

**MOUNTAIN RIDES  
TRANSPORTATION AUTHORITY**

**Financial Statements**

**Year Ended September 30, 2021**

**MOUNTAIN RIDES TRANSPORTATION AUTHORITY**  
**Financial Statements**  
**For the year ended September 30, 2021**

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2190 Village Park Avenue, Suite 300 • Twin Falls, ID 83301 • 208.733.1161 • Fax: 208.733.6100

## INDEPENDENT AUDITOR'S REPORT

November 29, 2021

Board of Directors  
Mountain Rides Transportation Authority  
Ketchum, Idaho

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Mountain Rides Transportation Authority, as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the Mountain Rides Transportation Authority'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 governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Mountain Rides Transportation Authority, as of September 30, 2021, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report Continued—

**Other Matters**

*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 3–8 and 19–21 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 opinions on the financial statements that collectively comprise the Mountain Rides Transportation Authority's basic financial statements. The combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated November 29, 2021, on our consideration of the Mountain Rides Transportation Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 Mountain Rides Transportation Authority's internal control over financial reporting and compliance.

*Workman & Company*

WORKMAN AND COMPANY  
Certified Public Accountants  
Twin Falls, Idaho

**Mountain Rides Transportation Authority (“Mountain Rides” or “MRTA”)  
Management’s Discussion and Analysis  
Fiscal Year Ended September 30, 2021 (“FY2021”)**

**Executive Summary and Overview**

The Financial Statements comprise three (3) sections:

- (1) Management’s Discussion and Analysis (page 3);
- (2) Basic Financial Statements – a Statement of Net Position (page 9) and a Statement of Activities (page 10) – which present a holistic view of recent financial activities, as well as support reasonable projections for longer-term financial performance; and
- (3) Fund Financial Statements (pages 11-13), which detail recent expenditures for and financing of capital programs and services, as well as projections for future capital spending and financing.

The Basic Financial Statements, compiled using the modified accrual basis of accounting (similar to the accounting used by most private-sector companies), enumerate and report changes in Mountain Rides’ assets and liabilities and financial activities. These Statements include all current year revenue and expenses irrespective of when cash is actually received or paid.

Net Position – assets minus liabilities – is a measure of Mountain Rides’ financial health, or financial position. Over time, increases and decreases in Net Position can indicate whether financial health is improving or deteriorating. Other factors, such as changes in sources of revenue and/or the age and condition of Mountain Rides’ assets, particularly its fleet of vehicles, may also contribute in assessing overall financial health.

The Statement of Activities (page 10), reporting Net (Expense) Revenue and Changes in Net Position, indicates the extent of financial resources available and expended in the near-term to underwrite Mountain Rides’ activities and programs. For example, as the Statement of Activities illustrates, in FY2021, Mountain Rides’ financial resources, augmented substantially by capital grant funding to underwrite a \$3.24-million acquisition of four (4) battery electric buses (“BEBs”), were significantly higher than in FY2020.

The Fund Financial Statements (pages 11-13) comprise:

- (1) The Balance Sheet – Governmental Funds, enumerating Mountain Rides’ consolidated financial position, including its Operations Fund and all Capital Funds.
- (2) The Statements of Revenues, Expenditures, and Changes in Fund Balance, itemizing activities in each Mountain Rides Fund: i) General Operations; ii) Capital Projects; and iii) Workforce Housing.

Mountain Rides’ basic services are accounted for and reported in the General Operations Fund. Each Fund’s Financial Statements are compiled using the modified accrual basis of accounting (similar to the accounting used by most private-sector companies), which measures cash and all other financial assets that can be readily converted to cash.

## **Management's Discussion and Analysis**

This MD&A provides an overview of Mountain Rides' FY2021 financial activities, highlighting FY2021's financial activities and resulting changes and underscoring currently known facts regarding financial performance. The reader should review the MD&A as part of the package that also includes the Independent Auditor's Report and the Basic Financial Statements.

### **Financial Highlights**

- (1) In FY2021, Mountain Rides, as a provider of public transportation services in Blaine County, continued to receive, as a sub-recipient of the Idaho Transportation Department (ITD), significant funding from the Federal Transit Administration (FTA) to underwrite the operation of public transportation services in a rural area (5311 Rural Transportation Grant Funding (5311 Rural)). In FY2021, Mountain Rides' received \$1,631,385 in regular, anticipated, and budgeted 5311 Rural funds, plus drew down \$449,334 in anticipated and budgeted 5311 CARES Grant for Rural Area Programs (5311 CARES) funds. (In June 2020, the FTA, via the ITD, awarded Mountain Rides \$3,262,771 of 5311 CARES funding to be used to support operations through June 30, 2025.)
- (2) With the two-year 5311 Rural funding cycle that commenced October 1, 2020, in effect, Mountain Rides anticipates receiving, as a sub-recipient of the ITD, 5311 Rural funding in FY2022 of \$1,631,386, the same level of 5311 Rural funding as received in FY2021. In addition, to support operations in FY2022, Mountain Rides anticipates drawing down \$837,945 of the \$1,645,711 available balance of the 5311 CARES award.
- (3) In FY2021, with the award of 5311 CARES funding in place to help underwrite operations, Mountain Rides decreased by 25% from FY2020 levels its request for Local Funding, as underwritten by local tax receipts, from the cities of Sun Valley, Ketchum, Hailey, and Bellevue, as well as from Blaine County. This was a temporary decrease during the pandemic to ease the financial burden the cities and county faced. In FY2022, Mountain Rides will request and anticipates receiving pre-pandemic levels of Local Funding. Mountain Rides relies on Local Funding to help underwrite operations, maintain service levels, and provide the local match required for receipt of Federal funding – by and large Federal transit funding programs require local entities to share in the cost of operating and maintaining transit systems. In FY2021, Local Funding was allocated 70% to operations and 30% to capital accounts.
- (4) In FY2021, Mountain Rides made capital improvements, purchasing four (4) battery electric buses ("BEBs") and related charging infrastructure. The BEBs replaced four (4) beyond-useful-life diesel-powered buses in Mountain Rides' fleet. Mountain Rides funded the purchases with funding from the FTA's 5339(c) Low or No Emissions Grant program and the Idaho Department of Environmental Quality's VW Settlement Fund Vehicle Replacement Program.
- (5) The Coronavirus pandemic declared in March 2020 did not have a negative material financial impact on Mountain Rides in the fiscal year 2021. Management believes that there will be no negative material impact of the ongoing pandemic on future revenues, expenses, or net assets.

