

**CHATHAM AREA TRANSIT AUTHORITY
SAVANNAH, GEORGIA**

(A Component Unit of Chatham County, Georgia)

ANNUAL FINANCIAL REPORT

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

CHATHAM AREA TRANSIT AUTHORITY
(A Component Unit of Chatham County, Georgia)

ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEARS ENDED JUNE 30, 2025 AND 2024

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of the
Chatham Area Transit Authority
(A Component Unit of Chatham County, Georgia)
Savannah, Georgia

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the **Chatham Area Transit Authority** (the "Authority"), as of and for the years ended June 30, 2025 and 2024, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

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

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our 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 these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis (on pages 5 through 15), the Schedule of Changes in Total OPEB Liability and Related Ratios (on pages 34 and 35), and the Schedule of Employer Contributions to OPEB (on pages 36 and 37) 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 Authority's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for the purposes of additional analysis as required by Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is not a required part of the basic financial statements of the Authority. 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 Schedule of Expenditures of Federal Awards 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 December 22, 2025, on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Chatham Area Transit Authority's internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

Savannah, Georgia
December 22, 2025

MANAGEMENT'S DISCUSSION AND ANALYSIS

CHATHAM AREA TRANSIT AUTHORITY

(A Component Unit of Chatham County, Georgia)

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR FISCAL YEARS ENDED JUNE 30, 2025 AND 2024

FY 2025 for Chatham Area Transit Authority (“CAT”) began with a healthy financial position that supported funding projections to address public transportation successes and challenges to meet obligations as defined in the governing legislation, the CAT Act. The CAT Act, which created the Chatham Area Transit Authority (the “Authority”), was ratified on March 28, 1986. The CAT Act aims to provide a public transit system that addresses community transportation needs within and outside Chatham County. During this audit period, the Authority continued to invest in salaries and wages, employee benefits, technology, rolling stock, and facility enhancements to improve working conditions and remain competitive.

The purpose of the Management’s Discussion and Analysis (“MD&A”) is to provide a transparent and factual presentation of the Authority’s financial position, operations, and capital planning to meet its commitment to its purpose. The MD&A provides readers with a clear understanding of the Authority’s financial challenges and successes.

Partnerships – A Way of the Future

In FY 2025, partnerships had a tremendous impact on meeting goals and objectives outlined in the Transit Master Plan. Growth and development across Savannah/Chatham County mandate a collaborative approach to defining transportation goals and the funding to accomplish them to meet the community’s public transportation needs.

The Georgia Department of Transportation (“GDOT”) Transit Trust Fund Program continues to support local public transportation needs for capital and operating expenses, CAT Connects (transportation serving senior and disabled citizens on a scheduled basis to the places that they need and want to go, places of leisure, shopping, and enjoyment, enhancing their quality of life.) This grant will end in FY 2025. A funding request was submitted to the City of Savannah to continue this service delivery.

FY 2024 marked the beginning of new partnerships that led to service expansion in Port Wentworth and continue to this day. Planned discussions with Hunter Army Airfield, RISE (support for workforce transportation planning, and the ability to move forward with construction on two hybrid ferry vessels.) Funding for the ferryboat construction project came from a partnership among federal, state, and local governments. These partnerships continued in FY 2025, with federal, state, and local governments providing funding to support the construction of a third ferry vessel. These crucial partnerships are all components of meeting community transportation needs.

Bus Stop Improvements and Bus Replacement

In FY 2025, progress towards addressing bus stop conditions began with the procurement of bus stop amenities to support service expansion and enhancements to existing bus stop locations. Bus stop guidelines and improvements, along with fleet replacement, will significantly impact the cost of implementing the Authority’s Five-Year Capital Plan. A priority list of 50 plus stops at FY 2024 year-end was identified as a priority for upgrade. The cost of upgrades and fleet replacement was approved within the FY 2025 Five-Year Capital Plan. The Authority continues to seek grant funding to support digital signage at ferry docks and super bus stops. The goal is to improve route efficiency, on-street and bus stop safety, accessibility, and comfort.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Technology

The Authority made significant investments in technology to ensure the integrity of its data collection supporting ridership, route design and restructuring, scheduling, disruptive management, and system redundancy. Accurate data collection is critical to calculating federal formula funding to support operating, preventive maintenance, and capital costs.

HB 756 Impact

In FY 2025, HB 756 restructured the CAT Board, adding two additional seats primarily to ensure that all service areas were represented as the Authority began to implement short-term, medium-term, and long-term transit plans as outlined within the Master Transit Plan that was approved in FY 2024. The Master Planning process was all-inclusive, representing all segments of Savannah/Chatham County and adjacent areas – a strategic representation of excellence in public transportation planning. The project was funded by Chatham Area Transit Authority (\$20,000), Savannah Economic Development Authority (“SEDA”) (\$20,000), Chatham County (\$20,000), City of Savannah (\$20,000), Airport Commission (\$20,000), and the Federal Transit Administration (“FTA”) (\$400,000).

As the Authority ended FY 2025, its financial condition was strong; however, Authority staff recognized that new revenue challenges lay ahead, which would affect the Authority’s ability to meet the Transit Master Plan goals and objectives. Authority staff remain focused on fiscal integrity as the Authority continues to work towards and commit to public transportation excellence. The Authority’s reliance on federal, state, and local funding to help meet operating capital needs remains a valuable component of its financial structure.

Strengthening Mobility and Revolutionizing Transportation (“SMART”) Grant Stage 1 Close-Out

A zero-fare Micro-transit Pilot Program featuring an on-demand multimodal transportation system was implemented in April 2024 and continued through January 2025, culminating in the final close-out meeting. The pilot program was successful and demonstrated the need for on-demand services as a part of CAT’s transit system. Ongoing discussions regarding on-demand service delivery continue as we prepare to implement micro-transit service delivery not only for rider convenience but also to complement fixed-route and other transit services currently offered. This additional transit service will provide a more responsive and efficient system while lowering operating costs and mitigating traffic congestion.

The Authority will continue to pursue its commitment to public transportation service delivery that meets community needs with a commitment to service delivery excellence. We offer readers of the Authority’s financial statements this narrative overview and analysis of the financial activities for the fiscal year ended June 30, 2025 (FY 2025). This MD&A is designed to assist the reader in focusing on significant financial issues and activities and to identify any substantial changes in financial position. The information discussed here should be considered in conjunction with the basic financial statements.

FINANCIAL HIGHLIGHTS

- The Authority’s total assets exceeded total liabilities by \$87.5 million at the close of the current fiscal year.
- The Authority’s net position increased by approximately \$8.6 million during the fiscal year.
- Total net capital assets were \$52.9 million on June 30, 2025, an increase of 5.3% compared to \$50.2 million on June 30, 2024.

MANAGEMENT'S DISCUSSION AND ANALYSIS

OVERVIEW OF THE FINANCIAL STATEMENTS

The Authority operates as an Enterprise Fund under the proprietary fund accounting framework. The accounting and financial reporting practices of Enterprise Funds are similar to those used for business enterprises and focus on capital maintenance and the flow of economic resources. That is, revenues are matched with expenses and changes in net position are determined using accrual accounting methods.

Enterprise Funds account for operations that provide goods or services to the public on a continuing basis. Transit districts are commonly reported in Enterprise Funds, even though their primary source of financing comes from subsidies rather than fare box revenues. Enterprise funds are considered useful in such cases because they focus on the cost of providing services, and they highlight the portion of that cost being borne by taxpayers.

The basic financial statements of the Authority are comprised of the following:

- 1) Statement of Net Position,
- 2) Statement of Revenues, Expenses, and Changes in Net Position,
- 3) Statement of Cash Flows, and
- 4) Notes to the Financial Statements.

Statement of Net Position

The Statement of Net Position presents information on all of the Authority's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the Authority's financial position is improving or deteriorating. Net position increases when revenues exceed expenses. An increase in assets without a corresponding increase in liabilities results in an increased net position, which indicates an improved financial position.

Statement of Revenues, Expenses and Changes in Net Position

The Statement of Revenues, Expenses and Changes in Net Position presents information showing how the Authority's net position changed during the fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., receivables and earned but unused leave).

