

**RETIREMENT PLAN FOR  
SACRAMENTO REGIONAL  
TRANSIT DISTRICT  
EMPLOYEES WHO ARE  
MEMBERS OF ATU LOCAL 256  
AND IBEW LOCAL 1245**

**FINANCIAL STATEMENTS WITH  
INDEPENDENT AUDITOR'S REPORT**

**FOR THE YEARS ENDED  
JUNE 30, 2005 AND 2004**



**Gilbert Associates, Inc.**  
CPAs and Advisors

**INDEPENDENT AUDITOR'S REPORT**

**The Retirement Board  
Sacramento Regional Transit District**

We have audited the accompanying statements of plan net assets of the Retirement Plan for Sacramento Regional Transit District Employees who are members of ATU Local 256 and IBEW Local 1245 (the Plan) as of June 30, 2005 and 2004, and the related statements of changes in plan net assets for the years ended June 30, 2005 and June 30, 2004. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the Plan net assets as of June 30, 2005 and 2004 and the changes in plan net assets for the years ended June 30, 2005 and June 30, 2004 in conformity with accounting principles generally accepted in the United States of America.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying supplemental schedules are presented for the purpose of additional analysis and are not a required part of the basic financial statements, but are supplementary information required by accounting principles generally accepted in the United States of America. These schedules are the responsibility of the Plan's management. Such information has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*Gilbert Associates, Inc.*

**GILBERT ASSOCIATES, INC.**

**August 26, 2005**

**RETIREMENT PLAN FOR SACRAMENTO REGIONAL TRANSIT  
DISTRICT EMPLOYEES WHO ARE MEMBERS OF  
ATU LOCAL 256 AND IBEW LOCAL 1245**

**STATEMENTS OF PLAN NET ASSETS  
JUNE 30, 2005 AND 2004**

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	<u>2005</u>	<u>2004</u>
<b>ASSETS</b>		
<b>INVESTMENTS, AT FAIR MARKET VALUE:</b>	\$ 103,536,432	\$ 96,539,596
<b>CASH AND CASH EQUIVALENTS</b>	6,388,281	4,922,658
<b>INTEREST, DIVIDENDS, AND OTHER RECEIVABLE</b>	<u>1,180,215</u>	<u>1,840,102</u>
<b>TOTAL ASSETS</b>	111,104,928	103,302,356
<b>LIABILITIES</b>		
Accounts payable	<u>4,705,261</u>	<u>3,881,898</u>
<b>NET ASSETS HELD IN TRUST FOR PENSION BENEFITS</b>	<u>\$ 106,399,667</u>	<u>\$ 99,420,458</u>

(A schedule of funding progress for the Plan is presented on page 13)

**RETIREMENT PLAN FOR SACRAMENTO REGIONAL TRANSIT  
DISTRICT EMPLOYEES WHO ARE MEMBERS OF  
ATU LOCAL 256 AND IBEW LOCAL 1245**

**STATEMENTS OF CHANGES IN PLAN NET ASSETS  
FOR THE YEARS ENDED JUNE 30, 2005  
AND JUNE 30, 2004**

	<u>2005</u>	<u>2004</u>
<b>ADDITIONS</b>		
Employer contributions	\$ 4,536,019	\$ 3,881,744
Investment Income:		
Net depreciation in fair value of investments	5,762,710	11,181,990
Interest, dividends, and other income	2,590,512	2,612,016
Investment expenses	<u>(353,972)</u>	<u>(362,430)</u>
Net investment income	<u>7,999,250</u>	<u>13,431,576</u>
Total additions	12,535,269	17,313,320
<b>DEDUCTIONS</b>		
Benefits paid to participants	5,337,801	4,539,960
Administrative expenses	<u>218,259</u>	<u>285,903</u>
Total deductions	<u>5,556,060</u>	<u>4,825,863</u>
<b>NET INCREASE IN PLAN NET ASSETS</b>	6,979,209	12,487,457
<b>NET ASSETS HELD IN TRUST -BEGINNING OF YEAR</b>	<u>99,420,458</u>	<u>86,933,001</u>
<b>NET ASSETS HELD IN TRUST-END OF YEAR</b>	<u>\$ 106,399,667</u>	<u>\$ 99,420,458</u>