### **Financial Analysis**

#### ***Condensed Statement of Net Position (Table 1)***

In FY2021, Mountain Rides' Total Net Position (total assets minus total liabilities) increased by \$3,396,616 over FY2020, rising from \$8,774,321 at September 30, 2020, to \$12,170,937 at September 30, 2021. Of note is the significant increase in Capital Assets, attributable primarily to the acquisition of four (4) heavy duty battery electric buses.

As of September 30, 2021, Current Assets - Receivables and Current Liabilities were atypically high, with the higher-than-normal balances attributable to delays in two related transactions: i) receipt of funds due (\$1,768,500 receivable) from the Idaho Department of Environmental Quality ("ID-DEQ") and ii) remission of payment, using the ID-DEQ funding, to New Flyer of America for the balance due (\$1,600,349 payable) on the purchase of four (4) battery electric buses. MRTA expects receipt of ID-DEQ funds in early FY2022.

In FY2021, Unrestricted Net Position, which includes funds available, without constraint, to finance day-to-day operations, decreased by 3%, from \$2,243,415 at September 30, 2020, to \$2,170,928 at September 30, 2021. In FY2022, a portion of the Unrestricted Net Position will be applied to underwrite operating expenses and capital expenditures; the balance will be held on-hand as contingency funds to meet cash needs arising from delays in receipts of Federal or Local Funding and/or resulting from unanticipated emergencies.

At September 30, 2021, Mountain Rides' Restricted Net Position balance is \$0.

In FY2021, with a budgeted one-time contribution of \$188,408, the balance in Mountain Rides' Contingency Fund increased to sixteen percent (16%) of annual operating expenses.

In upcoming years, Mountain Rides intends to increase its Capital Fund balances in order to ensure sufficient local matching funds for underwriting capital projects, including vehicle additions and replacements; facilities' enhancements; bus stop improvements; and construction of a new building at the Bellevue, Idaho, depot.

**Table 1: Condensed Statement of Net Position - Compared  
As of September 30, 2021 and 2020**

	FY 2021	FY 2020
<b>Current Assets:</b>		
Cash and Deposits	\$ 1,705,976	\$ 1,302,314
Receivables	2,324,090	1,315,248
Inventories	83,049	78,726
Total Current Assets	<u>4,113,115</u>	<u>2,696,288</u>
<b>Capital Assets:</b>		
Capital Assets (Net of Depreciation)	<u>10,000,009</u>	<u>6,530,906</u>
<b>Total Assets</b>	<b>\$ <u>14,113,124</u></b>	<b>\$ <u>9,227,194</u></b>
<b>Current Liabilities</b>	<b>\$ 1,857,236</b>	<b>\$ 392,419</b>
Long-term liabilities	<u>84,951</u>	<u>60,454</u>
Total Liabilities	<u>1,942,187</u>	<u>452,873</u>
<b>Net assets:</b>		
Invested in capital assets	10,000,009	6,530,906
Restricted		
Unrestricted	<u>2,170,928</u>	<u>2,243,415</u>
<b>Total Net Position</b>	<b>\$ <u>12,170,937</u></b>	<b>\$ <u>8,774,321</u></b>

**Statement of Revenues, Expenses, and Changes in Fund Balance (Table 2)**

Mountain Rides' FY2021 Total Revenues increased twenty-six percent (26%) over FY2020 Total Revenues. The majority of the increase, or \$1,768,500, consists of ID-DEQ VW Settlement Fund Vehicle Replacement Program Rebate funds.

Driven primarily by FY2021-over-FY2020 increases in Capital Expenditures and Total Expenditures, Mountain Rides' total cost of all programs and services rose by forty-six percent (46%) in FY2021 over FY2020.

**Table 2: Statement of Revenues, Expenses,  
and Changes in Fund Balance - Compared  
For the Fiscal Years Ended September 30, 2021 and 2020**

	FY 2021	FY 2020
<b>Revenues:</b>		
Federal Funding	\$ 4,221,801	\$ 4,052,798
State Funding	1,768,500	74,329
Local Funding	1,085,625	1,447,500
Fare Revenues	146,070	235,974
Charter Bus and Bike Share Revenues	3,140	2,215
Workforce Housing Revenues	32,400	32,400
Advertising	92,506	87,313
Interest from Investments	4,209	19,508
Proceeds on Sale of Assets	11,287	9,303
Private Donations	150,970	
Other Revenues	909	4,686
<b>Totals</b>	<u>7,517,417</u>	<u>5,966,026</u>
<b>Expenditures:</b>		
Wages	2,268,606	2,302,635
Fuel	258,617	188,693
Repairs and Maintenance	199,687	180,631
Utilities	28,003	26,633
Contracted Services	26,664	41,024
Marketing and Promotion	57,747	36,287
Insurance	134,206	137,854
Capital Expenditures	4,478,337	2,156,330
Supplies	34,681	43,748
Traveling and Training	14,714	14,361
Business Expenses	10,493	9,662
Printing and Reproduction	12,265	13,023
Communication Expense	45,710	36,347
<b>Totals</b>	<u>7,569,730</u>	<u>5,187,228</u>
<b>Excess (Deficiency)</b>	\$ <u>(52,313)</u>	\$ <u>778,798</u>

