investments in Pension Trust: The Commission established a Section 115 trust account with CalPERS entitled California Employer's Pension Prefunding Trust (CEPPT) to hold assets that are legally restricted for use in administering the Commission's pension plan. Trust account holders can select from two strategy options for investments. The Commission has invested in both the asset allocation Strategy 1 and 2 portfolios. Both portfolios seek to provide capital appreciation and income, but the Strategy 1 portfolio has a higher allocation to equities than bond.

Interest Rate Risk: Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. As of June 30, 2026, the weighted average maturity of the investment in the County's cash and investments pool was approximately 676 days and LAIF investments pool was approximately 269 days.

Credit Risk: Generally credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The County's cash and investments pool and LAIF does not have a rating provided by a nationally recognized statistical rating organization.

Custodial Credit Risk: Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of a failure of the counter party (e.g. broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure public agency deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. Custodial credit risk does not apply to a local government's indirect deposits or investment in securities through the use of governmental investment pools (such as the County's cash and investments pool).

At June 30, 2026, the carrying amount of the Commission's deposits was $1,148,908 and the balance in financial institutions was $1,148,908. Of the balance in financial institutions, $250,000 was covered by federal depository insurance and $898,908 was covered by the pledging financial institution with assets held in a common pool for the Commission and other governmental agencies, but not in the name of the Commission.

NOTE C – CAPITAL ASSETS

Capital asset activity consisted of the following for the year ended June 30, 2026:

	Balance June 30, 2025	Additions	Retirements	Balance June 30, 2026
Capital assets, being depreciated:				
Leasehold improvements	$ 46,815			$ 46,815
Office furniture and equipment	50,419	$ 5,106	$ (570)	54,955
Total capital assets, being depreciated	97,234	5,106	(570)	101,770
Intangible Right-to-Use assets:				
Leased building	305,050			305,050
Total capital assets, being depreciated/amortized	402,284	5,106	(570)	406,820
Accumulated depreciation:				
Leasehold improvements	(46,815)			(46,815)
Office furniture and equipment	(47,878)	(1,232)	570	(48,540)
Total accumulated depreciation	(94,693)	(1,232)	570	(95,355)
Accumulated amortization:				
Leased building	(217,893)	(43,580)		(261,473)
Total depreciation/amortization	(312,586)	(44,812)	570	(356,828)
Governmental activities capital assets, net	$ 89,698	$ (39,706)	$ -	$ 49,992

Depreciation and amortization expense was $44,812 during the year ended June 30, 2026, and was allocated entirely to planning and administration.

NOTE D – LONG-TERM LIABILITIES

Long-term liability activity consisted of the following for the year ended June 30, 2026:

	Balance July 1, 2025	Additions	Retirements	Balance June 30, 2026	Current Portion
Compensated absences	$ 136,318	$ 31,793		$ 168,111	$ 101,641
Lease liability	149,237		$ (46,317)	102,920	49,665
Net pension liability	604,292		(132,420)	471,872	
	$ 889,847	$ 31,793	$ (178,737)	$ 742,903	$ 151,306

NOTE E – LEASE LIABILITY

The Commission leases its administrative facility under a 2006 lease that has been extended through June 30, 2028. For the purposes of discounting future payments on the lease, the Commission used a discount rate of 7%, which represents the Commission's estimated incremental borrowing rate. The total amount of lease assets for the year ended June 30, 2026 was $305,050, and related accumulated amortization was $261,471. The intangible right of use asset is being amortized over 7 years, the remaining term of the

NOTE E – LEASE LIABILITY (Continued)

lease, including option periods. Amortization expense was $43,580 and interest expense was $8,979 during the year ended June 30, 2026. Minimum lease payments over the remaining term of the lease include:

Fiscal year ending June 30,	Principal	Interest
2027	$ 49,665	$ 5,631
2028	53,255	2,041
	$ 102,920	$ 7,672

NOTE F – PENSION PLAN

Plan Description: All qualified permanent and probationary employees are eligible to participate in the Commission's cost-sharing multiple employer defined benefit pension plan administered by the California Public Employees' Retirement System (CalPERS). The Commission participates in the Miscellaneous Risk Pool and the following rate plans:

- Miscellaneous Rate Plan
- PEPRA Miscellaneous Rate Plan

Benefit provisions under the Plan are established by State statute and Commission resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website at www.calpers.ca.gov.