**RETIREMENT PLAN FOR SACRAMENTO REGIONAL TRANSIT  
DISTRICT EMPLOYEES WHO ARE MEMBERS OF  
ATU LOCAL 256 AND IBEW LOCAL 1245**

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2005  
AND JUNE 30, 2004**

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**1. DESCRIPTION OF THE PLAN**

The Retirement Plan for Sacramento Regional Transit District Employees who are members of ATU Local 256 and IBEW Local 1245 (the Plan) is a noncontributory single employer defined benefit plan covering contract employees of Sacramento Regional Transit District (the District). The following brief description of the Plan is provided for information only. Participants should refer to the Plan agreement for more complete information.

**General** - The Plan provides defined pension, disability, and death benefits to employees who are members of the Amalgamated Transit Union (ATU) Local 256 and International Brotherhood of Electrical Workers (IBEW) Local 1245. ATU and IBEW members' benefits are fully vested after five years and ten years, respectively. Membership in the Plan commences upon hire. Contributions to the Plan are authorized or amended by the Retirement Board (Assembly Bill 1064, effective January 1, 2004, mandates that the Retirement Board be comprised of equal representation of management and Bargaining Group employees) based on a sound actuarial basis. The authority under which benefit provisions are established and amended rests with the District's Board of Directors as a result of labor negotiations.

Plan membership at June 30, consisted of:

	2005	2004
Retirees and beneficiaries currently receiving benefits	281	239
Terminated members entitled to but not yet collecting benefits	56	38
Current active members	871	844
	1,208	1,121

**Retirement Benefits** – A participant is eligible for normal service retirement upon attaining age 55 and completing 10 or more years of service for ATU and 5 years for IBEW. In addition, ATU members are eligible to retire upon reaching 25 years of service. The normal service retirement benefit is the greater of the benefit accrued under the plan provisions in effect on February 28, 1993 or the participant's benefit under the current plan provisions. Under the current plan provision, the participant receives a percentage of the average final earnings, as defined, multiplied by the participant's service at retirement. The percentage for IBEW members' is equal to: a) 2.0%, if the participant retires prior to age 65, or b) 2.5%, if the participant retires at age 65 or later.

**RETIREMENT PLAN FOR SACRAMENTO REGIONAL TRANSIT  
DISTRICT EMPLOYEES WHO ARE MEMBERS OF  
ATU LOCAL 256 AND IBEW LOCAL 1245**

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2005  
AND JUNE 30, 2004**

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The percentage for ATU members' is as follows:

<u>Age/Service</u>	<u>Benefit</u>
55 or 25 years	2.0%
56 or 26 years	2.1%
57 or 27 years	2.2%
58 or 28 years	2.3%
59 or 29 years	2.4%
60 or 30 years	2.5%

The benefits begin at retirement and continue for the participant's life unless the participant elects to receive reduced benefits with continuing benefits to a beneficiary after death.

**Disability Benefits** – A participant is eligible for a disability benefit if the participant is unable to perform the duties of his or her job with the District, cannot be transferred to another job with the District, and has submitted satisfactory medical evidence of permanent disqualification from his or her job. Ten years of service is required to qualify for disability. The disability benefit is equal to 2% of the participant's average final earnings, as defined, multiplied by service accrued through the date of disability. The disability benefit cannot exceed the retirement benefit. The benefit begins at disability and continues until recovery or for the participant's life unless the participant elects to receive reduced benefits with continuing benefits to a beneficiary after death.

**Pre-Retirement and Death Benefit** – A participant's surviving spouse is eligible for a pre-retirement death benefit if the participant has completed 10 years of service with the District. The pre-retirement death benefit is the actuarial equivalent of the normal retirement benefit, as if the participant retired on the date of death. The death benefit begins when the participant dies and continues for the life of the surviving spouse or until remarriage.

**Administration** – The Plan is administered by the Retirement Boards. All expenses incurred in the administration of the Plan are paid by the Plan.

**Plan Termination** – Should the Plan be terminated, plan net assets will first be applied to provide for retirement benefits to retired members. Any remaining net assets will be allocated to other members, oldest first, on the basis of the actuarial present value of their benefits.