**General Fund Highlights**

In FY2020, Mountain Rides was awarded 5311 CARES funding of \$3,262,771, to be fully obligated (spent) by June 30, 2025. In FY2021, Mountain Rides drew down \$449,333 of this funding, bringing total 5311 CARES funding used to date to \$1,617,059 and leaving a balance yet to be drawn down of \$1,645,712.

In FY2020, Mountain Rides was also awarded ID-DEQ VW Settlement Funds (via the Vehicle Replacement Program) of \$1,768,500, which was budgeted in FY2021. The full amount of the award was recorded as a receivable as of September 30, 2021.

In FY2021, Mountain Rides received donations for the Twin Falls Route (NEMT) of \$118,750, Safe Routes to School of \$12,220, and an Electric Vehicle Supply Equipment Charging Incentive donation of \$20,000.

In FY2021, the General Fund realized a surplus (revenues minus expenses; budgeted as \$0) of \$265,293. This positive variance was generated primarily through diligent management of overtime and tight expense control. The surplus will be used to underwrite future operations and capital projects.



### **Capital Funds Highlights**

Mountain Rides' FY2021 capital budget included \$4,766,426 for vehicles, equipment, and facility upgrades, with funding for these projects in place – Federal grant awards; Mountain Rides' cash reserves; and Local Match funds.

In FY2020, Mountain Rides began a fleet electrification project, including the installation of battery electric bus charging infrastructure at its Ketchum, Idaho, and Bellevue, Idaho, depots ("1<sup>st</sup> Phase"). In FY2021, Mountain Rides completed the 1<sup>st</sup> Phase with the charging infrastructure operational and servicing its nascent fleet of four (4) BEBs.

In FY2021, Mountain Rides initiated the installation of TransLoc Intelligent Transportation System hardware and software on its buses. The installation will be completed and the hardware and software in-service in the first quarter of FY2022. (See Table 3, Construction in Progress).

### **Workforce Housing ("WFH") Fund Highlights**

Mountain Rides owns and maintains five (5) workforce housing units in its Ketchum, Idaho, depot facility. All were occupied throughout FY2021 – four (4) units by Mountain Rides' employees and one (1) unit by a police officer for the City of Ketchum (a party to the Mountain Rides' Joint Powers Agreement formational document). Rents, the primary source of WFH Fund revenue, for the workforce housing units are maintained at below-market rates.

### **Capital Asset and Debt Administration**

#### **Capital Assets (Table 3)**

At September 30, 2021, Mountain Rides' Net Capital Assets (asset cost minus accumulated depreciation) balance stood at \$10,000,009, which is \$3,469,103, or 53%, greater than the Net Capital Assets balance at September 30, 2020. The vast majority of the year-over-year increase in this balance is attributable to the FY2021 addition (purchase) of four (4) BEBs and related infrastructure.

Mountain Rides is invested in a broad range of capital assets, including its Ketchum and Bellevue depot facilities; bus stop shelters across its system of routes; buses, vans, and support vehicles; tools; and equipment.

**Table 3: Capital Assets for all Funds**

	<u>FY 2021</u>	<u>FY 2020</u>
Governmental Activities:		
Land	\$ 441,608	\$ 441,608
Construction in Progress	153,900	77,441
Depreciable Capital Assets:		
Buildings and Improvements	5,349,363	4,308,575
Buses and Vehicles	9,416,561	6,745,496
Equipment	224,114	145,882
Totals	<u>15,585,546</u>	<u>11,719,002</u>
Less: Accumulated Depreciation		
Buildings and Improvements	1,556,835	1,369,613
Buses and Vehicles	3,913,936	3,730,033
Equipment	114,766	88,450
Totals	<u>5,585,537</u>	<u>5,188,096</u>
Net Capital Assets	<u>\$ 10,000,009</u>	<u>\$ 6,530,906</u>

## **FY2022 and Beyond**

In September, the Mountain Rides Board of Directors approved a balanced Consolidated Budget for FY2022, including Total Revenues of \$12,080,272; Total Expenses of \$11,427,992; and Total Fund Balances in Reserve of \$652,281. The FY2022 Operating Budget, a component of the Consolidated Budget, is balanced and includes Total Revenues of \$3,636,357 and Total Expenses of \$3,636,357.