Benefits Provided: CalPERS provides service retirement and disability benefits, annual cost of living adjustments 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. Members with five years of total service are eligible to retire at age 50 (52 for PEPRA Miscellaneous Rate Plan) with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 5 years of service. The death benefit is one of the following: the 1959 Survivor Benefit level 4, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

The Plan's provisions and benefits in effect at June 30, 2026, are summarized as follows:

	Miscellaneous	PEPRA Miscellaneous
Hire date	Prior to January 1, 2013	On or after January 1, 2013
Benefit formula (at full retirement)	2.0% @ 55	2.0% @ 62
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	50 - 63	52 - 67
Monthly benefits, as a % of eligible compensation	1.43% to 2.42%	1.0% to 2.5%
Required employee contribution rate	7.00%	7.75%
Required employer contribution rate	12.58%	7.96%

NOTE F – PENSION PLAN (Continued)

In addition to the contribution rates above, the Commission was also required to make a payment of $56,315 toward its unfunded actuarial liability during the year ended June 30, 2026. The Commission has two employees in the PEPRA Miscellaneous Rate Plan at June 30, 2026.

The Miscellaneous Rate Plan is closed to new members that are not already CalPERS participants.

Contributions: Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The Commission is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

The contributions for the Plan were $129,960 for the year ended June 30, 2026.

Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources: As of June 30, 2026, the Commission reported a net pension liability for its proportionate share of the net pension liability of $471,872.

The Commission's net pension liability is measured as the proportionate share of the net pension liability. The net pension liability as of June 30, 2026 is measured as of June 30, 2025, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2024 rolled forward to June 30, 2025 using standard update procedures. The Commission's proportion of the net pension liability was based on a projection of the Commission's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.

The Commission's proportionate share of the net pension liability for the Plan as of June 30, 2026 and 2025 was as follows:

	Miscellaneous
Proportion - June 30, 2026	0.01183%
Proportion - June 30, 2025	0.01249%
Change - Increase (Decrease)	-0.00066%

For the year ended June 30, 2026, the Commission recognized pension expense of $107,512 for the Plan. At June 30, 2026, the Commission reported deferred outflows of resources and deferred inflows of resources related to the Plan from the following sources:

NOTE F – PENSION PLAN (Continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	$ 129,960	
Differences between actual and expected experience	56,542	
Differences between the employer's contribution and the employer's proportionate share of contributions	2,801	$ (13,245)
Change in employer's proportion	27,482	
Net differences between projected and actual earnings on plan investments		(63,849)
Total	$ 216,785	$ (77,094)

The amount reported as deferred outflows of resources related to contributions subsequent to the measurement date above will be recognized as a reduction of the net pension liability in the next fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended June 30	
2027	$ 69,266
2028	(8,633)
2029	(26,528)
2030	(24,374)
	$ 9,731

Actuarial Assumptions: The total pension liability in the actuarial valuation for the Plan was determined using the following actuarial assumptions:

Valuation Date	June 30, 2024
Measurement Date	June 30, 2025
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate (1)	6.90%
Inflation	2.30%
Projected Salary Increase	Varies by age and service
Mortality	Derived using CalPERS Membership Data for all Funds

(1) Net of pension plan investment expenses, including inflation

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 F – PENSION PLAN (Continued)

Discount Rate: The discount rate used to measure the total pension liability was 6.90%. To determine whether the municipal bond rate should be used in the calculation of a discount rate for the plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long-term expected discount rate is applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed report that can be obtained from the CalPERS website.

In determining the long-term expected rate of return, CalPERS took into account long-term market return expectations as well as the expected pension fund cash flows. Projected returns for all asset classes are estimated and, combined with risk estimates, are used to project compound (geometric) returns over the long term. The discount rate used to discount liabilities was informed by the long-term projected portfolio return.

The following table reflects the long-term expected real rate of return by asset class for the Plan. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These rates of return are net of administrative expenses.

Asset Class	New Strategic Allocation (1)	Real Return Real Return (2)
Public Equity	37.00%	4.56%
Private Equity	17.00%	5.56%
Fixed Income	28.00%	2.53%
Real Assets	15.00%	3.03%
Private Debt	8.00%	4.93%
Strategic Leverage	-5.00%	1.40%
Total	100.0%	

(1) Figures are based on the 2024 Mid-Cycle Asst Liability Management Study.

(2) An expected inflation of 2.3% used for this period.

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate: The following presents the Commission's proportionate share of the net pension liability for the Plan, calculated using the discount rate for the Plan, as well as what the Commission's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	Miscellaneous
1% Decrease	5.90%
Net Pension Liability	$ 1,008,307
Current Discount Rate	6.90%
Net Pension Liability	$ 471,872
1% Increase	7.90%
Net Pension Liability	$ 30,392

Pension Plan Fiduciary Net Position: Detailed information about the Plan's fiduciary net position is available in the separately issued CalPERS financial reports.