**RETIREMENT PLAN FOR SACRAMENTO REGIONAL TRANSIT  
DISTRICT EMPLOYEES WHO ARE MEMBERS OF  
ATU LOCAL 256 AND IBEW LOCAL 1245**

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2005  
AND JUNE 30, 2004**

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**2. SIGNIFICANT ACCOUNTING POLICIES**

**Basis of accounting** – The financial statements of the Plan are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. District contributions to the Plan are recognized in the period in which the contributions are due. Benefits and refunds are recognized when due and payable in accordance with the Plan agreement.

**Cash and Cash Equivalents** – The Plan considers all highly liquid investments with maturity of three months or less when purchased to be cash equivalents.

**Investments** – Investments are stated at fair market value measured by quoted market prices (or, if not available, at estimated fair value). Realized gains or losses on the sale of investments are recorded on the trade date as the difference between proceeds received and current value at the beginning of the year or cost if acquired during the year. Net appreciation (depreciation) in fair value of investments includes net unrealized market appreciation and depreciation of investments and net realized gains and losses on the sale of investments during the period. Interest income includes dividends and interest paid on the Plan investments.

**Taxes on Income** – Taxes on income are not provided because the Plan is exempt for income taxes.

**Estimates** – The preparation of financial statements in conformity with generally accepted accounting principles requires the Plan administrator to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

**3. CONTRIBUTION REQUIREMENTS**

The Plan's funding policy provides for actuarially determined periodic contributions. Contribution rates for retirement benefits are determined using the entry age normal cost method. During the years ended June 30, 2005 and June 30, 2004, contributions to the Plan were \$4,536,019 and \$3,881,744, respectively.

**RETIREMENT PLAN FOR SACRAMENTO REGIONAL TRANSIT  
DISTRICT EMPLOYEES WHO ARE MEMBERS OF  
ATU LOCAL 256 AND IBEW LOCAL 1245**

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2005  
AND JUNE 30, 2004**

**4. CASH AND INVESTMENTS**

**DEPOSITS**

At June 30, 2005 and 2004, the reported amount of the deposits of the Plan was \$6,388,281 and \$4,922,658, respectively. The amount was collateralized with securities held by the counterparty's trust department or agent in the Plan's name.

In accordance with GASB Statement No. 3, "Deposits with Financial Institutions, Investments (including Repurchase Agreements), and Reverse Repurchase Agreements", the Plan's deposits are categorized in the following manner:

- Category 1 –** Insured or collateralized with securities held by the District or by its agent in the District's name.
- Category 2 –** Collateralized with securities held by the pledging financial institution's trust department or agent in the District's name.
- Category 3 –** Uncollateralized or collateralized with securities held by the pledging financial institution, or by its trust department or agent, but not in the District's name.

The Plan's deposits by category as of June 30, 2004 are as follows:

	Category			Total
	1	2	3	
Money Market Accounts		\$ 4,922,658		4,922,658
Total	\$	\$ 4,922,658	\$	\$ 4,922,658

**INVESTMENTS**

An annual Board-adopted policy, the Statement of Investment Objectives and Policy Guidelines for Contract and Salaried Employees' Retirement Funds, governs the Plan's investments. This Policy focuses on the continued feasibility of achieving, and the appropriateness of, the Asset Allocation Policy, the Investment Objectives, the Investment Policies and Guidelines and the Investment Restrictions.

**RETIREMENT PLAN FOR SACRAMENTO REGIONAL TRANSIT  
DISTRICT EMPLOYEES WHO ARE MEMBERS OF  
ATU LOCAL 256 AND IBEW LOCAL 1245**

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2005  
AND JUNE 30, 2004**

**4. CASH AND INVESTMENTS (Continued)**

All of the Plan's investments are reported at fair value measured by quoted market prices.

The table below identifies the investment types that are authorized by the Retirement Board. The table also identifies certain provisions of the Investment Objectives and Policy that address interest risk, credit risk and concentration of credit risk.