Statement of Cash Flows

The Statement of Cash Flows provides relevant information about the Authority's cash receipts and cash payments during the fiscal year. This, in turn, provides users of financial statements with access to the Authority's ability to generate future net cash flows, its ability to meet its obligations as they come due, and its need for external financing. To do this, the Statement of Cash Flows reports the cash effects during the reported period of the Authority's operations, non-capital financing transactions, capital, and related financing transactions, as well as investing transactions.

Notes to the Financial Statements

The Notes to the Financial Statements communicate information essential for fair presentation of the basic financial statements that is not displayed on the face of the financial statements. As such, the notes form an integral part of the basic financial statements.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The basic financial statements and accompanying notes can be found on pages 16 through 33 of this report.

FINANCIAL ANALYSIS

Condensed Balance Sheets (in thousands)

	Years Ended June 30,		
	2025	2024	2023
Current Assets	\$ 39,582	\$ 31,777	\$ 25,814
Capital Assets	52,931	50,246	48,577
Total Assets	92,513	82,023	74,391
Deferred Outflows of Resources	181	132	162
Total Assets and Deferred Outflows of Resources	\$ 92,694	\$ 82,155	\$ 74,553
Current Liabilities	\$ 3,874	\$ 2,067	\$ 1,632
Long-term Liabilities	1,079	903	878
Total Liabilities	4,953	2,970	2,510
Deferred Inflows of Resources	282	320	392
Net Position:			
Investment in Capital Assets	52,931	50,246	48,577
Unrestricted	34,528	28,619	23,074
Total Net Position	87,459	78,865	71,651
Total Liabilities, Deferred Inflows of Resources and Net Position	\$ 92,694	\$ 82,155	\$ 74,553

The changes in total net position over time serve as a useful indicator of the Authority's financial position. As the above table indicated, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$87.5 million at June 30, 2025, which reflects an increase of \$8.6 million compared to an increase of \$7.2 million at June 30, 2024. This increase is primarily due to revenue and capital contributions exceeding operating costs.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following table reflects a condensed summary of revenues, expenses, and changes in net position for the years ended June 30, 2025, 2024 and 2023:

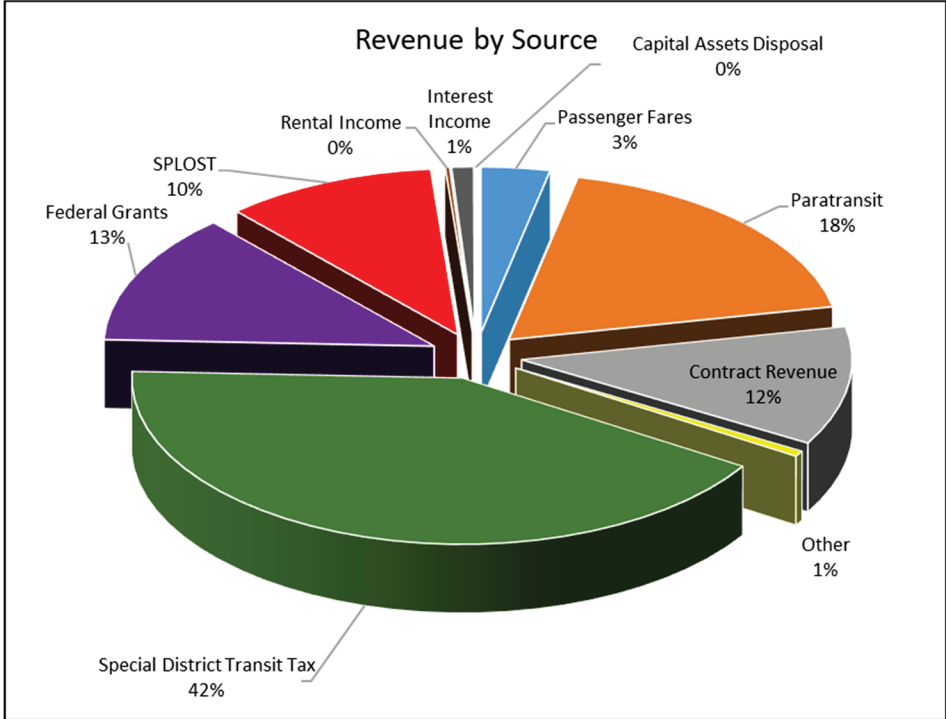
Condensed Statements of Revenues, Expenses and Changes in Net Position (in thousands)

	Years Ended June 30,		
	2025	2024	2023
Revenue			
Operating Revenue	\$ 13,989	\$ 15,049	\$ 11,255
Nonoperating Revenue	27,262	22,888	22,807
Total Revenue	41,251	37,937	34,062
Operating Expenses	34,498	32,319	28,373
Income before Contributions	6,753	5,618	5,689
Capital Contributions	1,841	1,596	7,269
Change in Net Position	8,594	7,214	12,958
Net Position - Beginning	78,865	71,651	58,693
Net Position - End	\$ 87,459	\$ 78,865	\$ 71,651

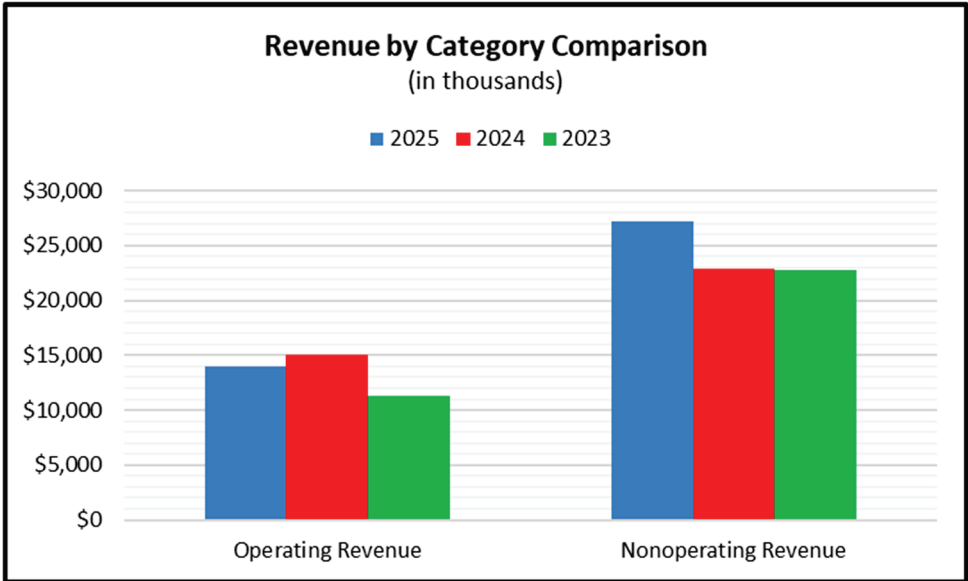
MANAGEMENT'S DISCUSSION AND ANALYSIS

Revenue

The following graph provides a visual presentation of the Authority's revenue by source for FY 2025:



The following bar graph shows the distribution of revenue by category:



MANAGEMENT'S DISCUSSION AND ANALYSIS

Operating Revenue

Operating revenue is composed of passenger fares, paratransit revenue, contract revenue, and other miscellaneous revenue.

Operating revenue for FY 2025 decreased by \$1.1 million compared to FY 2024. Revenue from the following sources attributed to this decrease:

- ◆ Passenger fares decreased \$44 thousand during FY 2025.
- ◆ Paratransit revenue increased \$2.5 million, this includes a refund payment of \$1 million from Chatham County for FY 2023 true-up.
- ◆ Contract revenue decreased by \$3 million. During FY 2024, the Authority received \$3 million from the Georgia Department of Transportation - Trust Fund Program to assist with the construction cost of the third ferry boat and \$794 thousand to support the CAT Connect Pilot Program. Shuttle revenue increased by \$230 thousand, payments received from the City of Savannah for assistance with the cost of the Downtown Shuttle Service. Port Wentworth's Contracted Service Revenue increased by \$267 thousand. The service began in April 2024 and operated for four months in FY 2024. In FY 2025, the service operated for a complete year.
- ◆ Other revenue decreased \$415,465 in FY 2025 due primarily to a payment of \$450,000 received in FY 2024 for Insurance Claim for ferry dock repairs.