Integral to the FY2022 Budget, Mountain Rides considered the following:

- FY2022 5311 Federal funding for operations – \$1,631,386 – is known and locked in via an executed two-year funding agreement for FY2021 and FY2022 between Mountain Rides (sub-recipient, via the ITD, of Federal funding) and the Idaho Transportation Department (direct recipient of Federal funding).
- 5311 CARES funding, as awarded to Mountain Rides in FY2020 and available for use through June 2025, with an unspent balance of \$1,645,712 as of September 30, 2021, is known and a portion of the unspent balance will be used for operational needs in FY2022 as the Covid-19 pandemic persists.
- With the known and quantifiable revenues in place, in FY2022 Mountain Rides will sustain service at pre-pandemic levels, expanding said service only to the extent that any such expanded service proves to be sustainable longer-term, thereby avoiding the detrimental impacts to the organization that typically accompany arbitrarily increasing and decreasing service levels.
- FY2022 Local funding will increase by 47% over FY2021 levels, essentially returning to pre-pandemic levels of funding. In FY2021, in deference to the expected impacts of the pandemic on Mountain Rides' Local funding partners, Mountain Rides substantially reduced its Local funding requests and subsequently received FY2021 Local funding that was 25% less than FY2020 Local funding. Mountain Rides covered the FY2021 shortfall in Local funding by applying 5311 CARES funds for qualified operating expenses.
- FY2022 Capital Budgets were built by first identifying revenues and funds at-hand for underwriting capital expenditures (Federal grant awards, Mountain Rides' Capital Funds' balances, Local Match funding) and then building a capital purchases plan, with its resulting capital expenditures, that can be funded by the revenues and funds at-hand. This budgeting methodology will persist beyond FY2022.
- In October 2020, Mountain Rides took a proactive step to do its part in mitigating the impacts of the Covid-19 pandemic on the community by, via resolution (the "Zero-Fare Resolution") of its Board of Directors, providing all of its fixed-route bus service on a fare-free basis. Mountain Rides' Zero-Fare Resolution stipulates continuing zero-fare fixed-route bus service into the future for as long as is financially feasible.

## **Contacting Financial Management**

This financial report, which is available to all, is designed to provide a substantive overview of Mountain Rides' finances and attest to its accountability for spending the funding it receives. If you have questions about this report or need additional financial information, please contact Tucker Van Law, Finance and Administration Director, at (208) 788-7433 or [tucker@mountainrides.org](mailto:tucker@mountainrides.org).

**MOUNTAIN RIDES TRANSPORTATION AUTHORITY**  
**Statement of Net Position**  
**at September 30, 2021**

<b><u>ASSETS</u></b>	<b><u>Governmental Activities</u></b>
<b>Current Assets:</b>	
Cash and Deposits	\$ 1,705,976
Accounts Receivable	6,509
Grants Receivable	2,317,581
Inventories	<u>83,049</u>
<b>Total Current Assets</b>	<b>\$ 4,113,115</b>
<b>Non-Current Assets:</b>	
Land	441,608
Buildings and Improvements	5,503,263
Vehicles and Equipment	<u>9,640,675</u>
<b>Totals</b>	<b>15,585,546</b>
Accumulated Deprecation	<u>(5,585,537)</u>
<b>Total Non-Current Assets</b>	<b><u>10,000,009</u></b>
<b>Total Assets</b>	<b>\$ <u>14,113,124</u></b>
<b><u>LIABILITIES</u></b>	
<b>Current Liabilities:</b>	
Accounts Payable	\$ 1,838,625
Other Accrued Liabilities	12,811
Deferred Revenues	<u>5,800</u>
<b>Total Current Liabilities</b>	<b>\$ 1,857,236</b>
<b>Long-term Liabilities:</b>	
Compensated Absences	<u>84,951</u>
<b>Total Liabilities</b>	<b><u>1,942,187</u></b>
<b><u>NET POSITION</u></b>	
Invested in Capital Assets	10,000,009
Unrestricted	<u>2,170,928</u>
<b>Total Net Position</b>	<b>\$ <u>12,170,937</u></b>

The accompanying notes are a part of these financial statements.

**MOUNTAIN RIDES TRANSPORTATION AUTHORITY**  
**Statement of Activities**  
**For the Year Ended September 30, 2021**

Activities:	Expenses	Program Revenues		Net (Expense) Revenues and Changes in Net Position
		Charges for Services	Capital Grants and Contributions	Governmental Activities
<b>Governmental:</b>				
General Operations	\$ 4,074,115	\$ 241,716	\$ 2,184,130	\$ (1,648,269)
<b>Special Services:</b>				
Capital Projects	35,749		3,806,171	3,770,422
Work Force Housing	10,937	32,400		21,463
<b>Total MRTA</b>	<b>\$ 4,120,801</b>	<b>\$ 274,116</b>	<b>\$ 5,990,301</b>	<b>2,143,616</b>

General Revenues:

Local Government Funding	1,085,625
Private Donations	150,970
Interest Income	4,209
Gain (Loss) on Disposition of Assets	11,287
Miscellaneous	909

Total general revenues and transfers 1,253,000

Changes in net assets 3,396,616

Net Position - Beginning 8,774,321

Net Position - Ending \$ 12,170,937

The accompanying notes are a part of these financial statements.

**MOUNTAIN RIDES TRANSPORTATION AUTHORITY**  
**Balance Sheet**  
**Governmental Funds**  
**for the year ended September 30, 2021**

	<b>General Fund</b>	<b>Capital Reserve Fund</b>	<b>Work Force Housing Fund</b>	<b>Total</b>
<b>ASSETS:</b>				
Cash and Cash Deposits	\$ 860,404	\$ 813,337	\$ 32,235	\$ 1,705,976
Accounts Receivable	6,509			6,509
Grants Receivable	549,081	1,768,500		2,317,581
Prepaid Expenses				0
Due From Other Funds				0
Total Assets	\$ 1,415,994	\$ 2,581,837	\$ 32,235	4,030,066
<b>LIABILITIES:</b>				
Accounts Payable	67,497	1,766,749	4,379	1,838,625
Accrued Payroll Expenses	12,811			12,811
Tenant Deposits			5,800	5,800
Due To Other Funds				0
				0
Total Liabilities	80,308	1,766,749	10,179	1,857,236
<b>FUND BALANCE:</b>				
Non-spendable				0
Restricted				0
Committed		815,088		815,088
Assigned	549,081		22,056	571,137
Unassigned	786,605			786,605
Total Fund Balance	1,335,686	815,088	22,056	2,172,830
Total Liabilities and Fund Balance	\$ 1,415,994	\$ 2,581,837	\$ 32,235	\$ 4,030,066

Amounts reported for governmental activities in the Statement of Net Position (page 9) are different because:

Governmental fund capital assets are not financial resources and therefore are not reported in the funds. The cost of assets is \$ 15,585,546 and the accumulated depreciation is \$ 5,585,537	10,000,009
Inventory	83,049
Compensated absences	(84,951)
Net Position of Governmental Funds	\$ 12,170,937

The accompanying notes are a part of these financial statements.