Authorized Investment Type	Maximum Maturity*	Minimum Rating	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
Municipal Debt	None	Baa	None	None
U.S. Treasury Obligations	None	N/A	None	None
U.S. Agency Securities	None	N/A	None	None
Bankers' Acceptances	None	N/A	None	None
Commercial Paper	None	A2	None	None
Certificates of Deposit	None	N/A	None	None
Repurchase Agreements with US Treasury and Agencies as collateral	None	N/A	None	None
Corporate Debt	None	Baa	None	None
Mortgage Pass-Through Securities	None	None	None	None
Collateralized Mortgage Obligations	None	Aaa	None	None

\* The fixed income portion of the Plans shall be limited in duration to between 75% and 125% of the Lehman Brother Aggregate Bond Index.

**INVESTMENT RISK FACTORS**

There are many factors that can affect the value of investments. Some such as interest rate risk, credit risk, custodial credit risk, concentration of credit risk, and foreign currency risk may affect both equity and fixed income securities. Equity securities respond to such factors as economic conditions, individual company earnings performance, and market liquidity, while fixed income securities are particularly sensitive to credit risks and changes in interest rates.

**INTEREST RATE RISK**

Interest rate risk is the risk that the value of fixed income securities will decline because of rising interest rates. The prices of fixed income securities with a longer time to maturity, measured by duration, tend to be more sensitive to changes in interest rates and, therefore, more volatile than those with shorter duration.

**RETIREMENT PLAN FOR SACRAMENTO REGIONAL TRANSIT  
DISTRICT EMPLOYEES WHO ARE MEMBERS OF  
ATU LOCAL 256 AND IBEW LOCAL 1245**

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2005  
AND JUNE 30, 2004**

**4. CASH AND INVESTMENTS (Continued)**

The following table provides information about the interest rate risks associated with the Plan's investments for the year ended June 30, 2005. The investments include certain short-term cash equivalents, various long-term items, and restricted assets by maturity in years.

	Less than 1	1 – 5	6 – 10	More than 10	No Maturity	Fair Value
Collateralized Mortgage Obligations			\$ 353,050	\$ 8,454,002		\$ 8,807,052
Corporate Bonds		\$ 3,015,965	1,306,094	5,583,407		9,905,466
Credit Card Receivable	\$ 385,173					385,173
U.S. Government Agency Obligations				8,531,139		8,531,139
U.S. Government Issued Obligations		6,044,580	1,960,346	1,313,945		9,318,871
Asset Backed Obligations	196,995	1,057,232	1,427,894	4,820,047		7,502,168
Cash and Cash Equivalents					\$ 6,388,281	6,388,281
Rights					11,468	11,468
Real Estate Investment Trust					548,245	548,245
Depository Receipts					2,555,868	2,555,868
Stocks					55,970,982	55,970,982
Total	\$ 582,168	\$ 10,117,777	\$ 5,047,384	\$ 28,702,540	\$ 65,474,844	\$ 109,924,713

**CREDIT RISK**

Fixed income securities are subject to credit risk, which is the chance that a bond issuer will fail to pay interest or principal in a timely manner, or that negative perceptions of the issuer's ability to make these payments will cause security prices to decline. The circumstances may arise due to a variety of factors such as financial weakness, bankruptcy, litigation and/or adverse political developments.

A bond's credit quality is an assessment of the issuer's ability to pay interest on the bond, and ultimately, to pay the principal. Credit quality is evaluated by one of the independent bond-rating agencies, for example Moody's Investors Services (Moody's). The lower the rating, the greater the chance – in the rating agency's opinion — that the bond issuer will default, or fail to meet its payment obligations. Generally, the lower a bond's credit rating, the higher its yield should be to compensate for the additional risk.

Certain fixed income securities, including obligations of the U.S. government or those explicitly guaranteed by the U.S. government, are not considered to have credit risk.

**RETIREMENT PLAN FOR SACRAMENTO REGIONAL TRANSIT  
DISTRICT EMPLOYEES WHO ARE MEMBERS OF  
ATU LOCAL 256 AND IBEW LOCAL 1245**

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2005  
AND JUNE 30, 2004**

**4. CASH AND INVESTMENTS (Continued)**

The following table provides information on the credit ratings and fair value associated with the Plan's investments as of June 30, 2005.