Operating revenue for FY 2024 increased by \$3.8 million compared to FY 2023. Revenue from the following sources attributed to this increase:

- ◆ Passenger fares increased \$114 thousand due to an increase in overall ridership.
- ◆ Paratransit revenue decreased \$796 thousand due to the year-end true-up payment for FY 2023.
- ◆ Contract revenue increased by \$5.4 million. This increase is the result of the \$4.2 million received from the Georgia Department of Transportation - Trust Fund Program; \$3 million to assist with the construction cost of the third ferry boat and \$794 thousand for the CAT Connect Pilot Program. The Ferry Program Revenue increased \$98 thousand, funds received from the City of Savannah through the Per Occupancy Room Tax also increased \$773 thousand for assistance with cost of the Downtown Shuttle Service.
- ◆ Other revenue decreased \$935,712; FY 2023 included \$1.5 million funding received from the Savannah Convention Center to assist with the cost of the construction of two ferry boats.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Nonoperating Revenue

Nonoperating revenue is comprised of tax revenue and revenue from federal and state grants.

Nonoperating revenue for FY 2025, net of nonoperating expenses, increased by \$4.4 million from FY 2024. This increase is primarily the result of:

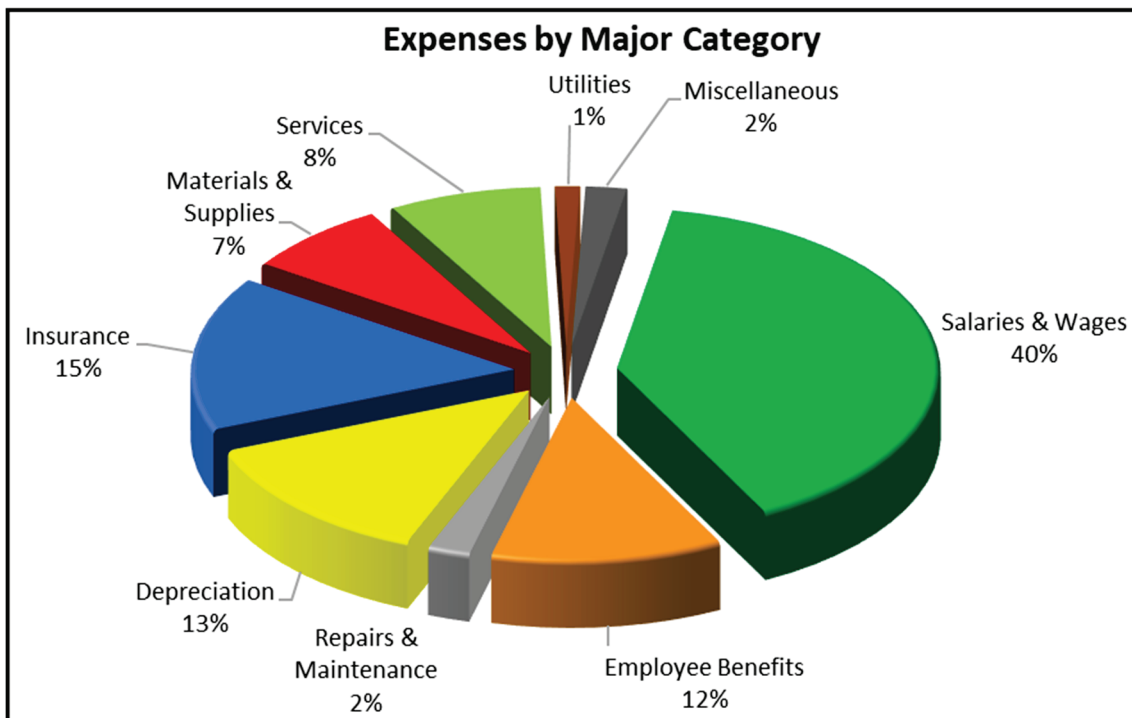
- ◆ Special District Tax increased by \$1.6 million.
- ◆ Federal Grants increased by \$2.1 million; FY 2025 includes \$423 thousand to assist with ferry boats repairs, Intelligent Transportation System ("IT") \$244 thousand, Electric Vehicle Charging Infrastructure \$336 thousand, Facility Renovations \$100 thousand, and \$1 million Preventive Maintenance Assistance.
- ◆ Interest Income decreased \$3,911 from FY 2024.
- ◆ Special Purpose Local Option Sales Tax increased \$644 thousand.

Nonoperating revenue for FY 2024, net of nonoperating expenses, increased by \$81 thousand from FY 2023. This increase is primarily the result of:

- ◆ Federal grant revenue decreased \$3.2 million.
- ◆ Special Purpose Local Option Sales Tax increased \$1.1 million.

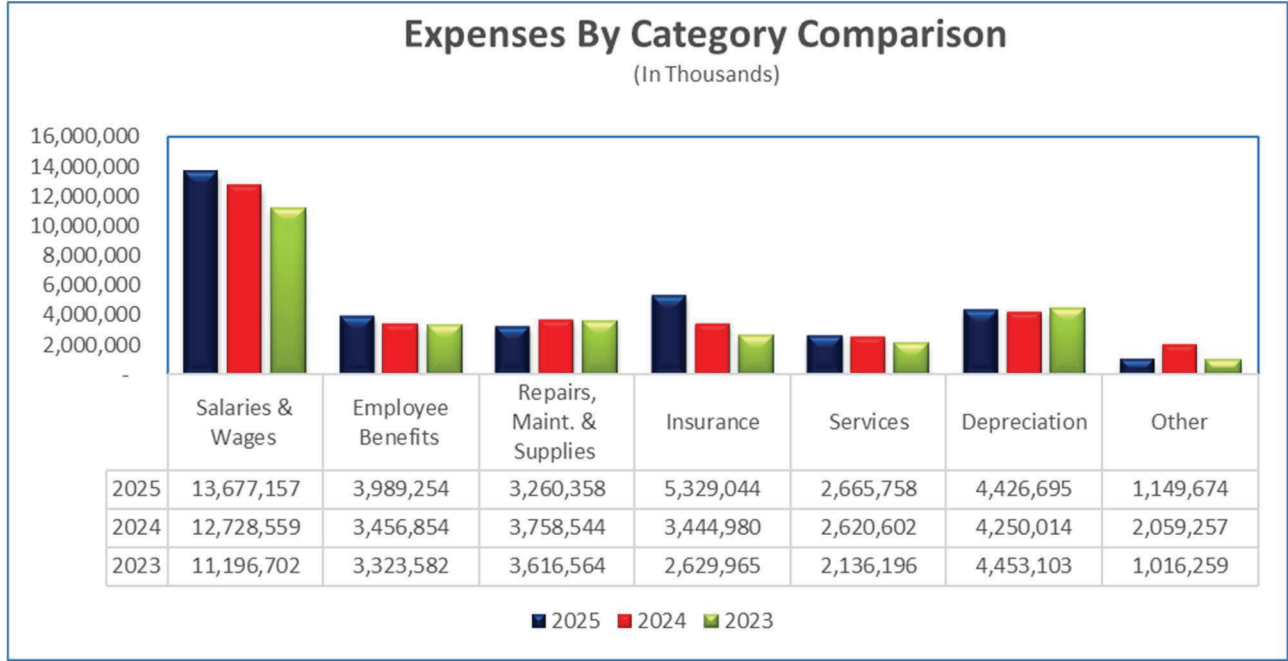
Operating Expenses

The following pie chart provides a visual presentation of the Authority's expenses by major category for FY 2025:



MANAGEMENT'S DISCUSSION AND ANALYSIS

The bar graph that follows shows the Authority's operating expenses by category for FY 2025, FY 2024, and FY 2023:



Total operating expenses for FY 2025 increased by \$2.2 million, or 7%, more than FY 2024. Total operating expenses for FY 2024 increased by \$3.9 million, or 14%, more than FY 2023. These changes were primarily the result of the following:

- 1) Salaries and wages for FY 2025 compared to FY 2024 increased \$948,598, or 7.4%, due primarily to continuing to fill vacant positions.
Salaries and wages for FY 2024 compared to FY 2023 increased \$1,531,857, or 13.7%, due primarily to filling vacant positions.
- 2) Employee benefits for FY 2025 compared to FY 2024 increased \$532 thousand, or 15.4%, primarily due to an increase in the cost of medical insurance coverage.
Employee benefits for FY 2024 compared to FY 2023 increased \$133 thousand, or 4%, due primarily to an increase in the cost of medical insurance coverage.
- 3) The combined materials, supplies and maintenance expenses for FY 2025 compared to FY 2024 decreased \$498 thousand, or 13.2%. This decrease was mainly due to decrease in fuel expense, revenue vehicle parts and outside maintenance performed on revenue vehicles.
The combined materials, supplies and maintenance expenses for FY 2024 compared to FY 2023 increased \$142 thousand, or 3.9%. This increase was primarily due to an increase in outside maintenance performed on revenue vehicles.
- 4) Services for FY 2025 compared to FY 2024 increased \$45 thousand, or 1.7%. This increase was primarily due to the increase in planning services, legal and government relations expenses.
Services for FY 2024 compared to FY 2023 increased \$484 thousand, or 22.7%. This increase was primarily due to the increase in planning services, bus stop inventory, facility plan reconfiguration, ferry dock plan, and grant administration services.

MANAGEMENT'S DISCUSSION AND ANALYSIS

- 5) Insurance expenses for FY 2025 compared to FY 2024 increased by \$1.9 million, or 54.7%. This increase is the result of higher fleet premiums, which include our electric buses.
Insurance expenses for FY 2024 compared to FY 2023 increased by \$815 thousand, or 30.98%. This increase is the result of higher fleet premiums, which include our electric buses.
- 6) Depreciation expense for FY 2025 compared to FY 2024 increased by \$177 thousand, or 4.10% due to acquiring additional assets during this fiscal year.
Depreciation expense for FY 2024 compared to FY 2023 decreased by \$203 thousand, or 4.68%, due to full depreciation of depreciable assets.

CAPITAL CONTRIBUTIONS

Capital contributions include federal and other local contributions restricted for purchase or construction of capital assets. Capital contributions increased \$245 thousand during FY 2025 in comparison to FY 2024. This increase was primarily grant funds received to assist with ferry boats rehabilitation, electric vehicle charging Infrastructure and facility renovations. Chatham County Special Purpose Local Option Sales Tax ("SPLOST") funds were received to support the purchase and/or construction of capital assets. There was an increase of \$644 thousand in SPLOST in FY 2025 compared to FY 2024.

CAPITAL ASSETS

As the following chart indicates, the Authority had \$52.9 million (net of depreciation) invested in capital assets at June 30, 2025. This amount represents a net increase of \$2.7 million compared to FY 2024. Major acquisitions during FY 2025 included the completion of construction for two ferry boats and construction began on the third ferry boat. Facility Improvements - Renovations to the interior of CAT Central.

Capital Assets by Major Category

	2025	2024	2023
Land	\$ 6,175,879	\$ 6,175,879	\$ 6,175,879
Buildings and Improvements	32,010,198	31,800,263	31,786,963
Vehicles	58,552,490	48,867,621	47,944,948
Furniture and Equipment	8,200,563	7,684,548	7,440,715
Construction in Progress	1,580,223	7,624,425	4,242,908
	106,519,353	102,152,736	97,591,413
Accumulated Depreciation	(53,588,357)	(51,906,664)	(49,014,914)
	\$ 52,930,996	\$ 50,246,072	\$ 48,576,499

Additional information regarding capital assets may be found in Note 4 to the financial statements.

AUTHORITY DEBT

FY 2025 greeted the Authority with no outstanding debt credit agreement.

MANAGEMENT'S DISCUSSION AND ANALYSIS

ECONOMIC FACTORS

The Authority's Board of Directors and management considered many factors when setting the FY 2025 budget. These factors include the expected increase in fixed route and ferry ridership. These ridership increases impact the costs related to fuel, labor, and employee benefits. The anticipated capital grant funding needed for fixed route buses, paratransit bus replacement, and two hybrid ferry vessels were also considered. Capital projects are being funded with assistance from federal and state grants (GDOT Transit Trust Fund Program), with matching funds provided by SPLOST.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of Chatham Area Transit Authority's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Interim Chief Financial Officer
Chatham Area Transit Authority
900 East Gwinnett Street
Savannah, GA 31401

BASIC FINANCIAL STATEMENTS

CHATHAM AREA TRANSIT AUTHORITY
(A Component Unit of Chatham County, Georgia)

STATEMENTS OF NET POSITION
JUNE 30, 2025 AND 2024

	2025	2024
ASSETS		
Current assets		
Cash and cash equivalents	\$ 33,560,884	\$ 27,282,599
Receivables	4,878,108	3,426,426
Prepaid expenses	707,991	624,993
Inventory	435,254	443,087
Total current assets	39,582,237	31,777,105
Non-current assets		
Capital assets		
Nondepreciable	7,756,102	13,800,304
Depreciable, net of accumulated depreciation	45,174,894	36,445,768
Total non-current assets	52,930,996	50,246,072
Total assets	92,513,233	82,023,177
DEFERRED OUTFLOWS OF RESOURCES		
OPEB	181,278	131,743
LIABILITIES		
Current liabilities		
Accounts payable	1,180,495	523,717
Accrued expenses	2,425,053	1,243,056
Compensated absences	268,618	300,498
Total current liabilities	3,874,166	2,067,271
Non-current liabilities		
Compensated absences, net of current portion	146,560	61,000
Total OPEB liability	931,940	841,922
Total non-current liabilities	1,078,500	902,922
Total liabilities	4,952,666	2,970,193
DEFERRED INFLOWS OF RESOURCES		
OPEB	282,389	319,647
NET POSITION		
Investment in capital assets	52,930,996	50,246,072
Unrestricted	34,528,460	28,619,008
Total net position	\$ 87,459,456	\$ 78,865,080

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

CHATHAM AREA TRANSIT AUTHORITY
(A Component Unit of Chatham County, Georgia)

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE FISCAL YEARS ENDED JUNE 30, 2025 AND 2024

	<u>2025</u>	<u>2024</u>
Operating revenues		
Passenger fares	\$ 1,383,986	\$ 1,427,757
Paratransit	7,611,895	5,157,450
Contract revenue	4,767,633	7,823,503
Other	225,589	640,054
Total operating revenues	<u>13,989,103</u>	<u>15,048,764</u>
Operating expenses		
Salaries and wages	13,677,157	12,728,559
Employee benefits	3,989,254	3,456,854
Materials and supplies	2,526,676	2,688,387
Depreciation	4,426,695	4,250,014
Insurance	5,329,044	3,444,980
Services	2,665,758	2,620,602
Repair and maintenance	733,682	1,070,157
Utilities	434,299	366,261
Miscellaneous	715,375	1,692,996
Total operating expenses	<u>34,497,940</u>	<u>32,318,810</u>
Operating loss	<u>(20,508,837)</u>	<u>(17,270,046)</u>
Non-operating revenues		
Special district transit tax	17,208,216	15,570,351
Federal grants	5,245,592	3,166,968
Special purpose local option sales tax	4,263,780	3,619,857
Rental income	88,274	77,393
Interest income	441,801	445,712
Gain on disposal of capital assets	14,444	7,772
Total non-operating revenues	<u>27,262,107</u>	<u>22,888,053</u>
Gain before capital contributions	<u>6,753,270</u>	<u>5,618,007</u>
Capital contributions		
Federal grants	1,841,106	1,595,958
Total capital contributions	<u>1,841,106</u>	<u>1,595,958</u>
Change in net position	8,594,376	7,213,965
Net position, beginning of year	<u>78,865,080</u>	<u>71,651,115</u>
Net position, end of year	<u>\$ 87,459,456</u>	<u>\$ 78,865,080</u>

