

March 21, 2022

To the Transit Committee of the
Biddeford-Saco-Old Orchard Beach Transit Committee

We have audited the financial statements of the Biddeford-Saco-Old Orchard Beach Transit Committee for the year ended June 30, 2021. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our meeting with the Chair of the Committee on December 15, 2021. Professional standards also require that we communicate to you the following information related to our audit.

Our Responsibilities under U.S. Generally Accepted Auditing Standards, *Government Auditing Standards*, and the Uniform Guidance

As stated in our engagement letter dated May 5, 2021, our responsibility, as described by professional standards, is to express an opinion about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

In planning and performing our audit, we considered Biddeford-Saco-Old Orchard Beach Transit Committee's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. We also considered internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with the Uniform Guidance.

As part of obtaining reasonable assurance about whether Biddeford-Saco-Old Orchard Beach Transit Committee's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants. However, providing an opinion on compliance with those provisions was not an objective of our audit. Also, in accordance with the Uniform Guidance, we examined, on a test basis, evidence about Biddeford-Saco-Old Orchard Beach Transit Committee's compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Compliance Supplement* applicable to each of its major federal programs for the purpose of expressing an opinion on Biddeford-Saco-Old Orchard Beach Transit Committee's compliance with those requirements. While our audit provides a reasonable basis for our opinion, it does not provide a legal determination on the Biddeford-Saco-Old Orchard Beach Transit Committee's compliance with those requirements.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Biddeford-Saco-Old Orchard Beach Transit Committee are described in the notes to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2021. We noted no transactions entered into by the Biddeford-Saco-Old Orchard Beach Transit Committee during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate affecting the financial statements was management's estimate of depreciation expense. We evaluated the key factors and assumptions used to develop the useful lives of capital assets and depreciation expense in determining that the estimate is reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected such misstatements, some of which were material to the financial statements. See attached adjusting journal entries.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the attached management representation letter dated March 21, 2022.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a “second opinion” on certain situations. If a consultation involves application of an accounting principle to the Biddeford-Saco-Old Orchard Beach Transit’s financial statements or a determination of the type of auditor’s opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Biddeford-Saco-Old Orchard Beach Transit’s auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the management’s discussion and analysis, which is required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were not engaged to report on the statistical section, which accompanies the financial statements but is not RSI. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Restriction on Use

This information is intended solely for the information and use of the Transit Committee and management of Biddeford-Saco-Old Orchard Beach Transit Committee and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,



Biddeford Saco Old Orchard Transit
Adjusting Journal Entries Report
June 30, 2021

| Account | Description | Debit | Credit |
|--|------------------------------|--------------------------|--------------------------|
| 1 | | | |
| To make year end inventory adjustments for fuel and parts inventory. | | | |
| 801E-81005-60410 | Diesel Fuel Expense | 8,509.26 | 0.00 |
| 801E-81002-60453 | Vehicle Repair/Tires/Oil Exp | 43,281.68 | 0.00 |
| 801-1801-11801-901-996-10382 | Inventory-Diesel Fuel | 0.00 | 8,509.26 |
| 801-1801-11801-901-996-10381 | Inventory-Pub Works Parts | 0.00 | 43,281.68 |
| Total | | <u>51,790.94</u> | <u>51,790.94</u> |
| 2 | | | |
| To adjust unearned revenue to actual as of 6/30/2021. | | | |
| 801R-81001-48051 | Advertising Comisns Paid | 0.00 | 6,000.00 |
| 801-2801-11801-901-998-20142 | Unearned Advertising Income | 0.00 | 77,150.00 |
| 801R-81005-48090 | Contract Stops Revenue | 83,150.00 | 0.00 |
| Total | | <u>83,150.00</u> | <u>83,150.00</u> |
| 3 | | | |
| To record payables booked as due from/to other funds. | | | |
| 801-3801-11801-901-999-30500 | Due from/to Other Funds | 578,034.07 | 0.00 |
| 801-2801-11801-901-998-20100 | A/P-City | 0.00 | 578,034.07 |
| Total | | <u>578,034.07</u> | <u>578,034.07</u> |
| 4 | | | |
| To reverse PY allowance. | | | |
| 801E-81010-60799 | Bad Debt Expense | 0.00 | 17,025.00 |
| 801-1801-11801-901-996-10163 | A/R-Service Fees | 17,025.00 | 0.00 |
| Total | | <u>17,025.00</u> | <u>17,025.00</u> |
| 5 | | | |
| To adjust accrued wages to actual at year end. | | | |
| 801E-81001-60201 | FICA/Medicare-ER Share Exp | 2,476.19 | 0.00 |
| 801-2801-11801-901-998-20310 | HPHC Health Insurance W/H | 0.00 | 2,476.19 |
| 801E-81001-60215 | Delta Dental Premium-Transit | 824.91 | 0.00 |
| 801-2801-11801-901-998-20334 | Dental Premiums W/H | 0.00 | 824.91 |
| 801-2801-11801-901-998-20335 | MMEHT IPP Premiums W/H | 5,189.36 | 0.00 |
| 801E-81001-60212 | IPP Insurance ER Share Exp | 0.00 | 2,594.68 |
| 801E-81002-60212 | IPP Insurance ER Share Exp | 0.00 | 2,594.68 |
| Total | | <u>8,490.46</u> | <u>8,490.46</u> |
| 6 | | | |
| To record additional grant receivables. | | | |
| 801-1801-11801-901-996-10179 | D/F Other Govts-Misc | 554,898.00 | 0.00 |
| 801R-81011-40431 | Federal Share Grants Revenue | 0.00 | 224,898.00 |
| 801R-81011-48100 | MDOT Grant Revenue | 0.00 | 330,000.00 |
| Total | | <u>554,898.00</u> | <u>554,898.00</u> |
| 7 | | | |
| To remove A/P booked in PY. | | | |
| 801-2801-11801-901-998-20100 | A/P-City | 83,765.56 | 0.00 |
| 801E-81001-60210 | HPHC Ins Employer Share Exp | 0.00 | 9,306.28 |
| 801E-81011-60306 | Other Prof/Consult Srvs Exp | 0.00 | 15,620.00 |

| | | | |
|---|--------------------------------|----------------------------|----------------------------|
| 801E-81001-60306 | Other Prof/Consult Srvs Exp | 0.00 | 51,000.00 |
| 801-1801-11801-901-996-10381 | Inventory-Pub Works Parts | 0.00 | 5,964.51 |
| 801-2801-11801-901-998-20338 | AFLAC Vol. Premiums W/H-Transi | 0.00 | 480.48 |
| 801E-81001-60258 | Hiring Fees/EE Testing | 0.00 | 571.00 |
| 801E-81001-60330 | Equipment Rent/Lease Exp | 0.00 | 66.65 |
| 801E-81001-60402 | Phone/Celular/Paging Exp | 0.00 | 600.98 |
| 801E-81001-60502 | Printing & Copying Expense | 0.00 | 121.66 |
| 801E-81001-60797 | Miscellaneous Expense | 0.00 | 10.00 |
| 801E-81009-60514 | Transit COVID Related Material | 0.00 | 24.00 |
| Total | | <u>83,765.56</u> | <u>83,765.56</u> |
| 8 | | | |
| To adjust AR to actual at year end. | | | |
| 801-1801-11801-901-996-10162 | A/R-Miscellaneous | 0.00 | 33,600.00 |
| 801R-81005-48090 | Contract Stops Revenue | 33,600.00 | 0.00 |
| Total | | <u>33,600.00</u> | <u>33,600.00</u> |
| 9 | | | |
| To move capital asset acquisitions out of equity. | | | |
| 801-3801-11801-901-999-30600 | Invested in Fixed Assets-Trans | 2,443,560.92 | 0.00 |
| 801E-81011-60603 | Vehicles Purchase Capital | 0.00 | 2,443,560.92 |
| Total | | <u>2,443,560.92</u> | <u>2,443,560.92</u> |
| 10 | | | |
| To adjust restricted net position to the correct June 30, 2021 balance. | | | |
| 801-3801-11801-901-999-30100 | Unrestricted Fund Balance | 0.00 | 213,539.42 |
| 801-3801-11801-901-999-30101 | Restricted Fund Balance | 213,539.42 | 0.00 |
| Total | | <u>213,539.42</u> | <u>213,539.42</u> |
| 11 | | | |
| To adjust accrued compensated absences to FY21 end. | | | |
| 801E-81005-60105 | F-T Employee Wage Exp | 11,677.67 | 0.00 |
| 801-2801-11801-901-998-20114 | Accrued Compensated Absences | 0.00 | 11,677.67 |
| Total | | <u>11,677.67</u> | <u>11,677.67</u> |
| 12 | | | |
| To reverse revenue that was posted twice. | | | |
| 801R-81011-40431 | Federal Share Grants Revenue | 8,913.00 | 0.00 |
| 801-3801-11801-901-999-30500 | Due from/to Other Funds | 0.00 | 8,913.00 |
| Total | | <u>8,913.00</u> | <u>8,913.00</u> |
| 13 | | | |
| To record 2 FAs found in search. | | | |
| 801-1801-11801-901-996-10803 | Vehicles/Equipment-City | 291,171.00 | 0.00 |
| 801E-81011-60603 | Vehicles Purchase Capital | 0.00 | 291,171.00 |
| Total | | <u>291,171.00</u> | <u>291,171.00</u> |
| 14 | | | |
| To adjust accumulated depreciation to actual. | | | |
| 801E-81011-60700 | Depreciation Expense | 4,072.00 | 0.00 |
| 801-1801-11801-901-996-10804 | Accum Deprec-Veh/Eqt-City | 0.00 | 4,072.00 |
| Total | | <u>4,072.00</u> | <u>4,072.00</u> |
| 15 | | | |
| To record prepaid expense found in the capital asset search. | | | |
| 801-1801-11801-901-996-10155 | Transit Prepaid Expenses | 14,485.00 | 0.00 |