<u>Investment</u>		<u>Fair Value</u>
Asset Backed Securities	Aaa	\$ 3,028,972
	Aa3	705,013
	Baa3	747,400
	Ba1	81,781
	Ba3	253,429
	Not Rated	3,070,745
Corporate Bonds	Aa3	1,405,429
	A1	1,511,127
	A2	453,015
	A3	439,511
	Baa1	742,730
	Baa2	1,719,512
	Baa3	2,762,533
	Caa2	664,625
	Not Rated	206,982
Mortgage Backed Securities	Aaa	9,010,592
	A3	474,296
	Baa3	243,136
	Caa1	186,657
	Not Rated	4,966,260
Short-term Securities	Not Rated	5,851,193
Real Estate Investment Trust	Not Rated	548,245
U.S. Agencies	Aaa	3,614,005
U.S. Treasury	Aaa	8,768,165
Total Fiduciary Fund		<u>\$ 51,455,353</u>

**RETIREMENT PLAN FOR SACRAMENTO REGIONAL TRANSIT  
DISTRICT EMPLOYEES WHO ARE MEMBERS OF  
ATU LOCAL 256 AND IBEW LOCAL 1245**

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2005  
AND JUNE 30, 2004**

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**4. CASH AND INVESTMENTS (Continued)**

**CONCENTRATION OF CREDIT RISK**

Concentration of credit risk is the risk associated with a lack of diversification of having too much invested in a few individual issuers, thereby exposing the organization to greater risks resulting from adverse economic, political, regulatory, geographic, or credit developments.

The investment policy of the Plan states that the investment in the securities of a single issuer shall not exceed 5% (at cost) of the value of the portfolio. None of the Plan investments in a single organization represent greater than 5% of its total investments.

**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 the failure of the counterparty (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 Plan's investment policy does not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments.

At June 30, 2004, the Plan's investments are categorized as to custodial risk in the following manner:

- |                        |   |
|------------------------|---|
| <b>Category 1 –</b>    | Insured or registered, or securities held by the Plan or its agent in the Plan's name.  |
| <b>Category 2 –</b>    | Uninsured and unregistered, with securities held by the counterparty's trust department or agent in the Plan's name.                                  |
| <b>Category 3 –</b>    | Uninsured and unregistered, with securities held by the counterparty, or by the counterparty's trust department or agent, but not in the Plan's name. |
| <b>Uncategorized –</b> | Investments in external investment pools not required to be categorized.  |

**RETIREMENT PLAN FOR SACRAMENTO REGIONAL TRANSIT  
DISTRICT EMPLOYEES WHO ARE MEMBERS OF  
ATU LOCAL 256 AND IBEW LOCAL 1245**

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2005  
AND JUNE 30, 2004**

**4. CASH AND INVESTMENTS (Continued)**

The investments of the Plan by category as of June 30, 2004 are as follows:

	<u>RISK CATEGORY</u>				<u>Fair Value</u>
	<u>1</u>	<u>2</u>	<u>3</u>	<u>Uncategorized</u>	
<b>Investments</b>					
Common Stock	\$ 56,542,890				\$ 56,542,890
Corporate Bonds	<u>39,996,706</u>				<u>39,996,706</u>
Total Investments	<u>\$ 96,539,596</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 96,539,596</u>

**FOREIGN CURRENCY RISK**

The Plan's investment policy states international equity shall be comprised of American Depository Receipts (ADR) of non-U.S. companies, common stocks of non-U.S. companies, preferred stocks of non-U.S. companies, foreign convertible securities including debentures convertible to common stocks, and cash equivalents.

The following table provides information on deposits and investments held in various foreign currencies, which are stated in U.S. dollars. The Plan does have foreign currency deposits and investments which may be used for hedging purposes.