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

CHATHAM AREA TRANSIT AUTHORITY
(A Component Unit of Chatham County, Georgia)

STATEMENTS OF CASH FLOWS
FOR THE FISCAL YEARS ENDED JUNE 30, 2025 AND 2024

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Fares and other service revenues	\$ 14,425,124	\$ 14,688,194
Payments to employees	(16,427,509)	(15,889,101)
Payments for goods and services	(11,823,221)	(11,813,264)
Net cash used in operating activities	(13,825,606)	(13,014,171)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES		
Federal and state grants	3,357,889	9,188,242
Special district transit tax	17,208,216	15,570,351
Rent receipts	88,274	77,393
Net cash provided by non-capital financing activities	20,654,379	24,835,986
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Federal and state grants	1,148,959	1,595,958
Special purpose local option sales tax	4,263,780	3,619,857
Acquisition of capital assets	(7,111,951)	(5,919,587)
Capital contributions	692,147	-
Proceeds from disposal of capital assets	14,776	7,772
Net cash used in capital and related financing activities	(992,289)	(696,000)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest earnings received	441,801	445,712
Net cash provided by investing activities	441,801	445,712
Increase in cash and cash equivalents	6,278,285	11,571,527
Cash and cash equivalents:		
Beginning of year	27,282,599	15,711,072
End of year	\$ 33,560,884	\$ 27,282,599
Reconciliation of operating loss to net cash used in operating activities:		
Operating loss	\$ (20,508,837)	\$ (17,270,046)
Adjustments to reconcile operating loss to net cash used in operating activities:		
Depreciation expense	4,426,695	4,250,014
Changes in assets and liabilities:		
(Increase) decrease in receivables	436,021	(360,570)
Increase in prepaid expenses	(82,998)	(54,961)
Decrease in inventory	7,833	2,786
(Increase) decrease in deferred outflows of resources - OPEB	(49,535)	30,173
Increase in accounts payable	656,778	122,294
Increase in accrued expenses	1,181,997	302,924
Increase in compensated absences	53,680	10,033
Decrease in deferred inflows of resources - OPEB	(37,258)	(71,929)
Increase in total OPEB liability	90,018	25,111
Net cash used in operating activities	\$ (13,825,606)	\$ (13,014,171)

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

NOTES TO FINANCIAL STATEMENTS

CHATHAM AREA TRANSIT AUTHORITY
(A Component Unit of Chatham County, Georgia)

NOTES TO FINANCIAL STATEMENTS
FISCAL YEARS ENDED JUNE 30, 2025 AND 2024

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The Chatham Area Transit Authority (the “Authority”) was created as a corporate body of the State of Georgia in 1986. The Authority is governed by a nine-member Board of Directors (the “Board”) of which seven are appointed by the Chatham County Board of Commissioners and consist of three members of the Board of Commissioners of Chatham County and four residents of Chatham County with one having a disability. The remaining two are appointed by the Board of Aldermen and the Mayor of the City of Savannah and consist of one member of the Board of Aldermen of the City of Savannah and one resident of the City of Savannah.

In accordance with Governmental Accounting Standards Board (“GASB”), the Authority is a component unit of Chatham County, Georgia (the “County”) and its financial statements are incorporated into the Annual Comprehensive Financial Report of the County.

Fund Accounting

The Authority uses one fund (proprietary fund type – enterprise fund) to report its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions and activities.

Enterprise funds are used to account for those operations that are financed and operated in a manner similar to a private business or where the Board has decided that the determination of revenues earned, costs incurred and/or net income is necessary for management accountability.

Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Proprietary funds are accounted for on the flow of economic resources measurement focus and use the accrual basis of accounting. With this measurement focus, all assets, deferred outflows, liabilities, and deferred inflows associated with the operation of these funds are included in the Statement of Net Position. Net position is segregated into net investment in capital assets, restricted and unrestricted net position components. Proprietary fund operating statements present increases (revenues) and decreases (expenses) in total net position. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus and Basis of Accounting (Continued)

The principal operating revenues of the Authority are passenger fares and paratransit revenue received from the County pursuant to an agreement with the County to provide paratransit service required by the Americans with Disability Act of 1990. The Authority also recognizes operating revenue for other contracted services. Operating expenses for the Authority include the costs of operating the Authority, including depreciation on capital assets. Capital contributions include grant revenue and other contributions related to capital asset acquisitions or construction. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Those revenues susceptible to accrual are intergovernmental and interest revenue. Passenger fares and other revenues are not susceptible to accrual because, generally, they are not measurable until received in cash. Entitlements and shared revenues are recorded at the time of receipt or earlier if the susceptible to accrual criteria are met. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met.

When both restricted and unrestricted resources are available for use, it is the Authority's policy to use restricted resources first, and then unrestricted resources as they are needed.

Management Estimates

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

Cash and Investments

Cash includes amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the Authority. The Authority considers amounts held in Georgia Fund 1, a local government investment pool managed as a stable net asset fund by the Georgia Office of the State Treasurer cash equivalents for financial statement presentation.

Accounts Receivable

All receivables have been reduced to their estimated net realizable value. Allowances for doubtful accounts are maintained based on historical results adjusted to reflect current conditions.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Inventories

Inventory consists of fuel and spare parts and are valued at the lower of cost (average cost method) or net realizable value.

Prepays

Payments made to vendors for services that will benefit periods beyond June 30, 2025 are recorded as prepaid expenses. The consumption method is used by recording an asset for the prepaid amount and by recording the expense in the year in which services are consumed.

Capital Assets

Capital assets are stated at cost, less accumulated depreciation. Donated capital assets are recorded at their acquisition value at the date of donation. Expenditures for additions and improvements with a value in excess of \$1,000 and a useful life of more than one year are capitalized. Expenditures for maintenance, repairs and minor replacements are expensed to operations as incurred. Depreciation has been provided on a straight-line basis over the estimated useful life of the respective assets as follows:

<u>Assets</u>	<u>Years</u>
Buildings and improvements	10 – 50 years
Transit vehicles	5 – 20 years
Service vehicles	4 – 5 years
Shop equipment	3 – 5 years
Furniture and office equipment	3 – 10 years

The Authority has acquired certain capital assets with funding provided from federal transit capital investment grants. The Authority holds title to these assets. However, the federal government retains an interest in the assets should they no longer be used for public mass transit purposes.

Compensated Absences

Employees of the Authority who are not covered under union contract are allowed to accumulate a maximum of 30 days of leave. All accumulated leave vests with these employees and is payable upon termination or retirement.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Compensated Absences (Continued)

Union employees are allowed to accumulate a maximum of 50 personal leave days. Accumulated personal leave vests with these employees based on their years of service. Upon termination of service, employees with at least ten years of service are paid 50% of their accumulated personal leave, whereas employees with less than ten years are paid 25% of their accumulated personal leave.

Risk Management

The Authority is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; and error or omissions. The Authority purchases commercial insurance for these types of risk. Insurance coverage by major categories of risk has not changed significantly from the prior year.

Deferred Outflows/Inflows of Resources

Deferred outflows of resources represent a consumption of net assets that applies to a future period and so will not be recognized as an outflow of resources (expense) until then. There are three items related to the Authority's other post-employment benefits liability, which qualify for reporting in this category and are combined in the Statement of Net Position under the heading "OPEB". The first item, experience differences, results from periodic studies by the actuary of the OPEB plan, which adjust the OPEB liability for actual experience for certain trend information that was previously assumed, for example the assumed dates of retirement of plan members. These experience differences are recorded as deferred outflows of resources and are amortized into OPEB expense over the expected remaining service lives of the plan members. The second item, changes in actuarial assumptions, is recorded as a deferred outflow of resources and is amortized into OPEB expense over the expected remaining service lives of plan members. Additionally, any contributions made by the Authority to the OPEB plan before year-end but subsequent to the measurement date of the Authority's OPEB liability are reported as deferred outflows of resources.