| | | | |
|------------------------------|--------------------------|-------------------------|-------------------------|
| 801E-81011-60602 | Equipment Purchase Cap | 0.00 | 14,485.00 |
| 801-1801-11801-901-996-10155 | Transit Prepaid Expenses | 0.00 | 1,207.08 |
| 801E-81011-60602 | Equipment Purchase Cap | <u>1,207.08</u> | <u>0.00</u> |
| Total | | <u>15,692.08</u> | <u>15,692.08</u> |

16

To properly record a late disposal of an asset and update depreciation.

| | | | |
|------------------------------|--------------------------------|--------------------------|--------------------------|
| 801-1801-11801-901-996-10803 | Vehicles/Equipment-City | 0.00 | 233,125.00 |
| 801-1801-11801-901-996-10804 | Accum Deprec-Veh/Eqt-City | 152,178.75 | 0.00 |
| 801-3801-11801-901-999-30600 | Invested in Fixed Assets-Trans | 80,946.25 | 0.00 |
| 801-1801-11801-901-996-10804 | Accum Deprec-Veh/Eqt-City | 14,570.28 | 0.00 |
| 801E-81011-60700 | Depreciation Expense | <u>0.00</u> | <u>14,570.28</u> |
| Total | | <u>247,695.28</u> | <u>247,695.28</u> |

17

To remove amounts from AP that were identified as invalid payables during testing.

| | | | |
|------------------------------|------------------------------|--------------------------|--------------------------|
| 801-2801-11801-901-998-20100 | A/P-City | 288,601.27 | 0.00 |
| 801E-81003-60453 | Vehicle Repair/Tires/Oil Exp | 0.00 | 1,116.76 |
| 801E-81001-60306 | Other Prof/Consult Svcs Exp | 0.00 | 1,100.00 |
| 801E-81005-60453 | Vehicle Repair/Tires/Oil Exp | 0.00 | 2,878.38 |
| 801E-81005-60320 | Advertising | 0.00 | 1,000.00 |
| 801E-81001-60210 | HPHC Ins Employer Share Exp | 0.00 | 1,383.63 |
| 801E-81011-60603 | Vehicles Purchase Capital | <u>0.00</u> | <u>281,122.50</u> |
| Total | | <u>288,601.27</u> | <u>288,601.27</u> |

18

To bring AP to actual at Year end.

| | | | |
|------------------------------|------------------------------|------------------------|------------------------|
| 801-2801-11801-901-998-20100 | A/P-City | 6,799.78 | 0.00 |
| 801E-81003-60453 | Vehicle Repair/Tires/Oil Exp | <u>0.00</u> | <u>6,799.78</u> |
| Total | | <u>6,799.78</u> | <u>6,799.78</u> |

19

To bring amount due to the city of Biddeford to actual as of year end.

| | | | |
|------------------------------|-------------------------|------------------------|------------------------|
| 801-3801-11801-901-999-30500 | Due from/to Other Funds | 1,375.96 | 0.00 |
| 801E-81005-60455 | Preventive Maintenance | <u>0.00</u> | <u>1,375.96</u> |
| Total | | <u>1,375.96</u> | <u>1,375.96</u> |

20

To remove disposal of capital assets found in minutes.

| | | | |
|------------------------------|---------------------------|-------------------------|-------------------------|
| 801-1801-11801-901-996-10803 | Vehicles/Equipment-City | 0.00 | 80,000.00 |
| 801-1801-11801-901-996-10804 | Accum Deprec-Veh/Eqt-City | <u>80,000.00</u> | <u>0.00</u> |
| Total | | <u>80,000.00</u> | <u>80,000.00</u> |

21

To fix revenue account that had incorrect contract stops posted to it.

| | | | |
|------------------|------------------------|-------------------------|-------------------------|
| 801R-81005-48090 | Contract Stops Revenue | 30,250.00 | 0.00 |
| 801R-81003-48030 | Repair Parts Sales | 8,792.28 | 0.00 |
| 801R-81005-48050 | Advertising Sales | <u>0.00</u> | <u>39,042.28</u> |
| Total | | <u>39,042.28</u> | <u>39,042.28</u> |



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Runyon Kersteen Ouellette
20 Long Creek Drive
South Portland, Maine 04106

This representation letter is provided in connection with your audits of the financial statements of the Biddeford-Saco-Old Orchard Beach Transit Committee which comprise the respective financial position of the business-type activities as of June 30, 2021 and 2020, and the respective changes in financial position and cash flows for the years then ended, and the disclosures (collectively the "financial statements"), for the purpose of expressing opinions as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of March 21, 2022 the following representations made to you during your audit.

Financial Statements

- 1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated May 5, 2021, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP and for preparation of the supplementary information in accordance with the applicable criteria.
- 2) The financial statements referred to above are fairly presented in conformity with U.S. generally accepted accounting principles and include all properly classified funds and other financial information of the primary government and all component units required by generally accepted accounting principles to be included in the financial reporting entity.



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- 3) We acknowledge our responsibility 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.
- 4) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- 5) Significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable.
- 6) Related party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with U.S. GAAP.
- 7) Adjustments or disclosures have been made for all events, including instances of noncompliance, subsequent to the date of the financial statements that would require adjustment to or disclosure in the financial statements or in the schedule of findings and questioned costs.
- 8) We are in agreement with the adjusting journal entries you have proposed, and they have been posted to the accounts.
- 9) The effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial statements as a whole for each opinion unit.
- 10) The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
- 11) Guarantees, whether written or oral, under which the Transit Committee is contingently liable, if any, have been properly recorded or disclosed.

Information Provided

- 12) We have provided you with:
 - a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters and all audit or relevant monitoring reports, if any, received from funding sources.
 - b) Additional information that you have requested from us for the purpose of the audit.
 - c) Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
 - d) Minutes of the meetings of the Transit Committee or summaries of actions of recent meetings for which minutes have not yet been prepared.



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- 13) All material transactions have been recorded in the accounting records and are reflected in the financial statements and the schedule of expenditures of federal awards.
- 14) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- 15) We have no knowledge of any fraud or suspected fraud that affects the Transit Committee and involves:
 - a) Management,
 - b) Employees who have significant roles in internal control, or
 - c) Others where the fraud could have a material effect on the financial statements.
- 16) We have no knowledge of any allegations of fraud or suspected fraud affecting the Transit Committee's financial statements communicated by employees, former employees, regulators, or others.
- 17) We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or abuse, whose effects should be considered when preparing financial statements.
- 18) We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.
- 19) We have disclosed to you the identity of the Transit Committee's related parties and all the related party relationships and transactions of which we are aware.

Government - specific

- 20) There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
- 21) We have taken timely and appropriate steps to remedy fraud, noncompliance with provisions of laws, regulations, contracts, and grant agreements, or abuse that you have reported to
- 22) We have a process to track the status of audit findings and recommendations.
- 23) We have identified to you any previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
- 24) We have provided our views on reported findings, conclusions, and recommendations, as well as our planned corrective actions, for the report.