NOTE G – OTHER POSTEMPLOYMENT BENEFITS (OPEB)

Plan Description: The Commission provides an agent-multiple employer defined benefit postemployment healthcare benefits plan (the Plan). Benefit provisions are established and may be amended by the Commission. Healthcare benefits are provided to eligible retirees and their dependents through the California Public Employees' Retirement System healthcare program (PEMHCA). The Plan is administered by CalPERS through the California Public Employers' Retiree Benefit Trust (CERBT) Fund. The CERBT is a tax-qualified irrevocable trust organized under Internal Revenue Code Section 115 to administer retiree healthcare benefits and collectively invest plan assets of all trust members. CERBT issues financial statements that may be obtained from the CalPERS website at www.calpers.ca.gov. The Commission's Plan does not issue publicly available financial statements.

Benefits Provided: The Commission provides a retiree medical contribution for employees who retire within 120 days of separation from the Commission under CalPERS at 55 years of age and after 5 years of service. The Commission's contribution is capped at the CalPERS Minimum Employer Contribution, which was $1,896 for fiscal year 2026. Retirees may enroll in Commission sponsored medical plans and may cover dependents. The benefit continues to surviving spouses and dependents. No other benefits are offered.

Employees Covered by Benefit Terms: At June 30, 2026, the benefit terms covered the following employees:

Inactive employees or beneficiaries currently receiving benefit payments:	1
Inactive employees entitled to but not yet receiving benefit payment:	3
Active employees	4
Total	8

Contributions: The Commission's contributions to the plan are actuarially determined. Employees pay the difference between the benefit they receive and the monthly premium. During the year ended June 30, 2026, the Commission's benefit payments were $1,920. No contributions were made to the trust.

Net OPEB Liability: The Commission's net OPEB liability was measured as of June 30, 2026, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2025.

Actuarial Assumptions: The total OPEB liability at June 30, 2026 was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50%
Payroll growth	2.75% per year
Investment rate of return	6.75%
Discount rate	6.75%
Pre-retirement turnover	Derived using CalPERS membership data
Healthcare trend rate	4.00%
Mortality rate	Derived using CalPERS membership data

The mortality assumptions are based on the 2021 CalPERS Mortality for Miscellaneous and Schools Employees table created by CalPERS. The discount rate and healthcare trend rates were not changed from the rates used at the June 30, 2025 measurement date.

NOTE G – OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of the arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Rate of Return
Global equity	49.0%	7.25%
Fixed income	23.0%	4.25%
Treasury inflation protection securities	5.0%	3.00%
Commodities	3.0%	7.25%
Real estate investment trusts	20.0%	7.25%
Total	100.0%	

Discount Rate: The discount rate used to measure the total OPEB liability was 6.75% at June 30, 2026. This rate is the expected long-term rate of return on Commission assets using investment strategy 1 within the CERBT. The projection of cash flows used to determine the discount rate assumed that the Commission's contribution will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to cover all future OPEB payments. Therefore, the discount rate was set equal to the long-term expected rate of return.

Changes in the Net OPEB Liability/(Asset)

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability/(Asset)
Balance at June 30, 2025.	$ 145,907	$ 180,342	$ (34,435)
Changes for the year:			
Service cost	7,236		7,236
Interest	10,042		10,042
Net investment income		12,104	(12,104)
Investment Gains/(Losses)		19,270	(19,270)
Benefit payments, including refunds of employee contributions	(1,920)	(1,920)	-
Expected benefit payments from employer	408		408
Administrative expenses		(137)	137
Net changes	15,766	29,317	(13,551)
Balance at June 30, 2026	$ 161,673	$ 209,659	$ (47,986)

NOTE G – OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate: The net OPEB liability (asset) of the Commission, as well as what the Commission's net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher follows:

	1% Decrease 5.75%	Discount Rate 6.75%	1% Increase 7.75%
Net OPEB asset	$ (29,948)	$ (47,986)	$ (63,510)

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates: The net OPEB liability (asset) of the Commission, as well as what the Commission's net OPEB liability (asset) would be if it were calculated using healthcare cost trend rates that are one percentage point lower or one percentage point higher than current healthcare cost trend rates follows:

	1% Decrease 3.00%	Trend Rates 4.00%	1% Increase 5.00%
Net OPEB asset	$ (69,168)	$ (47,986)	$ (22,628)

OPEB Plan Fiduciary Net Position: Detailed information about the OPEB plan's fiduciary net position is available in the separately issued CERBT financial report at www.calpers.ca.gov.