**MOUNTAIN RIDES TRANSPORTATION AUTHORITY**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Governmental Funds**  
**for the year ended September 30, 2021**

	<u>General Fund</u>	<u>Capital Reserve Fund</u>	<u>Work Force Housing Fund</u>	<u>Totals</u>
<b>REVENUE:</b>				
Federal Funding	\$ 2,184,130	\$ 2,000,000	\$	\$ 4,184,130
State Funding		1,806,171		1,806,171
Local Funding	764,225	321,400		1,085,625
Fare Revenues	146,070			146,070
Charter Bus and Bike Share Revenue	3,140			3,140
Workforce Housing Revenue			32,400	32,400
Advertising	92,506			92,506
Interest Income	3,205	961	43	4,209
Proceeds on Sale of Assets		11,287		11,287
Private Donations	150,970			150,970
Other Revenues			909	909
	<u>3,344,246</u>	<u>4,139,819</u>	<u>33,352</u>	<u>7,517,417</u>
Total Revenue				
<b>EXPENDITURES:</b>				
Wages and Benefits	2,268,606			2,268,606
Fuel	258,617			258,617
Repairs and Maintenance	193,553		6,134	199,687
Utilities	23,200		4,803	28,003
Contracted Services	26,664			26,664
Marketing and Promotion	57,747			57,747
Insurance	134,206			134,206
Capital Expenditures	9,947	4,468,390		4,478,337
Supplies	34,681			34,681
Travel and Training	14,714			14,714
Business Expenses	10,493			10,493
Printing and Reproduction	12,265			12,265
Communication Expense	45,710			45,710
	<u>3,090,403</u>	<u>4,468,390</u>	<u>10,937</u>	<u>7,569,730</u>
Total Expenditures				
<b>EXCESS REVENUE (EXPENDITURES)</b>	253,843	(328,571)	22,415	(52,313)
<b>OTHER FINANCING SOURCES (USES):</b>				
Operating transfers from other funds	15,000	968,344		983,344
Operating transfers (to) other funds	(968,344)		(15,000)	(983,344)
NET CHANGE IN FUND BALANCES	(699,501)	639,773	7,415	(52,313)
FUND BALANCE - BEGINNING	<u>2,035,187</u>	<u>175,315</u>	<u>14,641</u>	<u>2,225,143</u>
FUND BALANCE - ENDING	<u>\$ 1,335,686</u>	<u>\$ 815,088</u>	<u>\$ 22,056</u>	<u>\$ 2,172,830</u>

The accompanying notes are a part of these financial statements.

**MOUNTAIN RIDES TRANSPORTATION AUTHORITY**  
**Reconciliation of the Statement of Revenues,**  
**Expenditures, and Changes in Fund Balances of Governmental Funds**  
**To the Statement of Activities**  
**for the year ended September 30, 2021**

Net Change in Fund Balance - Total Governmental Funds (Page12)	\$ (52,313)
<p>Governmental funds report capital outlays as current year expenditures. In the Statement of Activities, the cost of these assets is allocated over their estimated useful lives as depreciation expense. This is the amount of current capital outlay for new fixed assets.</p>	
This is the amount of current year depreciation.	(963,538)
This is the amount of new assets acquired in the Government Funds.	4,432,641
This is the amount of gain (loss) on disposal of Governmental Fund assets.	11,287
This is the amount of proceeds from the sale of assets included in the change in the Net Change in Fund Balance	(11,287)
Change in inventory is not included in the governmental fund statements	4,323
<p>Liability for personal leave days are not recorded in Governmental Funds.</p>	
This is the increase in compensated leave during the year	(24,497)
Change in Net Position of Governmental Activities (Page 10)	\$ <u>3,396,616</u>

The accompanying notes are a part of these financial statements.

**MOUNTAIN RIDES TRANSPORTATION AUTHORITY  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

**Introduction**

The Mountain Rides Transportation Authority (MRTA) is a local government entity created by a joint powers agreement between Blaine County and the Cities of Ketchum, Sun Valley, Hailey, and Bellevue – as prescribed under Idaho code. MRTA was formerly known as the Ketchum-Sun Valley Public Transit Authority. MRTA serves transportation needs in the Wood River Valley, extending along the valley corridor from Ketchum/Sun Valley on the north to Bellevue on the south, and routes to Twin Falls.

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

**Scope of Entity**

The Authority's financial statements include the accounts of all operations under the oversight authority of the Board. Oversight responsibility is derived from the governmental unit's authority and includes, but is not limited to, financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters. Based on the foregoing criteria, no component units are included in the Authority's financial statements.

**Basis of Accounting/Measurement Focus**

The accounts of MRTA are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, reserves, fund balance, revenues, and expenditures. MRTA has a general operating fund, a capital reserve fund, and a work force housing fund.