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- 25) The Transit Committee has no plans or intentions that may materially affect the carrying value or classification of assets, deferred outflows of resources, liabilities, deferred inflows of resources, or net position.
- 26) We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts; and legal and contractual provisions for reporting specific activities in separate funds.
- 27) We have identified and disclosed to you all instances, that have occurred or are likely to have occurred, of fraud and noncompliance with provisions of laws and regulations that we believe have a material effect on the financial statements or other financial data significant to the audit objectives, and any other instances that warrant the attention of those charged with governance.
- 28) We have identified and disclosed to you all instances, that have occurred or are likely to have occurred, of noncompliance with provisions of contracts and grant agreements that we believe have a material effect on the determination of financial statement amounts or other financial data significant to the audit objectives.
- 29) We have identified and disclosed to you all instances that have occurred or are likely to have occurred, of abuse that could be quantitatively or qualitatively material to the financial statements or other financial data significant to the audit objectives.
- 30) There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.
- 31) As part of your audit, you assisted with the preparation of the financial statements, schedule of expenditures of federal awards, schedule of expenditures of department awards, and disclosures. We acknowledge our responsibility as it relates to those non-audit services, including that we assume all management responsibilities; oversee the services by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of the services performed; and accept responsibility for the results of the services. We have reviewed, approved, and accepted responsibility for those financial statements, related notes, schedule of expenditures of department awards, schedule of expenditures of federal awards, and disclosures.
- 32) The Transit Committee has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.



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- 33) The Transit Committee has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
- 34) The financial statements include all component units appropriately present majority equity interests in legally separate organizations and joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations.
- 35) The financial statements properly classify all funds and activities, in accordance with GASBS No. 34, as amended, and GASBS No. 84.
- 36) All funds that meet the quantitative criteria in GASBS Nos. 34 and 37 for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.
- 37) Components of net position (net investment in capital assets; restricted; and unrestricted) and equity amounts are properly classified and, if applicable, approved.
- 38) Investments, derivative instruments, and land and other real estate held by endowments are properly valued.
- 39) Provisions for uncollectible receivables have been properly identified and recorded.
- 40) Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
- 41) Revenues are appropriately classified in the statement of revenues, expenses, and changes in net position with operating and non-operating revenues.
- 42) Deposits and investment securities and derivative instruments are properly classified as to risk and are properly disclosed.
- 43) Capital assets, including infrastructure assets and intangible assets, are properly capitalized, reported, and, if applicable, depreciated or amortized.
- 44) We have appropriately disclosed the Transit Committee's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and have determined that net position is properly recognized under the policy.
- 45) We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.



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46) With respect to the schedule of expenditures of federal awards and schedule of department agreements on which an in-relation-to opinion is issued:

- a) We acknowledge our responsibility for preparing and presenting the schedule of expenditures of federal awards and schedule of department agreements in accordance with accounting principles generally accepted in the United States of America, and we believe schedule of expenditures of federal awards and schedule of department agreements, including its form and content, is fairly presented in accordance with accounting principles generally accepted in the United States of America. The methods of measurement and presentation of the schedule of expenditures of federal awards and schedule of department agreements have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.
- b) If the schedule of expenditures of federal awards and schedule of department agreements is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the supplementary information no later than the date we issue the supplementary information and the auditor's report thereon.

47) With respect to federal award programs:

- a) We are responsible for understanding and complying with and have complied with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), including requirements relating to preparation of the schedule of expenditures of federal awards.
- b) We acknowledge our responsibility for presenting the schedule of expenditures of federal awards (SEFA) and related disclosures in accordance with the requirements of the Uniform Guidance, and we believe the SEFA, including its form and content, is fairly presented in accordance with the Uniform Guidance. The methods of measurement or presentation of the SEFA have not changed from those used in the prior period and we have disclosed to you any significant assumptions and interpretations underlying the measurement or presentation of the SEFA.
- c) If the SEFA is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the SEFA no later than the date we issue the SEFA and the auditor's report thereon.
- d) We have identified and disclosed to you all of our government programs and related activities subject to the Uniform Guidance, and have included in the SEFA, expenditures made during the audit period for all awards provided by federal agencies in the form of



Runyon Kersteen Ouellette
March 21, 2022
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grants, federal cost-reimbursement contracts, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, insurance, food commodities, direct appropriations, and other direct assistance.

- e) We are responsible for understanding and complying with, and have complied with, the requirements of federal statutes, regulations, and the terms and conditions of federal awards related to each of our federal programs and have identified and disclosed to you the requirements of federal statutes, regulations, and the terms and conditions of federal awards that are considered to have a direct and material effect on each major program.
- f) We are responsible for establishing and maintaining, and have established and maintained, effective internal control over compliance for federal programs that provides reasonable assurance that we are managing our federal awards in compliance with laws, regulations, and the provisions of contracts and grant agreements that could have a material effect on our federal programs. We believe the internal control system is adequate and is functioning as intended.
- g) We have made available to you all federal awards (including amendments, if any) and any other correspondence with federal agencies or pass-through entities relevant to federal programs and related activities.
- h) We have received no requests from a federal agency to audit one or more specific programs as a major program.
- i) We have complied with the direct and material compliance requirements (except for noncompliance disclosed to you), including when applicable, those set forth in the OMB Compliance Supplement, relating to federal awards and have identified and disclosed to you all amounts questioned and all known noncompliance with the direct and material compliance requirements of federal awards or confirm that there were no amounts questioned and no known noncompliance with the direct and material compliance requirements of federal awards.
- j) We have disclosed any communications from federal awarding agencies and pass-through entities concerning possible noncompliance with the direct and material compliance requirements, including communications received from the end of the period covered by the compliance audit to the date of the auditor's report.
- k) We have disclosed to you the findings received and related corrective actions taken for previous audits, attestation engagements, and internal or external monitoring that directly relate to the objectives of the compliance audit, including findings received and corrective actions taken from the end of the period covered by the compliance audit to the date of the auditor's report.



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March 21, 2022
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- l) Amounts claimed or used for matching were determined in accordance with relevant guidelines in OMB's Uniform Guidance (2 CFR Part 200, subpart E) and OMB Circular A-87, Cost Principles for State, Local, and Tribal Governments, if applicable.
- m) We have disclosed to you our interpretation of compliance requirements that may have varying interpretations.
- n) We have made available to you all documentation related to compliance with the direct and material compliance requirements, including information related to federal program financial reports and claims for advances and reimbursements.
- o) We have disclosed to you the nature of any subsequent events that provide additional evidence about conditions that existed at the end of the reporting period affecting noncompliance during the reporting period.
- p) There are no such known instances of noncompliance with direct and material compliance requirements that occurred subsequent to the period covered by the auditor's report.
- q) No changes have been made in internal control over compliance or other factors that might significantly affect internal control, including any corrective action we have taken regarding significant deficiencies or material weaknesses in internal control over compliance, subsequent to the period as of which compliance covered by the auditor's report.
- r) Federal program financial reports and claims for advances and reimbursements are supported by the books and records from which the financial statements have been prepared.
- s) The copies of federal program financial reports provided you are true copies of the reports submitted, or electronically transmitted, to the respective federal agency or pass-through entity, as applicable.
- t) We have charged costs to federal awards in accordance with applicable cost principles.
- u) We are responsible for and have accurately prepared the summary schedule of prior audit findings to include all findings required to be included by the Uniform Guidance, and we have provided you with all information on the status of the follow-up on prior audit findings by federal awarding agencies and pass-through entities, including all management decisions.

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March 21, 2022
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- v) We are responsible for and have ensured the reporting package does not contain protected personally identifiable information.
- w) We are responsible for and have accurately prepared the auditee section of the Data Collection Form as required by the Uniform Guidance.
- x) We are responsible for taking corrective action on each audit finding of the compliance audit and have developed a corrective action plan that meets the requirements of the Uniform Guidance.