Deferred inflows of resources represent an acquisition of net assets that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. There are two items related to the Authority's other post-employment benefits liability, which qualify for reporting in this category and are combined in the Statement of Net Position under the heading "OPEB". The first item, experience differences, results from periodic studies by the actuary of the OPEB plan, which adjust the OPEB liability for actual experience for certain trend information that was previously assumed. The second item, changes in actuarial assumptions, is recorded as a deferred inflow of resources and is amortized into OPEB expense over the expected remaining service lives of plan members.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net Position Classification

Net position is classified and displayed in three components within the Statement of Net Position. These three classifications are as follows:

- a) Investment in capital assets consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvements of those assets.
- b) Restricted net position consists of net position with constraints placed on the use either by: 1) external groups such as creditors, grantors, contributors, or laws and regulations of other governments; or 2) law through constitutional provisions or enabling legislation.
- c) Unrestricted net position consists of all other net position that does not meet the definition of “restricted” or “investment in capital assets.”

Capital Contributions

Capital contributions consist of capital grants or contributions typically from other governments.

NOTE 2. DEPOSITS AND INVESTMENTS

Custodial Credit Risk – Deposits. For deposits, custodial credit risk is the risk that in the event of a bank failure, the Authority's deposits may not be returned to it. As of June 30, 2025 and 2024, the Authority's cash deposits in excess of insured amounts were collateralized through the State of Georgia Secure Deposit Program (“SDP”), a multi-bank pledging pool which requires participating banks holding deposits of public funds to pledge collateral at varying rates depending on the tier assigned by the state. Therefore, the Authority's cash deposits in excess of insured amounts were not exposed to custodial credit risk.

Cash and cash equivalents included \$9,287,491 and \$8,519,444 invested in Georgia Fund 1 at June 30, 2025 and 2024, respectively.

NOTES TO FINANCIAL STATEMENTS

NOTE 2. DEPOSITS AND INVESTMENTS (CONTINUED)

Custodial Credit Risk – Deposits (Continued). The Georgia Fund 1 reported the following information regarding credit and interest rate risk:

June 30,			
2025		2024	
Credit Rating	Weighted Avg. Maturity Days	Credit Rating	Weighted Avg. Maturity Days
AAAf	51 days	AAAf	33 days

Georgia Fund 1, created by the Official Code of Georgia Annotated (“O.C.G.A.”) §36-83-8, is a stable net asset value investment pool which follows Standard & Poor’s criteria for AAAf rated money market funds. The pool is not registered with the Securities and Exchange Commission (“SEC”) as an investment company. The pool’s primary objectives are safety of capital, investment income, liquidity and diversification while maintaining principal (\$1 per share value). The asset value is calculated weekly to ensure stability. The pool distributes earnings (net of management fees) on a monthly basis and determines participants’ shares sold and redeemed based on \$1 per share. The pool also adjusts the value of its investments to fair value as of year-end and the Authority’s investment in Georgia Fund 1 is reported at fair value. The pool is regulated by the Georgia Office of State Treasurer.

Fair Value Measurements. The Authority categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. Georgia Fund 1 is an investment pool, which does not meet the criteria of GASB Statement No. 79 and is thus valued at fair value in accordance with GASB Statement No. 31. As a result, the Authority does not disclose investment in Georgia Fund 1 within the fair value hierarchy.

NOTES TO FINANCIAL STATEMENTS

NOTE 3. RECEIVABLES

Receivables consist of the following:

	June 30,	
	2025	2024
Taxes receivable, net	\$ 1,675,716	\$ 2,181,240
Grants receivable	340,477	8,027
Intergovernmental receivable	2,183,527	695,725
Accounts receivable, net	678,388	541,434
	\$ 4,878,108	\$ 3,426,426

Taxes receivable and accounts receivable are shown net of an allowance for uncollectible accounts totaling \$888,103 and \$708,103 at June 30, 2025 and 2024, respectively.

NOTE 4. CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2025 is as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Capital assets, not being depreciated:					
Land	\$ 6,175,879	\$ -	\$ -	\$ -	\$ 6,175,879
Construction in progress	7,624,425	6,215,687	-	(12,259,889)	1,580,223
Total capital assets, not being depreciated	13,800,304	6,215,687	-	(12,259,889)	7,756,102
Capital assets, being depreciated:					
Building and improvements	31,800,263	209,935	-	-	32,010,198
Transit vehicles	48,332,342	133,603	(2,708,623)	12,259,889	58,017,211
Service vehicles	535,279	-	-	-	535,279
Shop equipment	344,988	17,181	(9,566)	-	352,603
Furniture and office equipment	7,339,560	535,545	(27,145)	-	7,847,960
Total capital assets, being depreciated	88,352,432	896,264	(2,745,334)	12,259,889	98,763,251
Less accumulated depreciation	(51,906,664)	(4,426,695)	2,745,002	-	(53,588,357)
Total capital assets, net	\$ 50,246,072	\$ 2,685,256	\$ (332)	\$ -	\$ 52,930,996

NOTES TO FINANCIAL STATEMENTS

NOTE 4. CAPITAL ASSETS (CONTINUED)

Capital asset activity for the fiscal year ended June 30, 2024 is as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfers</u>	<u>Ending Balance</u>
Capital assets, not being depreciated:					
Land	\$ 6,175,879	\$ -	\$ -	\$ -	\$ 6,175,879
Construction in progress	4,242,908	3,381,517	-	-	7,624,425
Total capital assets, not being depreciated	<u>10,418,787</u>	<u>3,381,517</u>	<u>-</u>	<u>-</u>	<u>13,800,304</u>
Capital assets, being depreciated:					
Building and improvements	31,786,963	13,300	-	-	31,800,263
Transit vehicles	47,323,078	2,250,200	(1,240,936)	-	48,332,342
Service vehicles	621,870	-	(86,591)	-	535,279
Shop equipment	322,813	35,268	(13,093)	-	344,988
Furniture and office equipment	7,117,902	239,302	(17,644)	-	7,339,560
Total capital assets, being depreciated	<u>87,172,626</u>	<u>2,538,070</u>	<u>(1,358,264)</u>	<u>-</u>	<u>88,352,432</u>
Less accumulated depreciation	<u>(49,014,914)</u>	<u>(4,250,014)</u>	<u>1,358,264</u>	<u>-</u>	<u>(51,906,664)</u>
Total capital assets, net	<u>\$ 48,576,499</u>	<u>\$ 1,669,573</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 50,246,072</u>

NOTE 5. COMPENSATED ABSENCES

Changes in compensated absences for the year ended June 30, 2025 were as follows:

<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
\$ 361,498	\$ 53,680	\$ -	\$ 415,178	\$ 268,618

Changes in compensated absences for the year ended June 30, 2024 were as follows:

<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
\$ 351,465	\$ 10,033	\$ -	\$ 361,498	\$ 300,498

NOTES TO FINANCIAL STATEMENTS

NOTE 6. DEFERRED COMPENSATION PLAN

The Authority offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan is administrated by ICMA Retirement Corporation. The plan permits employees to defer a portion of their salaries until termination, retirement, death, or financial hardship. All assets and income of the plan are held in trust for the exclusive benefit of the participants and their beneficiaries.

NOTE 7. EMPLOYEE RETIREMENT PLANS

Union Employees' Retirement Plan

Effective November 1, 2017, the Authority converted its 401(a) money purchase plan to a 401(k) profit sharing plan in order to allow plan participants to place their elective deferrals in the Authority's 457 deferred compensation plan instead of the Authority's 401(a) plan. All union employees, who have met certain age and service requirements as set forth in the agreement between the Authority and Local 1324 Amalgamated Transit Union are eligible to participate. The plan provides for a fixed employer matching contribution equal to \$2 for every \$1 of elective employee deferral up to a maximum annual employer contribution of \$1,500. The Authority recognized pension expense for the years ended June 30, 2025 and 2024 of \$98,076 and \$100,529, respectively. For the years ended June 30, 2025 and 2024, forfeitures reduced the Authority's pension expense by \$0 and \$0, respectively.