**Government-wide Financial Statements:**

The statement of net position and the statement of activities display information about the Authority as a whole. These statements include the financial activities of the Authority.

The statement of net position presents the financial condition of the governmental activities of the Authority at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each activity. Direct expenses are those that are specifically associated with a service, program, or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program. Revenues that are not classified as program revenues are presented as general revenues of the Authority. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the Authority.

**Fund Financial Statements:**

Governmental funds are accounted for using the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the balance sheet. Under modified accrual basis of accounting, revenues are recognized when they become both measurable and available. Available for purposes of revenue recognition is defined as sixty days. Revenue sources susceptible to accrual include advertising, charter, state, federal and intergovernmental revenues. Expenditures are recognized when the related fund liability is incurred. Exceptions to this general rule include the accrual of payroll and related payroll liabilities.

The accounts of the Authority are organized and operated on the basis of funds and account groups. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

The Authority has adopted GASB Statement No. 54 "Fund Balance Reporting and Governmental Fund Type Definitions" (GASB 54) which defines how fund balances of the governmental funds are presented in the financial statements. There are five classifications of fund balances as presented below:



**MOUNTAIN RIDES TRANSPORTATION AUTHORITY  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

Note 1 – Continued

Non-spendable – These funds are not available for expenditures based on legal or contractual requirements. In this category, one would see inventory, long-term receivables, unless proceeds are restricted, committed, or assigned and legally or contractually required to be maintained intact (corpus or a permanent fund).

Restricted – These funds are governed by externally enforceable restrictions. In this category, one would see restricted purpose grant funds, debt service or capital projects.

Committed – Fund balances in this category are limited by the governments' highest level of decision making. Any changes of designation must be done in the same manner that it was implemented and should occur prior to the end of the fiscal year, though the exact amount may be determined subsequently.

Assigned – These funds are intended to be used for specific purposes, intent is expressed by a governing body or an official delegated by the governing body.

Unassigned – This classification is the default for all funds that do not fit into the other categories. This, however, should not be a negative number for the general fund. If it is, the assigned fund balance must be adjusted.

Order of Use of Fund Balance – The Authority's policy is to apply expenditures against non-spendable fund balance, restricted fund balance, committed fund balance, assigned fund balance and unassigned fund balance at the end of the fiscal year. For all funds, non-spendable fund balances are determined first and then restricted fund balances for specific purposes are determined.

**Capitalizing Assets**

Tangible and/or intangible assets used in operations with an initial useful life that extends beyond one year are capitalized. Capital assets are recorded at their historical cost and are depreciated using the straight-line method of depreciation over their estimated useful lives. They are reported net of accumulated depreciation on the Statements of Net Position. The Authority has established a capitalization threshold of items costing in excess of \$5,000.

Depreciation of buildings, buses, and machinery and equipment is computed using the straight-line method over the following estimated useful lives:

Buildings and Improvements	20-40 Years
Buses	10-12 Years
Machinery and Equipment	5-15 Years

**Restricted Net Assets**

Restricted net assets are those for which a constraint has been imposed either externally or by law. MRTA recognized the use of restricted resources or expenditures that comply with the specific restrictions. Restricted resources are exhausted before unrestricted net assets are used. MRTA did not have any restricted net assets as of the financial statement date.

**Budgets and Budgetary Accounting**

Annual appropriated budgets are adopted for each fund before October 1 of each year in accordance with Idaho code. The budgets are prepared in accordance with the modified accrual basis of accounting. Budgeted amounts shown are as originally adopted and as amended by MRTA.

**Cash and Cash Equivalents**

MRTA's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with maturities of less than 90 days.

**MOUNTAIN RIDES TRANSPORTATION AUTHORITY  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

Note 1 - Continued

**Investments**

State statutes authorize MRTA to invest in obligations of U.S. Treasury, commercial paper, corporate bonds and repurchase agreements, and the Idaho State Treasurer Local Government Investment Pool. All investments of MRTA are placed in the State Investment Pool and stated at fair value as provided by the Pool.

**Inventories**

Inventory is valued at cost using the first in, first out method. Inventory consists of expendable supplies held for future consumption or capitalization. The cost is recorded as an expense as inventory items are consumed and is reflected in the government-wide financial statements only. Inventory items are reported as expenditures in the fund statements when purchased.

**NOTE 2 – CASH AND CASH DEPOSITS**

Cash and cash deposit balances at September 30, 2021:

	<u>Book Balance</u>	<u>Bank Balance</u>
Petty cash/undeposited funds	\$ 76	\$ 0
Mountain West Bank checking accounts	151,303	339,313
State of Idaho Local Government Investment Pool	<u>1,554,597</u>	<u>1,554,597</u>
Total Cash/Cash Deposit	<u>\$ 1,705,976</u>	<u>\$ 1,893,910</u>

Investments in the Local Government Investment Pool are valued at fair value. The Local Government Investment Pool is managed by the State of Idaho Treasurer's office. The funds of the pool are invested in certificates of deposit, repurchase agreements, and U.S. government securities. The certificates of deposit are federally insured. The U.S. government securities and the collateral for the repurchase agreements are held in trust by a safekeeping bank.

**Risk Exposure**

**Interest Rate Risk** – MRTA does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

**Credit Risk** – MRTA has no formal investment policy which would further limit its investment choices beyond those stated in the Idaho Code.

MRTA does not currently have any outside investments. Excess cash is deposited into the Idaho Local Government Investment Pool.

**Concentration of Credit Risk** – MRTA places no formal limits on the amount the Treasurer may invest in any one issuer.