Signed: Caroline Freespirit
Caroline Freespirit

Date: 3/23/22

Signed: Chad Heid
Chad Heid

Date: 3/23/22

**BIDDEFORD-SACO-OLD ORCHARD BEACH TRANSIT
COMMITTEE**

Financial Statements

For the years ended June 30, 2021 and 2020

BIDDEFORD-SACO-OLD ORCHARD BEACH TRANSIT COMMITTEE

Financial Statements

For the years ended June 30, 2021 and 2020

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Independent Auditor's Report

To the Transit Committee of the
Biddeford-Saco-Old Orchard Beach Transit Committee

Report on the Financial Statements

We have audited the accompanying financial statements of the Biddeford-Saco-Old Orchard Beach Transit Committee as of and for the years ended June 30, 2021 and 2020, and the related notes to the financial statements, which collectively comprise the Biddeford-Saco-Old Orchard Beach Transit Committee's basic financial statements as listed in the table of contents.

Management's Responsibility 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; this includes 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Biddeford-Saco-Old Orchard Beach Transit Committee as of June 30, 2021 and 2020, and the respective changes in financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Biddeford-Saco-Old Orchard Beach Transit Committee's basic financial statements. The statistical section is presented for the purpose of additional analysis and is not a required part of the basic financial statements.

The statistical section has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 21, 2022 on our consideration of the Biddeford-Saco-Old Orchard Beach Transit Committee'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 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 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 Biddeford-Saco-Old Orchard Beach Transit Committee's internal control over financial reporting and compliance.

A handwritten signature in black ink, reading "Raymond Kursten Ouellette". The signature is written in a cursive style with a large initial 'R'.

March 21, 2022
South Portland, Maine

BIDDEFORD-SACO-OLD ORCHARD BEACH TRANSIT COMMITTEE
Management's Discussion and Analysis
June 30, 2021

Background

Please see the accompanying Notes to Basic Financial Statements for a summary of Biddeford – Saco – Old Orchard Beach Transit Committee (BSOOB Transit) creation and its accounting policies.

BSOOB Transit is governed by a committee consisting of nine members, three appointed by each of the owner municipalities. Of these, one from each municipality is to be either a member of the governing Council or a chief administrative officer. The Committee meets periodically to review financial conditions, hear the Executive Director's report on significant events and to set general policy. The Committee is responsible for the hiring of the Executive Director.

As of June 30, 2021, there were four classifications of service provided by BSOOB Transit. The four types of service include: urban service in the three constituent municipalities; intercity service between Saco and Portland via Route 1, Scarborough, and Maine Mall; Zoom Express commuter service along the Maine Turnpike, serving park and ride lots at exits 32 and 36, the Saco Transportation Center and Portland; and a summer, tourist-oriented trolley service connecting seasonal centers, campgrounds, shopping areas and other attractions in Old Orchard Beach, Saco and Scarborough.

To operate this service compliment, BSOOB Transit receives funding from the Federal Transportation Administration (FTA) and the Maine Department of Transportation (MDOT). There are also partner agreements with The University of New England to subsidize service that connects the Biddeford campus to the Saco Transportation Center.

Historically, buses operated by the organization had been generally received through MDOT and were acquired through a combination of federal and state funding, with a proportional local match. More recently, buses with adequate remaining useful lives were transferred from other transit agencies. In the prior fiscal years, the organization had contracted for the acquisition of used buses from elsewhere in the country, to be rehabilitated by Loring Industries in Limestone, Maine. In 2020 BSOOB Transit purchased two commuter coach buses through MDOT. In 2021, the organization received 8 new trolleys. At the end of their useful lives, buses originally purchased with federal and/or state funds must be disposed of under the guidelines of the authorizing agency. All rolling stock, regardless of origin, is carried on the organization's capital asset listing and depreciated.

Financial Highlights

- BSOOB Transit assets exceeded liabilities at the close of fiscal 2021 by \$4,294,827, compared to the prior year's amount of \$1,851,510. This amount is *net position* and is comprised, in part, of a *restricted* amount of \$70,877, the *investment in capital assets* of \$3,723,959 (last year \$1,456,718), and an *unrestricted* amount of \$499,991, (last year \$110,376).
- BSOOB Transit's Net Position increased by \$2,443,317 from the prior year, a 126% change attributable chiefly to the additions of 2 new coaches and 8 new trolleys funded primarily by FTA.
- Operating revenues increased by \$281,582, an 8% increase from the prior year, mostly from increases in federal operating grants.
- Operating expenses, excluding depreciation, decreased from the year before by \$335,715, or 10%. A substantial portion of this is due to service reductions during the COVID-19 Pandemic. The areas

BIDDEFORD-SACO-OLD ORCHARD BEACH TRANSIT COMMITTEE
Management's Discussion and Analysis, Continued

representing these expenses include employee costs, repairs and parts, and a difference in consultant fees (FY20 included many expenses related to the LONO grant administration).

- Federal and State Grant operating funding increased from the year by \$690,383, or 32%. This is primarily due to Federal CARES Act and CRSSA grants legislated to support transit operations at 100%, or no local match required. In addition, these funds are being used to cover 100% of operating expenses for the rural routes. Previously they were funded at 50%, with the balance being mostly covered by funds from Greyhound and MTA.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to BSOOB Transit's basic financial statements. The financial statements are comprised of three components:

- Basic financial statements
- Notes to the basic financial statements
- Other information

Entity-wide financial statements

The entity-wide financial statements are designed to provide readers with an overview of the agency's finances, in a manner similar to a private-sector business. The *statements of net position* present information on BSOOB Transit's assets and liabilities, with the difference between the two reported as *net position*, for the two most recent fiscal years. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Transit Committee is improving or deteriorating.

The *statements of revenues, expenses, and changes in net position* present information that shows how the agency net position changed during the two most recent fiscal years. 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., grant drawdowns not received, and earned but unpaid salaries). This statement separates items received or spent during the normal course of business, identified as *operating* revenues or expenses, from other items, such as grant revenues, contributed capital items and interest, which are not affected by ordinary operations and are identified as *nonoperating*.

The *statements of cash flows* present information showing how the various financial activities contributed to the change in the amount of cash and cash equivalents during the two most recent fiscal years. It may be useful to readers to compare the year-to-year changes in the specific items that contribute to the change. In general, a positive amount is a receipt of cash, an increase in an inflow or a decrease in an outflow of cash from the prior year and a negative amount is a use of cash, an increase in an outflow or a decrease in an inflow of cash. The reconciliation at the bottom of the statement provides a further breakdown of the annual changes that determine the amount of cash used in operating activities.

Notes to basic financial statements

The notes to the basic financial statements are an integral part of the basic financial statements and provide additional information that is essential to creating a full understanding of the data provided in the entity financial statements.

BIDDEFORD-SACO-OLD ORCHARD BEACH TRANSIT COMMITTEE
Management's Discussion and Analysis, Continued

Other information

The other information provided is not considered part of the basic financial statements. It consists of a ten comparison of the information contained in both the statement of net position and the statement of revenues, expenses, and changes in net position. This is presented to provide the reader with a longer-term view of the Organization's financial results.

Financial Analysis of the Entity

Over the last few fiscal years, extensive studies have been conducted on staffing levels and types, operation of the repair and maintenance facility and honing of the budgeting into a more responsible plan that will accurately reflect the realities of the agency's needs. The statistical section, as listed in table of contents, should be read in order to give a better impression of the trending that BSOOB Transit has shown.

Trends in operating revenues and expenses over recent years show some significant items.

- Fare revenues decreased \$202,620, down 55% from the previous year. All non-trolley services operated fare-free until October 2020. Trolley season operated a reduced schedule aligning to the reduced tourist activity and demand.
- Contract revenues for specific bus or trolley stops decreased from the previous year as many of the tourist locations chose not to contract or to reduce payment value.
- Advertising revenues decreased slightly from the prior year as the community had to deal with the COVID crisis and the resulting drastic reductions in the tourism industry.
- Salaries decreased due to reduced runs and shortened trolley season.
- Fuel costs decreased both with the reduction in service following COVID's onset, as well as the lower costs we had been able to contract for this year.

BSOOB Transit's net position at the end of fiscal 2021 has increased 126% over that of fiscal 2020. Restricted net position decreased because of the acquisition of the 2 coaches and the 8 trolleys.