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources: For the year ended June 30, 2026, the Commission recognized OPEB expense of $340. At June 30, 2026, the Commission reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between actual and expected experience	$ 352	$ (23,829)
Changes in assumptions	5,404	(224)
Net differences between projected and actual earnings on plan investments		(22,966)
Total	$ 5,756	$ (47,019)

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

Fiscal year ending June 30,	
2027	$ (11,097)
2028	(10,643)
2029	(9,518)
2030	(7,124)
2031	(2,263)
Thereafter	(618)
	$ (41,263)

NOTE G – OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

Recognition of Deferred Outflows and Deferred Inflows of Resources: Gains and losses related to changes in total OPEB liability and fiduciary net position are recognized in OPEB expense systematically over time. Amounts are first recognized in OPEB expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to OPEB and are to be recognized in future OPEB expense.

The recognition period differs depending on the source of the gain or loss. The net difference between projected and actual earnings on OPEB plan investments is recognized over 5 years. All other amounts are recognized over the expected average remaining service lifetime (EARSL), which was 7.3 years at June 30, 2026.

NOTE H – INTERFUND TRANSFERS

Interfund transfers are used to move revenues from a fund that is required by statue to receive them to a fund that statue or budget requires to expend them. During the fiscal year, the Local Transportation Fund transferred $682,490 to the Planning Administration Fund as part of the annual allocation of local transportation funds to support transportation planning and Transportation Development Act administration.

NOTE I – CONTINGENCIES

Grant Contingency: The Commission receives grant funding for specific purposes that are subject to review and audit by the granting agencies. Such audits could result in a request for reimbursement for expenditures disallowed under the terms and conditions of the contracts. Management is of the opinion that no material liabilities will result from such potential audits.

Concentration: The Commission receives a significant amount of its General Fund revenues from LTF and state subvention funds. A loss of these revenue sources would have a significant impact on the Commission's activities.

NOTE J – RISK FINANCING

The Commission is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage for the past three years. There were no significant reductions in insurance coverage from coverage in the prior year.

NOTE K – SUBSEQUENT EVENT

As provided for by Senate Bill 125 and Assembly Bill 102, appropriations were made to the State budget to provide funding for the Transit and Intercity Rail Capital Program (TIRCP) and the Zero-Emissions Transit Capital Program (ZETCP). The Commission's share of the funding under these programs is $20,801,115 to cover fleet conversion for El Dorado County Transit Authority, of which $10,057,638 has been received as of June 30, 2026. This funding is expected to be received over the next four fiscal years.

(This page intentionally left blank.)

REQUIRED SUPPLEMENTARY INFORMATION

(This page intentionally left blank.)

EL DORADO COUNTY TRANSPORTATION COMMISSION

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND

For the Year Ended June 30, 2026

	Budgeted Amounts		Variance with Original Budget Over (Under) Final Budget	Actual Amounts	Variance With Final Budget Over (Under) Actual
	Original	Final			
REVENUES:					
State subvention allocation	$ 495,813	$ 493,426	$ 2,387	$ 455,861	$ (37,565)
State transportation improvement program	52,000	65,317	(13,317)	56,817	(8,500)
Freeway Service Patrol Income	201,069	207,384	(6,315)	205,725	(1,659)
Surface Transportation Block Grant Allocation	12,404	1,621	10,783		(1,621)
Other intergovernmental revenues	70,562	64,545	6,017	70,222	5,677
Interest income				32,047	32,047
Other	1,500	4,000	(2,500)	6,183	2,183
TOTAL REVENUES	833,348	836,293	(2,945)	826,855	(9,438)
EXPENDITURES:					
Salaries and benefits	961,131	961,025	106	928,176	(32,849)
Professional services	235,559	240,853	(5,294)	193,933	(46,920)
Freeway Service Patrol	181,000	177,000	4,000	175,429	(1,571)
Leases and building maintenance	15,635	15,635		14,017	(1,618)
Office and other operating	30,769	33,232	(2,463)	31,162	(2,070)
Memberships and publication	8,700	7,904	796	6,788	(1,116)
Local mileage and travel (staff and Commissioners)	11,000	11,000		5,356	(5,644)
Staff development	9,000	9,000		4,983	(4,017)
Communications	13,872	13,632	240	13,229	(403)
Insurance	9,700	10,000	(300)	11,225	1,225
Capital outlay				5,106	5,106
Debt Service:					
Principal	46,317	46,317		46,317	
Interest and other charges	8,979	8,979		8,979	
TOTAL EXPENDITURES	1,531,662	1,534,577	(2,915)	1,444,700	(89,877)
(DEFICIENCY) EXCESS OF REVENUES OVER EXPENDITURES	(698,314)	(698,284)	(30)	(617,845)	80,439
OTHER FINANCING SOURCES					
Transfers in	682,490	682,490		682,490	
TOTAL OTHER FINANCING SOURCES	682,490	682,490		682,490	
NET CHANGE IN FUND BALANCE	(15,824)	(15,794)	(30)	64,645	80,439
Fund balance, beginning of year	369,582	369,582		369,582	
FUND BALANCE, END OF YEAR	$ 353,758	$ 353,788	$ (30)	$ 434,227	$ 80,439