**RETIREMENT PLAN FOR SACRAMENTO REGIONAL TRANSIT  
DISTRICT EMPLOYEES WHO ARE MEMBERS OF  
ATU LOCAL 256 AND IBEW LOCAL 1245**

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2005  
AND JUNE 30, 2004**

**4. CASH AND INVESTMENTS (Continued)**

At June 30, 2005, the U.S. dollar balances organized by investment type and currency denominations are as follows:

	<u>Foreign Currency</u>	2005 <u>U.S. Dollars</u>
Cash	Euro Currency	\$ (84,772)
	Japanese Yen	15,846
	Pound Sterling	(37)
Rights	Singapore Dollar	11,468
Stocks	Canadian Dollar	111,662
	Euro Currency	5,484,449
	Japanese Yen	2,311,497
	New Zealand Dollar	169,006
	Pound Sterling	2,082,205
	Singapore Dollar	331,950
	Swiss Franc	808,875
Total:		<u>\$ 11,242,149</u>

**SUPPLEMENTAL SCHEDULES**

**RETIREMENT PLAN FOR SACRAMENTO REGIONAL TRANSIT  
DISTRICT EMPLOYEES WHO ARE MEMBERS OF  
ATU LOCAL 256 AND IBEW LOCAL 1245**

**SCHEDULE OF FUNDING PROGRESS  
FOR THE YEARS ENDED JUNE 30, 2005 AND JUNE 30, 2004**

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Plan Asset</u>	<u>Actuarial Accrued Liability (AAL)</u>	<u>Underfunded Actuarial Accrued Liability (UAAL) (Col 3-Col 2)</u>	<u>Funded Ratio (Col 2/Col 3)</u>	<u>Annual Covered Payroll</u>	<u>UAAL as a Percentage of Payroll (Col 4/Col 6)</u>
12/31/94	\$ 46,569,870	\$ 51,925,088	\$ 5,355,218	89.7%	\$20,550,870	26.1%
12/31/95	49,310,919	55,391,806	6,080,887	89.0%	20,875,667	29.1%
12/31/96	58,122,152	64,804,069	6,681,917	89.7%	22,177,662	30.1%
12/31/97	64,077,757	67,162,919	3,085,162	95.4%	22,356,916	13.8%
12/31/98	71,629,412	80,272,636	8,643,224	89.2%	24,723,530	35.0%
12/31/99	82,011,422	86,230,074	4,218,652	95.1%	24,971,784	16.9%
12/31/00	91,244,708	92,516,769	1,272,061	98.6%	29,278,602	4.3%
06/30/02	100,236,751	101,635,599	1,398,848	98.6%	29,929,217	4.7%
06/30/03	104,044,908	109,134,316	5,089,408	95.3%	35,057,594	14.5%
06/30/04	107,900,962	128,381,090	20,480,128	84.0%	37,678,844	54.4%

**RETIREMENT PLAN FOR SACRAMENTO REGIONAL TRANSIT  
DISTRICT EMPLOYEES WHO ARE MEMBERS OF  
ATU LOCAL 256 AND IBEW LOCAL 1245  
SCHEDULE OF DISTRICT CONTRIBUTIONS  
FOR THE YEARS ENDED JUNE 30, 2005  
AND JUNE 30, 2004**

<u>Year Ending</u>	<u>Annual Required Contributions</u>	<u>Actual Contributions</u>	<u>Percentage Contributed</u>
12/31/94	\$ 2,153,886	\$ 2,195,589	102%
12/31/95	2,363,350	2,169,656	92%
12/31/96	2,505,080	2,380,290	95%
12/31/97	2,503,431	2,503,431	100%
12/31/98	2,382,468	2,382,468	100%
12/31/99	2,430,995	2,430,995	100%
12/31/00	2,718,332	2,718,332	100%
06/30/02	4,515,243	4,515,243	100%
06/30/03	3,422,043	3,422,043	100%
06/30/04	3,881,742	3,881,742	100%

In the Schedule of District Contributions, the Annual Required Contribution (ARC) was based on the contribution in dollars required by the most recent actuarial valuation for periods beginning before January 1, 1997. Beginning in 1997, the ARC is computed as a percentage applied to the District's actual covered payroll.

The table below summarized certain actuarial information from the most recent study:

Valuation Date:	July 1, 2004
Actuarial cost method:	Individual Entry Age
Amortization method:	Level Percentage Open Group
Remaining amortization period:	23 Years
Asset valuation method:	Market value adjustment to reflect investment earnings greater than (or less than) the assumed rate over a five-year period.

Actuarial assumptions:

Investment rate of return	8.00%
Projected salary increases	5.04% to 9.72%
Includes inflation at	4.00%
Cost of living adjustments	None

(Note: This is the latest actuary study information)