BIDDEFORD-SACO-OLD ORCHARD BEACH TRANSIT COMMITTEE
Management's Discussion and Analysis, Continued

Condensed Statement of Net Position

| | 2021 | 2020 |
|----------------------------------|--------------|-------------|
| ASSETS | | |
| Current assets | \$ 1,154,899 | \$ 812,478 |
| Capital assets | 3,723,959 | 1,456,718 |
| Total assets | 4,878,858 | 2,269,196 |
| LIABILITIES | | |
| Current liabilities | 584,031 | 417,686 |
| Total liabilities | 584,031 | 417,686 |
| NET POSITION | | |
| Net investment in capital assets | 3,723,959 | 1,456,718 |
| Restricted | 70,877 | 284,416 |
| Unrestricted | 499,991 | 110,376 |
| Total net position | \$ 4,294,827 | 1,851,510 |

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

| | 2021 | 2020 |
|----------------------------|--------------|--------------|
| REVENUES | | |
| Operating revenues | \$ 3,839,337 | \$ 3,557,755 |
| Nonoperating revenues | 2,204,374 | 179,351 |
| Total revenues | 6,043,711 | 3,737,106 |
| EXPENSES | | |
| Personnel costs | 2,039,055 | 2,205,187 |
| Building costs | 37,613 | 43,065 |
| Office costs | 63,330 | 88,546 |
| Services costs | 728,374 | 913,600 |
| Insurances | 170,831 | 132,419 |
| Advertising | 14,640 | 9,093 |
| Training and miscellaneous | 77,818 | 75,466 |
| Depreciation | 386,547 | 355,436 |
| Nonoperating expenses | 82,186 | 18,253 |
| Total expenses | 3,600,394 | 3,841,065 |
| Change in net position | 2,443,317 | (103,959) |
| Net position, beginning | 1,851,510 | 1,955,469 |
| Net position, ending | \$ 4,294,827 | 1,851,510 |

BIDDEFORD-SACO-OLD ORCHARD BEACH TRANSIT COMMITTEE
Management's Discussion and Analysis, Continued

Changes to Capital Assets

This year was a busy year for acquiring new vehicles. The two Zoom coaches have been delivered in October of 2020, and 8 new trolleys arrived at the end of the fiscal year. The local match for the two coaches was paid from the restricted fund balance, while the local match requirement for the trolleys was covered by a combination of VW grant funds and State bond money.

Next Year's Budget

The budget adopted by the Transit Committee for fiscal 2022 will be higher than previous years, as we are now operating in a union environment. The collective bargaining agreement had not been finalized at the time of the initial budget, and is expected to add several hundred thousand dollars to wage expenses in FY22. The Capital Improvement spending will continue as we are expecting delivery of 2 new electric buses and additionally, 2 on route charging stations to be located at the Saco Transportation Center terminal. There are a number of other capital procurements that will be addressed in FY22, including: installation of security fencing at the Biddeford facility and replacing one operations support van, and a passenger van that can be used for paratransit and off route deviations that the fixed route buses are not able to accommodate. The aged field repair truck will also be replaced. All grant-eligible expenses are analyzed to project accurate grant funding, within the constraints placed on us by FTA and MDOT funding availability.

The contract with Greyhound Lines to be an affiliated carrier to their nationwide system continues to be a positive. This affiliation permits the Organization to sell Greyhound tickets that will permit a rider to access our bus to Greyhound's Portland terminal and continue on to anywhere Greyhound can take them. From a financial perspective, Greyhound has pledged the ability for us to access federal funds allocated for this purpose, and our local share of the Intercity service (50% of costs) would be covered by this allocation, bringing in additional grant revenue, except that for the next year, we expect to continue to be funded at 100% though MDOT use of CRSSA funding.

Looking to the Future

BSOOB Transit maintains a stabilized financial position, and has relied on Federal Acts (CARES, CRSSA) to fund gaps in revenue lost due to the COVID-19 pandemic over the last fiscal year. As the region and nation evolves during and after the pandemic, it will be critical for the agency to acquire supportive funding to provide the level of service the region will require in the future. As more transit-oriented development occurs and the regional population grows, so too will the demand for quality fixed route transit services. BSOOB Transit is committed to using the assets available to maximize the service it provides, and will be undertaking a number of steps to improve the use of data to make service modifications that improve existing transit conditions. That said, the adjustments that can be made within the current funding structures all come with trade-offs.

To implement a financially stable system that aligns with the transformation of the region, additional funding will be required. The agency will look for increases in the Federal 5307 urban grant program, an increased prioritization for transit investment from the FTA and MDOT, and an extensive effort from staff, committee members, and other external stakeholders to advocate for discretionary grants awards, new partnerships, and enhancing the agency's regional presence.

Fiscal Year 2022 will see increases to compensation as a byproduct of the collective bargaining agreement, new policies and strategies with a new executive director, and two new all-electric buses. The variability in electric utility rates will be a pressing issue to address in the coming years, and the impacts of the diesel market will directly reflect in upcoming budget cycles. Just as the region is seeing shifts in size, density and

BIDDEFORD-SACO-OLD ORCHARD BEACH TRANSIT COMMITTEE
Management's Discussion and Analysis, Continued

demographics, the transit industry is seeing transformations in labor costs, funding opportunities and technology. BSOOB Transit will be forward thinking and will attempt to develop strategies that allow the agency to navigate every increasing volatility across multiple sectors that impact transit operational costs.

Questions and Comments

Questions or comments on this financial report or on any aspect of the Transit Committee's operations may be directed to:

Chad Heid, Executive Director
B-S-OOB Transit
13 Pomerleau St.
Biddeford, ME 04005
(207) 282-5408
cheid@BSOOBTransit.org

Caroline FreeSpirit, Finance Manager
B-S-OOB Transit
13 Pomerleau St.
Biddeford, ME 04005
(207) 282-5408
cfreespirit@BSOOBTransit.org

Biddeford:

Greg Tansley, City Planner, Committee Chair
Doris Ortiz, City Council
Maya Atlas, Citizen Representative

Saco:

Phil Hatch, City Council,
Jessa Burns, Economic Development Specialist
Amanda Jens, Citizen Representative

Old Orchard Beach:

Kenneth Blow, Town Council
Jennifer Hayes, Office of Town Manager
Curtis Koehler, Citizen Representative

BIDDEFORD-SACO-OLD ORCHARD BEACH TRANSIT COMMITTEE
Statements of Net Position
June 30, 2021 and 2020

| | 2021 | 2020 (as restated) |
|------------------------------------|---------------------|-------------------------------------|
| ASSETS | | |
| Current assets: | | |
| Cash and cash equivalents | \$ 650 | 400 |
| Accounts receivable | 21,164 | 57,805 |
| Grants receivable | 881,359 | 511,707 |
| Prepaid expenses | 13,278 | - |
| Inventory | 238,448 | 242,566 |
| Total current assets | 1,154,899 | 812,478 |
| Capital assets: | | |
| Land | 45,000 | 45,000 |
| Buildings and improvements | 1,158,731 | 1,158,731 |
| Vehicles and equipment | 5,867,783 | 3,446,176 |
| Infrastructure | 119,066 | 119,066 |
| | 7,190,580 | 4,768,973 |
| Less accumulated depreciation | 3,466,621 | 3,312,255 |
| Capital assets, net | 3,723,959 | 1,456,718 |
| Total assets | 4,878,858 | 2,269,196 |
| LIABILITIES | | |
| Accounts payable | 304,727 | 84,766 |
| Unearned revenue | 88,266 | 11,116 |
| Accrued wages and related benefits | 68,143 | 62,451 |
| Accrued compensated absences | 110,753 | 99,075 |
| Due to City of Biddeford | 12,142 | 160,278 |
| Total liabilities | 584,031 | 417,686 |
| NET POSITION | | |
| Net investment in capital assets | 3,723,959 | 1,456,718 |
| Restricted | 70,877 | 284,416 |
| Unrestricted | 499,991 | 110,376 |
| Total net position | \$ 4,294,827 | 1,851,510 |

See accompanying notes to basic financial statements.