Non-Union Employees' Retirement Plan

Effective November 1, 2017, the Authority converted its 401(a) money purchase plan to a 401(k) profit sharing plan in order to allow plan participants to place their elective deferrals in the Authority's 457 deferred compensation plan instead of the Authority's 401(a) plan. All non-union employees, who have met certain age and service requirements are eligible to participate. The plan provides for a 50% employer match for every dollar of elective employee deferral up to a maximum of 6% of compensation. The Authority recognized pension expense for the years ended June 30, 2025 and 2024 of \$56,111 and \$48,898, respectively. For the years ended June 30, 2025 and 2024, forfeitures reduced the Authority's pension expense by \$0 and \$0, respectively.

NOTES TO FINANCIAL STATEMENTS

NOTE 8. POST-EMPLOYMENT LIFE INSURANCE AND MEDICAL PLAN

Plan Description

The Post-Retirement Life Insurance Plan and Post-Retirement Medical Plan (collectively, the “Plan”) is a single-employer defined benefit post-employment life and healthcare plan that provides health and life insurance benefits to retired employees who have met the minimum age and years of service requirements. The Authority establishes and amends the benefits and financing through contractual agreements with union employees and through adopted personnel policies for non-union employees. The Authority does not issue a stand-alone financial report for the Plan.

Funding Policy

Contributions to the Plan are based on a pay-as-you-go basis. Retirees and their dependents receiving healthcare benefits contributed 100% toward their monthly healthcare premiums. The Plan provides retirees with \$10,000 of life insurance coverage fully funded by the Authority. The Authority contributed costs of post-employment life insurance benefits totaling \$23,946 and \$26,145 in the fiscal years 2025 and 2024, respectively.

Employees Covered

As of the June 30, 2024 actuarial valuation, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	55
Active employees	<u>270</u>
Total	<u><u>325</u></u>

Total OPEB Liability

The Authority's total OPEB liability of \$931,940 was measured as of June 30, 2024 and was determined by an actuarial valuation as of that date, based on the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50%
Wage inflation	2.50%
Salary increases	3.00% – 6.75%
Discount rate	3.93%
Healthcare cost trend rates	7.00% for 2024 decreasing to an ultimate rate of 4.50% by 2034

NOTES TO FINANCIAL STATEMENTS

NOTE 8. POST-EMPLOYMENT LIFE INSURANCE AND MEDICAL PLAN (CONTINUED)

Total OPEB Liability (Continued)

The discount rate used was based on the June average of the Bond Buyer 20-year General Obligation Bond Index published weekly by the Bond Buyer, and the Municipal Bond Index Rate as of the measurement date as the discount rate used to measure the total OPEB liability.

Mortality rates were based on the Pub-2010 mortality tables, projected generationally with the MP-2019 scale.

The demographic actuarial assumptions for retirement, disability incidence, withdrawal, and salary increases used in the June 30, 2024 valuation were based on the results of an actuarial experience study for the period July 1, 2014 through June 30, 2019, adopted by the Employees' Retirement System of Georgia.

The remaining actuarial assumptions (e.g., initial per capita costs, healthcare cost trends, rate of plan participation, rates of plan election, etc.) used in the June 30, 2024 valuation were based on a review of recent plan experience performed concurrently with the June 30, 2024 valuation.

Changes in Total Liability

	2025	2024
Beginning balances	\$ 841,922	\$ 816,811
Service cost	35,325	35,204
Interest	31,546	29,641
Differences between expected and actual experience	101,676	2,500
Changes in assumptions	(52,321)	(12,590)
Benefit payments and implicit subsidy credit	(26,208)	(29,644)
Net changes	90,018	25,111
Ending balances	\$ 931,940	\$ 841,922

There were no changes to benefit terms during either measurement period. Any change of assumptions are listed in the notes to the Required Supplementary Information section following these notes.

NOTES TO FINANCIAL STATEMENTS

NOTE 8. POST-EMPLOYMENT LIFE INSURANCE AND MEDICAL PLAN (CONTINUED)

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

For the fiscal year ended June 30, 2025:

	Discount Rate		
	1% Decrease (2.93%)	Current (3.93%)	1% Increase (4.93%)
Total OPEB liability	\$ 1,083,215	\$ 931,940	\$ 811,104

For the fiscal year ended June 30, 2024:

	Discount Rate		
	1% Decrease (2.65%)	Current (3.65%)	1% Increase (4.65%)
Total OPEB liability	\$ 968,174	\$ 841,922	\$ 739,827

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

For the fiscal year ended June 30, 2025:

	Healthcare Cost Trend Rate		
	1% Decrease	Current	1% Increase
Total OPEB liability	\$ 920,971	\$ 931,940	\$ 944,627

For the fiscal year ended June 30, 2024:

	Healthcare Cost Trend Rate		
	1% Decrease	Current	1% Increase
Total OPEB liability	\$ 833,784	\$ 841,922	\$ 851,226

NOTES TO FINANCIAL STATEMENTS

NOTE 8. POST-EMPLOYMENT LIFE INSURANCE AND MEDICAL PLAN (CONTINUED)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended June 30, 2025 and 2024, the Authority recognized OPEB expense of \$27,234 and \$13,342, respectively. At June 30, 2025, the Authority 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 expected and actual experience	\$ 91,390	\$ (117,883)
Changes of assumptions	65,942	(164,506)
Contributions subsequent to the measurement date	23,946	-
Total	\$ 181,278	\$ (282,389)

The amount of \$23,946 reported as deferred outflows of resources related to OPEB resulting from the Authority's benefit payments subsequent to the measurement date will be recognized as a reduction of total OPEB liability in the year ending June 30, 2026.

At June 30, 2024, the Authority 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 expected and actual experience	\$ 9,673	\$ (162,775)
Changes of assumptions	95,925	(156,872)
Contributions subsequent to the measurement date	26,145	-
Total	\$ 131,743	\$ (319,647)

The amount of \$26,145 reported as deferred outflows of resources related to OPEB resulting from the Authority's benefit payments subsequent to the measurement date was recognized as a reduction of the total OPEB liability in the year ended June 30, 2025.

NOTES TO FINANCIAL STATEMENTS

NOTE 8. POST-EMPLOYMENT LIFE INSURANCE AND MEDICAL PLAN (CONTINUED)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources (Continued)

For the year ended June 30, 2025, other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year ending June 30,</u>		
2026	\$	(29,707)
2027		(28,158)
2028		(34,484)
2029		(38,940)
2030		6,232
Thereafter		-

For the year ended June 30, 2024, other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year ending June 30,</u>		
2025	\$	(48,016)
2026		(38,086)
2027		(36,537)
2028		(42,863)
2029		(47,319)
Thereafter		(1,228)

NOTES TO FINANCIAL STATEMENTS

NOTE 9. COMMITMENTS AND CONTINGENCIES

The Authority participates in several federal and state assisted grant programs. These programs are subject to compliance audits by the grantors and their representatives. The amount of liability, if any, for reimbursement that could arise as a result of audits by the granting agencies, cannot be determined at this time.

Loss accruals were made for damage claims or suits that were settled subsequent to year-end or settlement is probable and the amount of settlement can be reasonably estimated at the report date based upon representations of legal counsel and the Authority. In the opinion of management, all claims not accrued are adequately covered by insurance, are without merit or would have an insignificant effect on the financial position or results of operations of the Authority, if disposed of unfavorably.

For the years ended June 30, 2025 and 2024, the Authority had outstanding construction commitments of \$3,252,233 and \$3,854,384, respectively.

NOTE 10. TAX ABATEMENTS

The Savannah Economic Development Authority ("SEDA") provides property tax abatements to attract new businesses to the County, and to incentivize existing businesses to retain or expand operations in the County. SEDA is authorized to enter into tax abatement agreements as a state constitutional authority and by state law. SEDA determines eligibility, length of agreement, as well as abatement percentage based on a projects' commitment of the dollar amount of investment and the number of qualifying jobs to be created and/or maintained. Property under abatement is titled in the name of SEDA (a tax-exempt entity) and a lease agreement is executed to obligate the abatement recipient to pay the non-abated tax as a lease payment or payment in lieu of tax. SEDA retains the payments to expend for public purposes of promoting trade, commerce, industry, and employment opportunities in the County. SEDA follows the State of Georgia's performance guidelines for recipients that fail to meet its commitments and the property may be placed back on the tax digest with no further abatement. Under agreements entered into by SEDA, the Authority's property tax revenues for June 30, 2025 and 2024 were reduced by \$823,185 and \$600,844, respectively.