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

EL DORADO COUNTY TRANSPORTATION COMMISSION

NOTES TO REQUIRED SUPPLEMENTARY INFORMAITON

BUDGETARY COMPARISONS

June 30, 2026

1. Budgetary basis of accounting

The Commissioners approve all budgeted revenues and expenditures for the General Fund. The Commission does not legally adopt annual budgets for the Surface Transportation Block Grant Program Fund, Local Transportation Fund, State Transit Assistance, State of Good Repair, TIRCP and ZETCP Special Revenue Funds. Budgeted revenues and expenditures represent the original budget, as approved by the Commissioners, and the final budget, which includes modifications of the original budget through amendments approved by either the Executive Director or the Commissioners during the year. Amendments which alter total expenditures within the General Fund require approval of the Commissioners.

2. Budget to actual variances

Revenue

State subvention allocation: Actual less than budgeted due to approximately $32,000 in Rural Planning Assistance which will be carried over into FY 2026/27.

Interest including California Employers' Pension Prefunding Trust Funds: Interest not included in budget. Actual amounts increased this year due to investment in Local Agency Fund and higher interest rate in Money Market fund.

Expenses

Professional Services: Legal and Accounting professional services were approximately $18,000 under budget as significant services were not required. Retention for two planning consultant grants in the amount of $25,000 were recognized in previous years and charged to the grant in the current year.

3. General fund budgetary highlights

Original budget compared to final budget. During the year, there was no need for any significant amendments to increase either the original estimated revenues or original budgeted appropriations.

EL DORADO COUNTY TRANSPORTATION COMMISSION

REQUIRED SUPPLEMENTARY INFORMATION

For the Year Ended June 30, 2026

SCHEDULE OF THE PROPORTIONATE SHARE OF THE
NET PENSION LIABILITY - MISCELLANEOUS PLAN (UNAUDITED)
Last Ten Fiscal Years

	June 30, 2026	June 30, 2025	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017
Proportion of the net pension liability	0.01183%	0.01249%	0.01232%	0.01196%	0.01074%	0.01074%	0.01018%	0.00972%	0.00976%	0.00925%
Proportionate share of the net pension liability	$ 471,872	$ 604,292	$ 616,133	$ 559,540	$ 153,852	$ 452,953	$ 407,671	$ 366,155	$ 384,784	$ 321,218
Covered payroll - measurement period	$ 617,566	$ 643,691	$ 592,972	$ 505,635	$ 504,064	$ 498,274	$ 496,150	$ 457,543	$ 511,113	$ 559,191
Proportionate share of the net pension liability as a percentage of covered payroll	76.41%	93.88%	103.91%	110.66%	30.52%	90.90%	82.17%	80.03%	75.28%	57.44%
Plan fiduciary net position as a percentage of the total pension liability	88.13%	83.36%	80.63%	81.03%	94.09%	81.24%	81.48%	81.58%	78.49%	78.11%
Notes to Schedule:										
Reporting valuation date	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Reporting measurement date	June 30, 2025	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016
Discount rate	6.90%	6.90%	6.90%	6.90%	6.90%	7.15%	7.15%	7.65%	7.65%	7.65%

Change in Benefit Terms: The figures above do not include any liability impact that may have resulted from plan changes which occurred after June 30, 2014 as they have minimal cost impact.