BIDDEFORD-SACO-OLD ORCHARD BEACH TRANSIT COMMITTEE
Statements of Revenues, Expenses, and Changes in Net Position
For the years ended June 30, 2021 and 2020

| | 2021 | 2020 (as restated) |
|---|---------------------|-----------------------|
| Operating revenues: | | |
| Fare revenues | \$ 164,409 | 367,029 |
| Contract revenues | 85,457 | 172,919 |
| Federal and state operating grants | 2,832,017 | 2,141,634 |
| Other operating grants | 41,079 | 143,216 |
| Contract repair and fuel revenues | 142,611 | 149,018 |
| Municipal contributions | 520,000 | 520,000 |
| Advertising revenues, net of commissions | 44,618 | 63,226 |
| Miscellaneous operating revenues | 9,146 | 713 |
| Total operating revenues | 3,839,337 | 3,557,755 |
| Operating expenses before depreciation: | | |
| Salaries and wages | 1,523,553 | 1,621,189 |
| Payroll taxes and benefits | 515,502 | 583,998 |
| Fuel | 142,761 | 186,596 |
| Travel and tolls | 13,878 | 20,229 |
| Repairs and parts | 497,862 | 567,898 |
| Insurance | 170,831 | 132,419 |
| Advertising | 14,640 | 9,093 |
| Office expense and equipment rental | 49,452 | 68,317 |
| Professional services | 87,751 | 159,106 |
| Utilities and telephone | 22,934 | 34,396 |
| Building maintenance and supplies | 14,679 | 8,669 |
| Training and miscellaneous | 77,818 | 75,466 |
| Total operating expenses before depreciation | 3,131,661 | 3,467,376 |
| Operating income (loss) before depreciation | 707,676 | 90,379 |
| Depreciation expense | 386,545 | 355,436 |
| Operating income (loss) after depreciation | 321,131 | (265,057) |
| Nonoperating revenues (expenses): | | |
| Federal and state capital grants | 2,196,654 | 76,500 |
| Capital contributions | - | 53,674 |
| Line of credit interest expense | (1,242) | (1,228) |
| Loss on disposal of capital assets | (80,946) | - |
| Bad debt expense | - | (17,025) |
| Other revenue | 7,720 | 49,177 |
| Total nonoperating revenues | 2,122,186 | 161,098 |
| Change in net position | 2,443,317 | (103,959) |
| Net position, beginning of year - as restated | 1,851,510 | 1,955,469 |
| Net position, end of year | \$ 4,294,827 | 1,851,510 |

See accompanying notes to basic financial statements.

BIDDEFORD-SACO-OLD ORCHARD BEACH TRANSIT COMMITTEE
Statements of Cash Flows
For the years ended June 30, 2021 and 2020

| | 2021 | 2020 (as restated) |
|--|---------------|-----------------------|
| Cash flows from operating activities: | | |
| Receipts from customers | \$ 1,449,684 | 1,656,303 |
| Receipts from operating grants | 2,503,444 | 1,886,472 |
| Payments to suppliers | (1,251,457) | (1,642,104) |
| Payments to employees | (2,021,685) | (2,165,746) |
| Net cash provided by (used in) operating activities | 679,986 | (265,075) |
| Cash flows from noncapital financing activities: | | |
| Change in due from City of Biddeford | (148,136) | 146,952 |
| Line of credit interest expense | (1,242) | (1,228) |
| Other revenue | 7,720 | 49,177 |
| Net cash provided by (used in) noncapital financing activities | (141,658) | 194,901 |
| Cash flows from capital and related financing activities: | | |
| Federal, State and other grants | 2,196,654 | 76,500 |
| Purchase of capital assets | (2,734,732) | (6,326) |
| Net cash provided by (used in) capital and related financing activities | (538,078) | 70,174 |
| Net increase (decrease) in cash and cash equivalents | 250 | - |
| Cash and cash equivalents, beginning of year | 400 | 400 |
| Cash and cash equivalents, end of year | \$ 650 | 400 |
| Reconciliation of operating income (loss) to net cash provided by (used in) operating activities: | | |
| Operating income (loss) | \$ 321,131 | (265,057) |
| Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities: | | |
| Depreciation | 386,545 | 355,436 |
| Change in operating assets and liabilities: | | |
| Accounts receivable | 36,641 | (8,096) |
| Operating grants receivable | (369,652) | (398,378) |
| Prepaid expenses | (13,278) | - |
| Inventory | 4,118 | (24,952) |
| Accounts payable | 219,961 | 43,415 |
| Unearned receipts | 77,150 | (6,884) |
| Accrued compensated absences | 11,678 | 25,954 |
| Accrued wages and related benefits | 5,692 | 13,487 |
| Net cash provided by (used in) operating activities | \$ 679,986 | (265,075) |
| Schedule of non-cash capital and related financing activities: | | |
| Contributions of capital assets | - | 53,674 |

See accompanying notes to basic financial statements.

BIDDEFORD-SACO-OLD ORCHARD BEACH TRANSIT COMMITTEE
Notes to Basic Financial Statements

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization - The Biddeford-Saco-Old Orchard Beach Transit Committee (Transit Committee) was organized as a quasi-municipal corporation under the laws of the State of Maine for the purpose of operating a public mass transit passenger bus service. Under a voluntary inter-local agreement, services are provided within and between the City of Biddeford, the City of Saco, the Town of Scarborough, and the Town of Old Orchard Beach. Revenues are chiefly derived from passenger fares, municipal and private contributions, and federal and State grants.

Economic Dependency - The Transit Committee is economically dependent upon grants and contracts with the State of Maine Department of Transportation, federal funds directly and indirectly received from the U.S. Department of Transportation, Federal Transit Administration, and subsidies from the City of Biddeford, the City of Saco and the Town of Old Orchard Beach and, for the intercity service only, from the Town of Scarborough.

Measurement Focus and Basis of Accounting - The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured, such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses recorded when a liability is incurred, regardless of the timing of the related cash flows.

These financial statements distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with ongoing operations. The principal operating revenues of the Transit Committee are charges to customers for sales and services. Operating expenses include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Cash and Cash Equivalents - The Transit Committee considers all highly liquid investments purchased with an initial maturity of three months or less to be cash equivalents.

Accounts Receivable and Grants Receivable - The Transit Committee grants credit to local governments and small businesses. In addition, grants are received for operations and various capital acquisitions. The portion of grants earned but not received at year-end is included in the balance sheet as grants receivable. The amounts of these receivables are subject to acceptance of qualified expenditures by responsible grantor agencies. Grants received prior to obligation or expenditure of funds are recorded as unearned grants.

The Transit Committee began using the allowance method in 2020 to account for uncollectible accounts receivable. The allowance is based on management's experience with customers.

Restricted Net Position - Although not a formal policy, when both restricted and unrestricted resources are available for use, it is the Transit Committee's intent to use restricted resources first, then unrestricted resources as they are needed.

Comparative Data - Certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year presentation.

BIDDEFORD-SACO-OLD ORCHARD BEACH TRANSIT COMMITTEE
Notes to Basic Financial Statements, Continued

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Inventory - Inventories are valued at cost using a cost averaging method and consists of diesel fuel, tires, lights and other repair parts and supplies.

Capital Assets - Capital assets owned by the Transit Committee are stated at the cost to acquire or construct the asset and are comprised of land, building, vehicles, and other capital assets. Donated capital assets are recorded at acquisition value. Routine maintenance and repairs are charged against income. Expenses which materially increase values, change capacities, or extend useful lives are capitalized. The threshold for capitalization of an asset is \$5,000. The provision for depreciation has been computed by the use of the straight-line method at rates intended to amortize the cost of the related assets over their estimated useful lives, ranging from 5-25 years.

Accrued Compensated Absences - Under terms of the personnel policies of the Transit Committee, vacation leave is granted in varying amounts according to length of service. In addition, certain administrative employees may elect to earn comp time for extra hours worked, as permitted under federal guidelines. Use of earned comp time within a reasonable period is encouraged, but some comp time may be accrued as of June 30. At June 30, 2021 and 2020, unused vacation time and/or comp time amounted to \$110,753 and \$99,075, respectively. Employees may carry over all unused vacation time at the end of the calendar year. At retirement, all unused vacation time or unpaid comp time accrued for a specific employee is paid in full to that employee using the highest daily rate attained by that employee during his/her time of employment. Sick time can be carried over from year-to-year, but is lost at retirement and therefore is not a recognized liability to the Transit Committee.