NOTE 11. SUBSEQUENT EVENTS

On November 13, 2025, the Chatham County Board of Commissioners (the "County") issued a formal written notice to the Authority regarding its intent to terminate the existing intergovernmental agreement ("IGA") for public transportation services. Per the terms of the agreement, the termination is scheduled to take effect at the conclusion of the fiscal year at midnight on June 30, 2026.

REQUIRED SUPPLEMENTARY INFORMATION

CHATHAM AREA TRANSIT AUTHORITY
(A Component Unit of Chatham County, Georgia)

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
FOR THE FISCAL YEARS ENDED JUNE 30,

Measurement Date	<u>2024</u>	<u>2023</u>	<u>2022</u>
Total OPEB liability			
Service cost	\$ 35,325	\$ 35,204	\$ 74,086
Interest	31,546	29,641	25,929
Differences between expected and actual experience	101,676	2,500	(191,183)
Changes in assumptions	(52,321)	(12,590)	(200,022)
Benefit payments and implicit subsidy credit	<u>(26,208)</u>	<u>(29,644)</u>	<u>(36,502)</u>
Net change in total OPEB liability	90,018	25,111	(327,692)
Total OPEB liability - beginning	841,922	816,811	1,144,503
Total OPEB liability - ending	<u>\$ 931,940</u>	<u>\$ 841,922</u>	<u>\$ 816,811</u>
Covered payroll	\$ 12,087,587	\$ 12,278,221	\$ 10,268,033
Total OPEB liability as a percentage of covered-employee payroll	7.71%	6.86%	7.95%

Note to the Schedule:

The schedule will present 10 years of information once it is accumulated.

Changes in Assumptions:

The discount rate changed from 3.65% as of the June 30, 2023 measurement date to 3.93% as of the June 30, 2024 measurement date.

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
\$	71,082	\$ 41,628	\$ 38,539	\$ 41,993	\$ 45,651
	24,821	32,301	30,723	29,641	25,506
	7,990	(9,108)	6,650	(117,536)	5,696
	8,370	142,136	42,465	37,553	(64,161)
	(39,382)	(32,903)	(29,078)	(31,738)	(23,264)
	<u>72,881</u>	<u>174,054</u>	<u>89,299</u>	<u>(40,087)</u>	<u>(10,572)</u>
	<u>1,071,622</u>	<u>897,568</u>	<u>808,269</u>	<u>848,356</u>	<u>858,928</u>
\$	<u><u>1,144,503</u></u>	<u><u>1,071,622</u></u>	<u><u>897,568</u></u>	<u><u>808,269</u></u>	<u><u>848,356</u></u>
\$	11,266,319	\$ 11,745,204	\$ 10,461,027	\$ 9,768,616	\$ 8,685,576
	10.16%	9.12%	8.58%	8.27%	9.77%

CHATHAM AREA TRANSIT AUTHORITY
(A Compentent Unit of Chatham County, Georgia)

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS TO OPEB
FOR THE FISCAL YEAR ENDED JUNE 30,

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>
Authority's required contribution	\$ 23,946	\$ 26,145	\$ 25,802	\$ 25,802
Authority's contributions in relation to the required contribution	<u>23,946</u>	<u>26,145</u>	<u>25,802</u>	<u>25,802</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 9,014,554	\$ 12,087,587	\$ 12,278,221	\$ 10,268,033
Contributions as a percentage of covered payroll	0.27%	0.22%	0.21%	0.25%

Notes to the Schedule:

The schedule will present 10 years of information once it is accumulated.

2021	2020	2019	2018	2017
\$ 28,852	\$ 27,703	\$ 29,078	\$ 31,738	\$ 23,264
28,852	27,703	29,078	31,738	23,264
\$ -	\$ -	\$ -	\$ -	\$ -
\$ 11,266,319	\$ 11,745,204	\$ 10,461,027	\$ 9,768,616	\$ 8,685,576
0.26%	0.24%	0.28%	0.32%	0.27%

COMPLIANCE SECTION



**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**

**To the Board of Directors of the
Chatham Area Transit Authority
(A Component Unit of Chatham County, Georgia)
Savannah, Georgia**

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 Chatham Area Transit Authority (the "Authority") as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated December 22, 2025.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

Mauldin & Jenkins, LLC

Savannah, Georgia
December 22, 2025



INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Board of Directors of the
Chatham Area Transit Authority
(A Component Unit of Chatham County, Georgia)
Savannah, Georgia

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Chatham Area Transit Authority's (the "Authority") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the Authority's major federal programs for the year ended June 30, 2025. The Authority's major federal program is identified in the Summary of Audit Results section of the accompanying Schedule of Findings and Questioned Costs.

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

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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

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

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

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

Mauldin & Jenkins, LLC

Savannah, Georgia
December 22, 2025

CHATHAM AREA TRANSIT AUTHORITY
(A COMPONENT UNIT OF CHATHAM COUNTY, GEORGIA)

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

<u>Federal Grantor</u>	<u>AL Number</u>	<u>Agency Grant Number</u>	<u>Expenditures</u>
U.S. Department of Transportation:			
Direct Assistance			
Federal Transit Cluster			
Federal Transit - Formula Grants	20.507	N/A	\$ 2,078,624
ARP ACT Operating Assistance Formula Grant	20.507	N/A	3,166,968
Federal Transit - Bus and Bus Facilities Formula Program	20.507	N/A	465,924
State of Good Repairs	20.525	N/A	140,169
Federal Transit - Bus and Bus Facilities Formula Program	20.526	N/A	<u>445,134</u>
Total Federal Transit Cluster			<u>6,296,819</u>
Highway Planning and Construction	20.205	N/A	94,231
SMART Grant	20.941	N/A	<u>692,147</u>
Total Federal Expenditures			<u><u>\$ 7,083,197</u></u>

CHATHAM AREA TRANSIT AUTHORITY
(A Component Unit of Chatham County, Georgia)

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FISCAL YEAR ENDED JUNE 30, 2025

NOTE 1. BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (“SEFA”) includes the federal award activity of the Chatham Area Transit Authority (the “Authority”) under programs of the federal government for the year ended June 30, 2025. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (“Uniform Guidance”). Because the SEFA presents only a selected portion of the operations of the Authority, it is not intended to and does not present the net position, changes in net position, or cash flows of the Authority.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the SEFA are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 3. INDIRECT COST RATE

The Authority has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

NOTE 4. NON-CASH ASSISTANCE

No federal awards were expended in the form of non-cash assistance during the fiscal year ended June 30, 2025.

NOTE 5. SUBRECIPIENTS

The Authority did not pass funding through to subrecipients during the fiscal year ended June 30, 2025.

CHATHAM AREA TRANSIT AUTHORITY
(A Component Unit of Chatham County, Georgia)

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

SECTION I
SUMMARY OF AUDIT RESULTS

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP. Unmodified

Internal control over financial reporting:
Material weaknesses identified? ___ Yes X No

Significant deficiencies identified not considered to be material weaknesses? ___ Yes X None Reported

Noncompliance material to financial statements noted? ___ Yes X No

Federal Awards

Internal control over financial reporting:
Material weaknesses identified? ___ Yes X No

Significant deficiencies identified not considered to be material weaknesses? ___ Yes X None Reported

Type of auditor's report issued on compliance for major programs Unmodified

Any audit findings disclosed that are required to be reported in accordance with the 2 CFR 200.516(a)? ___ Yes X No

Identification of major programs:

<u>AL Number</u> 20.507, 20.525 and 20.526	<u>Name of Federal Program or Cluster</u> U.S. Department of Transportation <i>Federal Transit Cluster</i>
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Dollar threshold used to distinguish between Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee? X Yes ___ No

CHATHAM AREA TRANSIT AUTHORITY
(A Component Unit of Chatham County, Georgia)

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

SECTION II
FINANCIAL STATEMENT FINDINGS AND QUESTIONED COSTS

None reported.

SECTION III
FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None reported.

SECTION IV
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS

None reported.