SCHEDULE OF CONTRIBUTIONS TO THE PENSION PLAN - MISCELLANEOUS PLAN (UNAUDITED
Last 10 Years

	June 30, 2026	June 30, 2025	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017
Contractually required contribution (actuarially determined)	$ 129,960	$ 118,723	$ 111,925	$ 99,954	$ 84,873	$ 89,267	$ 81,444	$ 72,053	$ 61,314	$ 62,891
Contributions in relation to the actuarially determined contributions	(129,960)	(118,723)	(111,925)	(119,954)	(84,873)	(89,267)	(81,444)	(72,053)	(61,314)	(62,891)
Contribution deficiency (excess)	$ -	$ -	$ -	$ (20,000)	$ -	$ -	$ -	$ -	$ -	$ -
Covered payroll - fiscal year	$ 641,845	$ 617,566	$ 643,691	$ 592,972	$ 505,635	$ 504,064	$ 498,274	$ 496,150	$ 457,543	$ 511,113
Contributions as a percentage of covered - employee payroll	20.25%	19.22%	17.39%	16.86%	16.79%	17.71%	16.35%	14.52%	13.40%	12.30%
Notes to Schedule:										
Contribution valuation date	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014

Methods and assumptions used to determine contribution rates:										
Actuarial method	Entry age normal									
Amortization method	Level percentage of payroll, closed									
Remaining amortization period	Varies by rate plan, not more than 30 years									
Asset valuation method	Market Value									
Discount rate	6.80%	6.80%	6.80%	7.00%	7.00%	7.25%	7.375%	7.50%	7.50%	7.50%
Inflation	2.30%	2.30%	2.30%	2.50%	2.50%	2.50%	2.625%	2.75%	2.75%	2.75%
Payroll growth	2.80%	2.80%	2.80%	2.75%	2.75%	2.875%	3.00%	3.00%	3.00%	3.00%
Salary increases	Varies by entry age and service									
Retirement age	50-67 years. Probabilities of retirement are based on the most recent CalPERS Experience Study.									
Mortality	Most recent CalPERS Experience Study									

(1) Net of administrative expenses, includes inflation.

EL DORADO COUNTY TRANSPORTATION COMMISSION

REQUIRED SUPPLEMENTARY INFORMATION

For the Year Ended June 30, 2026

SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS (UNAUDITED)
Last Ten Fiscal Years

	2026	2025	2024	2023	2022	2021	2020	2019	2018
Total OPEB liability									
Service cost	$ 7,236	$ 8,867	$ 8,630	$ 11,616	$ 10,977	$ 10,675	$ 10,671	$ 9,098	$ 8,833
Interest	10,042	10,117	9,071	10,210	9,498	7,574	6,458	5,384	3,482
Differences between expected and actual experience	408	(16,923)		(24,075)	(927)	2,414	(698)	4,539	
Changes in assumptions				11,371	281	7,176	(2,471)	(2,388)	
Benefit payments	(1,920)	(3,208)	(1,440)	(6,179)	(1,752)	(1,136)			(537)
Implied subsidy credit					(2,548)	(2,241)	(1,026)	(2,821)	(1,354)
Net change in total OPEB liability (asset)	15,766	(1,147)	16,261	2,943	15,529	24,462	12,934	13,812	10,424
Total OPEB liability - beginning	145,907	147,054	130,793	127,850	112,321	87,859	74,925	61,113	50,689
Total OPEB liability - ending (a)	$ 161,673	$ 145,907	$ 147,054	$ 130,793	$ 127,850	$ 112,321	$ 87,859	$ 74,925	$ 61,113
Plan fiduciary net position									
Net investment income	$ 12,104	$ 10,710	$ 9,362	$ 7,171	$ (18,329)	$ 29,788	$ 3,707	$ 10,860	$ 6,167
Contributions									
Employer - Commission's contribution		4,721	5,522	11,468		1,136			
Employer - implicit subsidy					2,548	2,241	1,026		
Expected benefit payments from employer		(3,208)	(1,440)	(6,179)					
Investment Gains/(Losses)	19,270	8,666	5,609	553					
Benefit payments	(1,920)	3,208	1,440	6,179	(1,752)	(1,136)			(537)
Implicit rate subsidy credit					(2,548)	(2,241)	(1,026)		
Administrative expense	(137)	(122)	(120)	(102)	(67)	(44)	(52)	(49)	(39)
Other					(1,135)			14,330	
Net change in plan fiduciary net position	29,317	23,975	20,373	19,090	(21,283)	29,744	3,655	25,141	5,591
Plan fiduciary net position - beginning of year	180,342	156,367	135,994	116,904	138,187	108,443	104,788	79,647	74,056
Plan fiduciary net position - end of year (b)	$ 209,659	$ 180,342	$ 156,367	$ 135,994	$ 116,904	$ 138,187	$ 108,443	$ 104,788	$ 79,647
Net OPEB liability (asset) - end of year = (a)-(b)	$ (47,986)	$ (34,435)	$ (9,313)	$ (5,201)	$ 10,946	$ (25,866)	$ (20,584)	$ (29,863)	$ (18,534)
Plan fiduciary net position as a percentage of the total OPEB liability	129.68%	123.60%	106.33%	103.98%	91.44%	123.03%	123.43%	139.86%	130.33%
Covered-employee payroll - measurement period	$ 641,845	$ 617,566	$ 643,691	$ 592,972	$ 506,588	$ 487,238	$ 509,794	$ 496,150	$ 511,113
Net OPEB asset as percentage of covered payroll	-7.48%	-5.58%	-1.45%	-0.88%	2.16%	-5.31%	-4.04%	-6.02%	-3.63%
Notes to Schedule:									
Valuation date	June 30, 2025	June 30, 2025	June 30, 2023	June 30, 2023	June 30, 2021	June 30, 2021	June 30, 2019	June 30, 2019	July 1, 2017
Measurement period - fiscal year ended	June 30, 2026	June 30, 2025	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2017
Changes in assumptions: Discount rate changes	6.75%	6.75%	6.75%	6.75%	7.82%	7.84%	7.82%	7.59%	7.00%