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

BIDDEFORD-SACO-OLD ORCHARD BEACH TRANSIT COMMITTEE
Notes to Basic Financial Statements, Continued

CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2021 was as follows:

| | Balance <u>6/30/20</u> | <u>Increases</u> | <u>Decreases</u> | Balance <u>6/30/21</u> |
|--|---------------------------|------------------|------------------|---------------------------|
| Capital assets not being depreciated: | | | | |
| Land | \$ 45,000 | - | - | 45,000 |
| Total capital assets not being depreciated | 45,000 | - | - | 45,000 |
| Capital assets being depreciated: | | | | |
| Buildings and improvements | 1,158,731 | - | - | 1,158,731 |
| Vehicles and equipment | 3,446,176 | 2,734,732 | 313,125 | 5,867,783 |
| Infrastructure | 119,066 | - | - | 119,066 |
| Total capital assets being depreciated | 4,723,973 | 2,734,732 | 313,125 | 7,145,580 |
| Less accumulated depreciation for: | | | | |
| Buildings and improvements | 715,505 | 16,146 | - | 731,651 |
| Vehicles and equipment | 2,538,305 | 366,375 | 232,179 | 2,672,501 |
| Infrastructure | 58,445 | 4,024 | - | 62,469 |
| Total accumulated depreciation | 3,312,255 | 386,545 | 232,179 | 3,466,621 |
| Total capital assets being depreciated, net | 1,411,718 | 2,348,187 | 80,946 | 3,678,959 |
| Capital assets, net | \$ 1,456,718 | 2,348,187 | 80,946 | 3,723,959 |

REVOLVING LINE OF CREDIT

On February 16, 2011, the Biddeford City Council authorized the Transit Committee to utilize the City's central checking account to provide the Transit Committee with needed operating funds when gaps in funding occur. The Transit Committee is authorized to draw from the City account up to \$500,000 at an annual interest rate of 3%. As of June 30, 2021 and 2020, the Transit Committee owed the City of Biddeford \$12,142 and \$160,278, respectively.

457 RETIREMENT PLAN

The Biddeford-Saco-Old Orchard Beach Transit Committee contributes to the ICMA-RC 457 Governmental Deferred Compensation Plan and Trust (ICMA-RC), a defined contribution pension plan, for its full-time employees. ICMA-RC also administers the plan.

Benefit terms for ICMA, including contribution requirements, are established and may be amended by the Transit Board. For each employee in the pension plan, the Transit Committee is required to contribute \$200 or match contributions up to 1% of an employee's compensation for the year. Employees are permitted to make contributions to the pension plan up to applicable Internal Revenue Code limits. For the year ended June 30, 2021, employee contributions totaled \$33,025 and the Transit Committee recognized pension expense of \$15,615. For the year ended June 30, 2020, employee contributions totaled \$55,355 and the Transit Committee recognized pension expense of \$16,722.

Employees are immediately vested in their own as well Transit Committee contributions and earnings on those contributions. There is therefore no forfeiture provision.

BIDDEFORD-SACO-OLD ORCHARD BEACH TRANSIT COMMITTEE
Notes to Basic Financial Statements, Continued

GRANTOR REVIEW

Federal and State grants are subject to grantor review and final approval. Although it is not anticipated that any claims would be made against the Transit Committee by the grantor agencies, grants remain subject to ultimate closeout.

RISK MANAGEMENT

The Biddeford-Saco-Old Orchard Beach Transit Committee is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the Biddeford-Saco-Old Orchard Beach Transit Committee carries commercial insurance.

NET POSITION

Net position represents the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by outstanding bonds and capital leases and adding back any unspent bond or lease proceeds. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislations adopted by the Transit Committee or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Unrestricted net position is any remainder of total net position less net investment in capital assets and restricted net position.

The Transit Committee's net investment in capital assets was calculated as follows at June 30, 2021 and 2020:

| | <u>2021</u> | <u>2020</u> |
|---|---------------------|------------------|
| Capital assets | \$ 7,190,580 | 4,768,973 |
| Accumulated depreciation | (3,466,621) | (3,312,255) |
| Total net investment in capital assets | \$ 3,723,959 | 1,456,718 |

The Transit Committee's restricted net position at June 30, 2021 and 2020 was calculated as follows:

| | <u>2021</u> | <u>2020</u> |
|--|------------------|----------------|
| Federal share of sale of surplus vehicle with federal interest | \$ 5,704 | 5,704 |
| Local share for federal electric bus grant | 59,225 | 59,225 |
| Local share for Zoom coaches and trolley buses | 5,948 | 219,487 |
| Total restricted net position | \$ 70,877 | 284,416 |

Restricted net position represents unspent member contributions to be used for local contributions to federal grants that cross fiscal years.

BIDDEFORD-SACO-OLD ORCHARD BEACH TRANSIT COMMITTEE
Notes to Basic Financial Statements, Continued

PRIOR PERIOD ADJUSTMENT

In the current year, management determined that a \$36,101 grant receivable was erroneously recognized in the prior fiscal year. As such, the grants receivable and the federal and state operating grant revenue was overstated in the 2020 financial statements. The 2020 column of the 2021 financial statements has been restated accordingly.

BIDDEFORD-SACO-OLD ORCHARD BEACH TRANSIT COMMITTEE
Statements of Net Position
Last Ten Fiscal Years

| | Fiscal Year | | | | | | | | | |
|------------------------------------|---------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
| | (as restated) | | | | | | | | | |
| ASSETS | | | | | | | | | | |
| Current assets: | | | | | | | | | | |
| Cash and cash equivalents | \$ 3,998 | 22 | 17 | 17 | 157 | 300 | 400 | 400 | 400 | 650 |
| Accounts receivable | 61,038 | 55,663 | 33,116 | 23,568 | 73,304 | 34,960 | 36,742 | 13,608 | 57,805 | 21,164 |
| Grants receivable | 52,137 | 230,670 | 188,759 | 118,424 | 167,477 | 148,279 | 166,138 | 166,455 | 511,707 | 881,359 |
| Prepaid expenses | 10,573 | 11,816 | 51,322 | 18,385 | 14,225 | - | - | - | - | 13,278 |
| Due from City of Biddeford | - | - | - | - | - | 16,725 | 73,332 | - | - | - |
| Inventory | 114,586 | 131,891 | 159,744 | 192,977 | 181,791 | 172,769 | 213,720 | 217,614 | 242,566 | 238,448 |
| Total current assets | 242,332 | 430,062 | 432,958 | 353,371 | 436,954 | 373,033 | 490,332 | 398,077 | 812,478 | 1,154,899 |
| Capital assets: | | | | | | | | | | |
| Land | 45,000 | 45,000 | 45,000 | 45,000 | 45,000 | 45,000 | 45,000 | 45,000 | 45,000 | 45,000 |
| Construction in progress | - | - | - | - | - | 70,192 | - | - | - | - |
| Buildings and improvements | 729,966 | 729,966 | 729,966 | 754,203 | 1,095,769 | 1,095,769 | 1,140,201 | 1,158,731 | 1,158,731 | 1,158,731 |
| Vehicles and equipment | 2,918,710 | 2,886,608 | 3,104,993 | 3,182,217 | 2,737,467 | 2,854,137 | 3,524,246 | 3,386,176 | 3,446,176 | 5,867,783 |
| Infrastructure | 52,717 | 52,717 | 96,459 | 96,459 | 96,459 | 119,066 | 119,066 | 119,066 | 119,066 | 119,066 |
| | 3,746,393 | 3,714,291 | 3,976,418 | 4,077,879 | 3,974,695 | 4,184,164 | 4,828,513 | 4,708,973 | 4,768,973 | 7,190,580 |
| Less accumulated depreciation | 1,838,593 | 2,083,129 | 2,261,421 | 2,466,048 | 2,194,637 | 2,387,192 | 2,696,278 | 2,956,819 | 3,312,255 | 3,466,621 |
| Net capital assets | 1,907,800 | 1,631,162 | 1,714,997 | 1,611,831 | 1,780,058 | 1,796,972 | 2,132,235 | 1,752,154 | 1,456,718 | 3,723,959 |
| Total assets | 2,150,132 | 2,061,224 | 2,147,955 | 1,965,202 | 2,217,012 | 2,170,005 | 2,622,567 | 2,150,231 | 2,269,196 | 4,878,858 |
| LIABILITIES | | | | | | | | | | |
| Current liabilities: | | | | | | | | | | |
| Accounts payable | 55,468 | 54,127 | 15,281 | 60,813 | 63,611 | 53,737 | 94,784 | 41,351 | 84,766 | 304,727 |
| Unearned receipts | - | - | - | 42,500 | 25,500 | 8,500 | 30,000 | 18,000 | 11,116 | 88,266 |
| Unearned insurance payment | 2,741 | 10,158 | - | - | - | - | - | - | - | - |
| Accrued wages and related benefits | 23,663 | 31,872 | 26,753 | 38,898 | 24,363 | 33,799 | 42,948 | 48,964 | 62,451 | 68,143 |
| Accrued compensated absences | 32,674 | 32,281 | 36,017 | 38,660 | 50,029 | 61,248 | 61,648 | 73,121 | 99,075 | 110,753 |
| Due to City of Biddeford | 429,506 | 488,936 | 343,184 | 125,586 | 120,883 | - | - | 13,326 | 160,278 | 12,142 |
| Total current liabilities | 544,052 | 617,374 | 421,235 | 306,457 | 284,386 | 157,284 | 229,380 | 194,762 | 417,686 | 584,031 |
| Total liabilities | 544,052 | 617,374 | 421,235 | 306,457 | 284,386 | 157,284 | 229,380 | 194,762 | 417,686 | 584,031 |
| NET POSITION | | | | | | | | | | |
| Net investment in capital assets | 1,907,800 | 1,631,162 | 1,714,997 | 1,611,831 | 1,780,058 | 1,796,972 | 2,132,235 | 1,752,154 | 1,456,718 | 3,723,959 |
| Restricted net position | - | - | - | - | - | - | 7,794 | 284,416 | 284,416 | 70,877 |
| Unrestricted balance (deficit) | (301,720) | (187,312) | 11,723 | 46,914 | 152,568 | 215,749 | 253,158 | (81,101) | 146,477 | 499,991 |
| Total net position | \$ 1,606,080 | 1,443,850 | 1,726,720 | 1,658,745 | 1,932,626 | 2,012,721 | 2,393,187 | 1,955,469 | 1,887,611 | 4,294,827 |