**Custodial Credit Risk, Deposits** – Custodial credit risk is the risk that funds would be lost in the event of bank failure. Bank balances in excess of the FDIC insured amount of \$ 250,000 are subject to custodial credit risk. MRTA working policy is to limit custodial credit risk by limiting balances in checking accounts to operational needs and transferring the remaining amounts to the Idaho Local Government Investment Pool.

**MOUNTAIN RIDES TRANSPORTATION AUTHORITY  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

**NOTE 3 – CAPITAL ASSETS**

Capital asset activity for the year ended September 30, 2021, is as follows:

	<u>Beginning Balances</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balances</u>
<b>Governmental Activities:</b>				
Land	\$ 441,608	\$	\$	\$ 441,608
Construction in Progress	77,441	153,900	(77,441)	153,900
<i>Capital Assets being depreciated:</i>				
Buildings and Improvements	4,308,575	1,040,788		5,349,363
Vehicles	6,745,496	3,237,162	(566,097)	9,416,561
Office Equipment	28,831			28,831
Other Machinery and Equipment	117,051	78,232		195,283
<b>Total</b>	<u>11,719,002</u>	<u>4,510,082</u>	<u>(643,538)</u>	<u>15,585,546</u>
Less: Accumulated Depreciation:				
Buildings and Improvements	(1,369,613)	(187,222)		(1,556,835)
Vehicles	(3,730,033)	(750,000)	566,097	(3,913,936)
Office Equipment	(19,193)	(1,915)		(21,108)
Other Machinery and Equipment	(69,257)	(24,401)		(93,658)
<b>Total Accumulated Depreciation</b>	<u>(5,188,096)</u>	<u>(963,538)</u>	<u>566,097</u>	<u>(5,585,537)</u>
<b>Governmental capital assets, net</b>	<u>\$ 6,530,906</u>	<u>\$ 3,546,544</u>	<u>\$ (77,441)</u>	<u>\$ 10,000,009</u>

**NOTE 4 – ACCRUED COMPENSATED ABSENCES**

This amount includes personal leave time earned by employees, but not used as of fiscal year end.

**NOTE 5 – EMPLOYEE RETIREMENT PLAN**

MRTA has a noncontributory defined contribution pension plan covering substantially all employees who have been employed for the lesser of twelve months or 1,000 hours. MRTA's contributions are made at the discretion of the board of directors. Vesting of accrued benefits occurs at the rate of 20% after two years of service, plus 20% for each year of service, thereafter. Contributions to the plan for the years ended September 30, 2021, 2020 and 2019 were \$138,306, \$142,351 and \$123,236, respectively.

**NOTE 6 – COMMITMENTS AND CONTINGENCIES**

MRTA receives a significant portion of its support from the cities of Ketchum and Sun Valley. Should the cities decrease their share of participation, MRTA would be forced to find other sources of revenue or make a significant reduction in services.

**MOUNTAIN RIDES TRANSPORTATION AUTHORITY  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

**NOTE 7 – RISK MANAGEMENT**

The Authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During the fiscal year, the Authority contracted with Idaho County Risk Management Program (ICRMP) for property, crime and fleet insurance and the State Insurance Fund for Worker's compensation. The current year policy expires October 1, 2021 and has been renewed with ICRMP through September 30, 2022. The policy coverages include property, crime, general liability, automobile liability and public officials.

**NOTE 8 – ENVIRONMENTAL FACTORS**

MRTA owns land and facilities to provide repair and maintenance of their transportation equipment. These items carry a responsibility for environmental issues, which, if violated, would be a liability to MRTA. There has been no environmental study to determine the existence of any such liabilities.

**NOTE 9 – SUBSEQUENT EVENTS**

Subsequent events were evaluated through the date of the auditor's report, which is the date the financial statements were available to be issued.

**REQUIRED  
SUPPLEMENTARY INFORMATION**

**MOUNTAIN RIDES TRANSPORTATION AUTHORITY**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual -- General Fund**  
**for the year ended September 30, 2021**

	<u>Original Budget Amounts</u>	<u>Final Budget Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>REVENUE:</b>				
Federal Funding	\$ 2,395,017	\$ 2,292,763	\$ 2,184,130	\$ (108,633)
State Funding				0
Local Funding	764,750	764,225	764,225	0
Fare Revenues	80,000	136,986	146,070	9,084
Charter Bus and Bike Share Revenue	7,650	7,650	3,140	(4,510)
Workforce Housing Revenue				0
Advertising	72,000	72,000	92,506	20,506
Interest Income	9,000	9,000	3,205	(5,795)
Proceeds on Sale of Assets				0
Private Donations	1,000	127,100	150,970	23,870
Other Revenues				0
<b>Total Revenue</b>	<u>3,329,417</u>	<u>3,409,724</u>	<u>3,344,246</u>	<u>(65,478)</u>
<b>EXPENDITURES:</b>				
Wages and Benefits	2,404,666	2,453,966	2,268,606	185,360
Fuel	318,912	328,760	258,617	70,143
Repairs and Maintenance	231,000	236,055	193,553	42,502
Utilities	22,440	24,250	23,200	1,050
Contracted Services	32,940	32,930	26,664	6,266
Marketing and Promotion	41,000	66,655	57,747	8,908
Insurance	135,730	132,023	134,206	(2,183)
Capital Expenditures	9,180	8,030	9,947	(1,917)
Supplies	38,000	35,899	34,681	1,218
Travel and Training	30,090	31,890	14,714	17,176
Business Expenses	11,700	10,773	10,493	280
Printing and Reproduction	13,000	13,555	12,265	1,290
Communications	49,759	43,938	45,710	(1,772)
<b>Total Expenditures</b>	<u>3,338,417</u>	<u>3,418,724</u>	<u>3,090,403</u>	<u>328,321</u>
<b>EXCESS REVENUE (EXPENDITURES)</b>	(9,000)	(9,000)	253,843	262,843
<b>OTHER FINANCING SOURCES (USES):</b>				
Operating transfers from other funds	15,000	15,000	15,000	0
Operating transfers (to) other funds	(942,042)	(942,042)	(968,344)	(26,302)
<b>NET CHANGE IN FUND BALANCES</b>	(936,042)	(936,042)	(699,501)	236,541
<b>FUND BALANCE - BEGINNING</b>	<u>2,035,187</u>	<u>2,035,187</u>	<u>2,035,187</u>	<u>0</u>
<b>FUND BALANCE - ENDING</b>	<u>\$ 1,099,145</u>	<u>\$ 1,099,145</u>	<u>\$ 1,335,686</u>	<u>\$ 236,541</u>