Omitted years: GASB Statement No. 75 was implemented during the year ended June 30, 2018. No information was available prior to this date. Information will be added prospectively as it becomes available until 10 years are reported.

EL DORADO COUNTY TRANSPORTATION COMMISSION

REQUIRED SUPPLEMENTARY INFORMATION

For the Year Ended June 30, 2026

SCHEDULE OF CONTRIBUTIONS TO THE OPEB PLAN (UNAUDITED)
Last Ten Fiscal Years

	2026	2025	2024	2023	2022	2021	2020	2019	2018
Actuarially determined contribution - employer fiscal year	$ -	$ 1,106	$ 8,630	$ 13,268	$ 9,194	$ 11,510	$ 1,026	$ 2,821	$ 1,354
Contributions in relation to the actuarially determined contributions	-	(7,929)	(1,260)	(13,268)	(2,548)	(3,377)	(1,026)	(2,821)	(1,354)
Contribution deficiency (excess)	$ -	$ (6,823)	$ 7,370	$ -	$ 6,646	$ 8,133	$ -	$ -	$ -
Covered-employee payroll	$ 641,845	$ 617,566	$ 643,691	$ 592,972	$ 506,588	$ 487,238	$ 509,794	$ 496,150	$ 511,113
Contributions as a percentage of covered payroll	0.00%	0.18%	1.34%	2.24%	0.50%	0.69%	0.20%	0.57%	0.26%
Notes to Schedule:									
Valuation date	June 30, 2025	June 30, 2025	June 30, 2023	June 30, 2023	June 30, 2021	June 30, 2021	June 30, 2019	June 30, 2019	June 30, 2017
Measurement date	June 30, 2026	June 30, 2025	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	July 1, 2017
Methods and assumptions used to determine contribution rates:									
Actuarial cost method					Entry-age normal cost				
Amortization method					Level percentage of payroll				
Amortization period	23	23	24	24	20	20	18	19	20
Asset valuation method								Market value	
Inflation	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Healthcare cost trend rates:									
Initial rate	4.00%	4.00%	4.00%	2.75%	6.50%	6.50%	6.50%	7.00%	7.00%
Rate trending down to					4.04%	4.04%	3.84%	4.73%	3.94%
Payroll growth	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	3.00%
Discount rate	6.75%	6.75%	6.75%	6.75%	7.82%	7.84%	7.82%	7.59%	7.00%
Investment rate of return	6.75%	6.75%	6.75%	6.75%	5.85%	5.85%	7.82%	7.59%	7.00%
Mortality					Derived using CalPERS membership data				
Retirement age					Derived using CalPERS membership data				

Omitted years: GASB Statement No. 75 was implemented during the year ended June 30, 2018. No information was available prior to this date. Information will be added prospectively as it becomes available until 10 years are reported.

(This page intentionally left blank.)

SUPPLEMENTARY INFORMATION

(This page intentionally left blank.)