Table 2

BIDDEFORD-SACO-OLD ORCHARD BEACH TRANSIT COMMITTEE
Statements of Revenues, Expenses and Changes in Net Position
Last Ten Fiscal Years

| | Fiscal Year | | | | | | | | | |
|---|---------------------|------------------|------------------|--------------------|--------------------|--------------------|------------------|------------------|-----------------------|------------------|
| | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018* | 2019 | 2020 (as restated) | 2021 |
| Operating revenues: | | | | | | | | | | |
| Fare revenues | \$ 424,606 | 396,613 | 394,736 | 411,277 | 431,374 | 436,767 | 529,896 | 529,000 | 367,029 | 164,409 |
| Federal and state operating grants | - | - | - | - | - | - | 1,545,033 | 1,385,100 | 2,141,634 | 2,832,017 |
| Other operating grants | - | - | - | - | - | - | 130,000 | 130,000 | 143,216 | 41,079 |
| Contract revenues | 150,036 | 183,939 | 195,952 | 187,156 | 211,995 | 172,240 | 206,407 | 185,683 | 172,919 | 85,457 |
| Contract repair and fuel revenues | 293,428 | 324,099 | 246,529 | 200,359 | 214,371 | 208,765 | 159,720 | 155,372 | 149,018 | 142,611 |
| Municipal contributions | 345,000 | 370,000 | 370,000 | 370,000 | 370,000 | 400,000 | 400,000 | 445,000 | 520,000 | 520,000 |
| Advertising revenues, net of commissions | 115,725 | 48,561 | 54,329 | 74,883 | 125,035 | 93,031 | 70,544 | 79,806 | 63,226 | 44,618 |
| Miscellaneous operating revenues | - | - | - | 18,249 | 1,922 | 4,022 | 2,322 | 2,781 | 713 | 9,146 |
| Total operating revenues | 1,328,795 | 1,323,212 | 1,261,546 | 1,261,924 | 1,354,697 | 1,314,825 | 3,043,922 | 2,912,742 | 3,557,755 | 3,839,337 |
| Operating expenses before depreciation: | | | | | | | | | | |
| Salaries and wages | 622,102 | 656,926 | 699,905 | 719,516 | 862,928 | 1,064,294 | 1,357,329 | 1,433,490 | 1,621,189 | 1,523,553 |
| Payroll taxes and benefits | 235,702 | 255,054 | 304,599 | 344,102 | 292,096 | 353,594 | 434,933 | 463,754 | 583,998 | 515,502 |
| Fuel | 303,537 | 288,105 | 264,430 | 236,289 | 231,101 | 210,804 | 171,804 | 216,738 | 186,596 | 142,761 |
| Travel and tolls | 18,706 | 19,834 | 20,973 | 4,612 | 8,381 | 8,523 | 22,963 | 17,535 | 20,229 | 13,878 |
| Repairs and parts | 331,303 | 352,527 | 435,721 | 501,606 | 561,329 | 570,560 | 578,164 | 534,061 | 567,898 | 497,862 |
| Insurance | 115,885 | 105,655 | 71,024 | 86,871 | 66,151 | 86,401 | 104,509 | 125,204 | 132,419 | 170,831 |
| Advertising | 23,371 | 12,141 | 22,183 | 34,488 | 38,251 | 10,482 | 14,192 | 13,837 | 9,093 | 14,640 |
| Office expense and equipment rental | 11,713 | 6,606 | 24,220 | 19,858 | 14,167 | 18,739 | 22,238 | 26,207 | 68,317 | 49,452 |
| Professional services | 48,814 | 55,317 | 44,800 | 74,697 | 97,592 | 66,862 | 107,738 | 58,667 | 159,106 | 87,751 |
| Utilities and telephone | 33,309 | 32,732 | 38,786 | 34,128 | 29,130 | 30,968 | 34,160 | 31,478 | 34,396 | 22,934 |
| Building maintenance and supplies | 48,913 | 58,919 | 32,832 | 139,217 | 13,209 | 75,483 | 11,984 | 15,334 | 8,669 | 14,679 |
| Training and miscellaneous | 5,159 | 8,179 | 7,205 | 29,275 | 43,711 | 65,080 | 63,296 | 77,810 | 75,466 | 77,818 |
| Total operating expenses before depreciation | 1,798,514 | 1,851,995 | 1,966,678 | 2,224,659 | 2,258,046 | 2,561,790 | 2,923,310 | 3,014,115 | 3,467,376 | 3,131,661 |
| Operating income (loss) before depreciation | (469,719) | (528,783) | (705,132) | (962,735) | (903,349) | (1,246,965) | 120,612 | (101,373) | 90,379 | 707,676 |
| Less depreciation | 266,806 | 277,126 | 234,522 | 223,270 | 235,276 | 251,042 | 355,118 | 385,831 | 355,436 | 386,545 |
| Operating income (loss) after depreciation | (736,525) | (805,909) | (939,654) | (1,186,005) | (1,138,625) | (1,498,007) | (234,506) | (487,204) | (265,057) | 321,131 |
| Nonoperating revenues (expenses): | | | | | | | | | | |
| Federal and state grants | 471,182 | 561,088 | 945,447 | 996,614 | 1,318,242 | 1,338,844 | 548,790 | 70,081 | 76,500 | 2,196,654 |
| Capital contributions (returns) | 371,654 | - | 230,000 | 11,000 | (8,000) | 110,000 | 78,000 | - | 53,674 | - |
| Capital contributions - vans | - | 41,697 | - | - | - | - | - | - | - | - |
| Loss on disposal of capital assets | - | (67,260) | (96,545) | (14,967) | (16,742) | (2,905) | (12,142) | (30,893) | - | (80,946) |
| Other grants | 115,790 | 117,446 | 115,000 | 126,600 | 118,600 | 130,000 | - | - | - | - |
| Bad debt expense | - | - | - | - | - | - | - | - | (17,025) | - |
| Other revenue (expenses) | 1,436 | - | 37,100 | 800 | 1,428 | 1,414 | 54 | 9,132 | 49,177 | 7,720 |
| Interest revenue (expense) | (10,910) | (9,292) | (8,478) | (2,017) | (1,022) | 749 | 270 | 1,166 | (1,228) | (1,242) |
| Total nonoperating revenues | 949,152 | 643,679 | 1,222,524 | 1,118,030 | 1,412,506 | 1,578,102 | 614,972 | 49,486 | 161,098 | 2,122,186 |
| Change in net position | 212,627 | (162,230) | 282,870 | (67,975) | 273,881 | 80,095 | 380,466 | (437,718) | (103,959) | 2,443,317 |
| Net position, beginning of year | 1,393,453 | 1,606,080 | 1,443,850 | 1,726,720 | 1,658,745 | 1,932,626 | 2,012,721 | 2,393,187 | 1,955,469 | 1,851,510 |
| Net position, end of year | \$ 1,606,080 | 1,443,850 | 1,726,720 | 1,658,745 | 1,932,626 | 2,012,721 | 2,393,187 | 1,955,469 | 1,851,510 | 4,294,827 |

*Starting in fiscal year 2018, the District began classifying grant revenue as operating and nonoperating.