EL DORADO COUNTY TRANSPORTATION COMMISSION

SCHEDULE OF ALLOCATIONS AND EXPENDITURES
LOCAL TRANSPORTATION FUND

For the Year Ended June 30, 2026

PUC Section	Purpose	Allocations	Disbursements	Undisbursed/ Unclaimed
99233.1	Administration - County	$ 12,000	$ 12,000	$ -
99233.1	Administration - Commission	369,757	369,757	-
99233.2	Planning and programing - Commission	312,733	312,733	-
99260(a)	Public transportation			
	El Dorado County Transit Authority	6,116,668	6,116,668	-
		$ 6,811,158	$ 6,811,158	$ -

EL DORADO COUNTY TRANSPORTATION COMMISSION

SCHEDULE OF ALLOCATIONS AND EXPENDITURES
STATE TRANSIT ASSISTANCE FUND

For the Year Ended June 30, 2026

PUC Section	Purpose	Final Apportionment	Disbursements	Undisbursed/ Unclaimed
6730(B)	Public transportation system capital costs			
	El Dorado County Transit Authority	$ 1,810,685	$ 1,351,346	$ 459,339

EL DORADO COUNTY TRANSPORTATION COMMISSION

SCHEDULE OF ALLOCATIONS AND EXPENDITURES
STATE OF GOOD REPAIR FUND

For the Year Ended June 30, 2026

Purpose	Final Apportionment	Disbursements	Undisbursed/ Unclaimed
Repair and rehabilitation	$ 336,033	$ -	$ 336,033

EL DORADO COUNTY TRANSPORTATION COMMISSION

SCHEDULE OF ALLOCATIONS AND EXPENDITURES
SB 125 FUND (TIRCP and ZETCP)

For the Year Ended June 30, 2026

Fund Source	Project	Allocated	Expended	Unexpended
	El Dorado County Transit Authority			
TIRCP	Fleet conversion	$ 9,085,857		$ 9,085,857
ZETCP	Fleet conversion	763,770		763,770
		9,849,627		9,849,627
ZETCP	Commission Administrative Costs	208,011	$ 208,011	
		208,011	208,011	
	Total	$ 10,057,638	$ 208,011	$ 9,849,627

EL DORADO COUNTY TRANSPORTATION COMMISSION

SCHEDULE OF INDIRECT AND DIRECT EXPENSES - ACCRUAL BASIS

For the Year Ended June 30, 2026

	Direct Expenses	Indirect Expenses	Total Expenses
Salaries and benefits:			
Salaries and wages	$ 367,444	$ 172,473	$ 539,917
Fringe benefits	286,562	133,490	420,052
OPEB expense adjustment	340		340
Pension expense adjustment	(22,449)		(22,449)
Total salaries and benefits	631,897	305,963	937,860
Professional services:			
Planning	40,410		40,410
Sacramento Area Council of Governments	103,000		103,000
Freeway Service Patrol	175,429		175,429
Legal		5,708	5,708
Accounting		4,255	4,255
Independent auditor	22,260	18,300	40,560
Other			
Total professional services	341,099	28,263	369,362
Rents, leases and building maintenance:			
Buildings		11,748	11,748
Equipment		2,269	2,269
Total rents and leases		14,017	14,017
Office and other operating:			
Office expenses - general	754	4,753	5,507
Maintenance - equipment		25,602	25,602
Postage		53	53
Total office and other operating	754	30,408	31,162
Memberships and publications:			
Memberships and dues	5,576	300	5,876
Publications and legal notices	594	318	912
Total memberships and publications	6,170	618	6,788
Other operating:			
Local mileage and travel	5,261	95	5,356
Depreciation and amortization		1,232	1,232
Lease asset amortization		43,580	43,580
Debt service interest payment		8,979	8,979
Staff development	4,344	639	4,983
Communications		13,229	13,229
Insurance		11,225	11,225
Total other operating	9,605	78,979	88,584
TOTAL OPERATING EXPENSES	$ 989,525	$ 458,248	$ 1,447,773

(This page intentionally left blank.)

COMPLIANCE REPORTS

(This page intentionally left blank.)

RICHARDSON & COMPANY LLP
CERTIFIED PUBLIC ACCOUNTANTS

550 Howe Avenue, Suite 210
Sacramento, California 95825

Telephone: (916) 564-8727
FAX: (916) 564-8728

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS* AND THE TRANSPORTATION DEVELOPMENT ACT

El Dorado County Transportation Commission
Placerville, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of the El Dorado County Transportation Commission (the Commission) as of and for the year ended June 30, 2026, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements, and have issued our report thereon dated November 20, 2026.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Commission's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material

effect on the financial statements. Our audit was further made to determine that Transportation Development Act Funds allocated and received by the Commission were expended in conformance with the applicable statutes, rules and regulations of the Transportation Development Act, Section 6661 and 6662 of the California Code of Regulations, SB125 and other State regulations. The results of performing these tasks disclosed no instances of noncompliance with the applicable statutes, rules and regulations of the Transportation Development Act. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

Richardson & Company, LLP

November 20, 2026