**MOUNTAIN RIDES TRANSPORTATION AUTHORITY**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual -- Capital Reserve Fund**  
**for the year ended September 30, 2021**

	<u>Original Budget Amounts</u>	<u>Final Budget Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>REVENUE:</b>				
Federal Funding	\$ 2,035,200	\$ 2,295,473	\$ 2,000,000	\$ (295,473)
State Funding	1,770,838	1,806,171	1,806,171	0
Local Funding	321,400	321,400	321,400	0
Fare Revenues				0
Charter Bus and Bike Share Revenue				0
Workforce Housing Revenue				0
Advertising				0
Interest Income	4,100	494	961	467
Proceeds on Sale of Assets	22,000	11,287	11,287	0
Other Revenues				0
<b>Total Revenue</b>	<u>4,153,538</u>	<u>4,434,825</u>	<u>4,139,819</u>	<u>(295,006)</u>
<b>EXPENDITURES:</b>				
Wages and Benefits				0
Fuel				0
Repairs and Maintenance				0
Utilities				0
Contracted Services				0
Marketing and Promotion				0
Insurance				0
Capital Expenditures	4,333,666	4,766,426	4,468,390	298,036
Supplies				0
Travel and Training				0
Printing and Reproduction				0
Miscellaneous				0
<b>Total Expenditures</b>	<u>4,333,666</u>	<u>4,766,426</u>	<u>4,468,390</u>	<u>298,036</u>
<b>EXCESS REVENUE (EXPENDITURES)</b>	(180,128)	(331,601)	(328,571)	3,030
<b>OTHER FINANCING SOURCES (USES):</b>				
Operating transfers from other funds	753,633	968,344	968,344	0
Operating transfers (to) other funds				0
<b>NET CHANGE IN FUND BALANCES</b>	573,505	636,743	639,773	3,030
<b>FUND BALANCE - BEGINNING</b>	<u>175,315</u>	<u>175,315</u>	<u>175,315</u>	<u>0</u>
<b>FUND BALANCE - ENDING</b>	<u>\$ 748,820</u>	<u>\$ 812,058</u>	<u>\$ 815,088</u>	<u>\$ 3,030</u>

**MOUNTAIN RIDES TRANSPORTATION AUTHORITY**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual -- Work Force Housing Fund**  
**for the year ended September 30, 2021**

	<u>Original Budget Amounts</u>	<u>Final Budget Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>REVENUE:</b>				
Federal Funding	\$	\$	\$	\$ 0
State Funding				0
Local Funding				0
Fare Revenues				0
Charter Bus and Bike Share Revenue				0
Workforce Housing Revenue	32,400	32,400	32,400	0
Advertising				0
Interest Income	100	100	43	(57)
Proceeds on Sale of Assets				0
Other Revenues	<u>700</u>	<u>700</u>	<u>909</u>	<u>209</u>
<b>Total Revenue</b>	<u>33,200</u>	<u>33,200</u>	<u>33,352</u>	<u>152</u>
<b>EXPENDITURES:</b>				
Wages and Benefits				0
Fuel				0
Repairs and Maintenance	12,200	12,200	6,134	6,066
Utilities	6,000	6,000	4,803	1,197
Contracted Services				0
Marketing and Promotion				0
Insurance				0
Capital Expenditures				0
Supplies				0
Travel and Training				0
Printing and Reproduction				0
Miscellaneous				0
<b>Total Expenditures</b>	<u>18,200</u>	<u>18,200</u>	<u>10,937</u>	<u>7,263</u>
<b>EXCESS REVENUE (EXPENDITURES)</b>	<u>15,000</u>	<u>15,000</u>	<u>22,415</u>	<u>7,415</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Operating transfers from other funds				0
Operating transfers (to) other funds	<u>(15,000)</u>	<u>(15,000)</u>	<u>(15,000)</u>	<u>0</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>0</u>	<u>0</u>	<u>7,415</u>	<u>7,415</u>
<b>FUND BALANCE - BEGINNING</b>	<u>14,641</u>	<u>14,641</u>	<u>14,641</u>	<u>0</u>
<b>FUND BALANCE - ENDING</b>	<u>\$ 14,641</u>	<u>\$ 14,641</u>	<u>\$ 22,056</u>	<u>\$ 7,415</u>



**MOUNTAIN RIDES TRANSPORTATION AUTHORITY  
BLAINE COUNTY, IDAHO**

**Schedule of Expenditures of Federal Awards  
for the year ended September 30, 2021**

Federal Grantor/Pass-through Grantor/Program Title	Catalog of Federal Domestic Assistance Number	Expenditures During Audit Period	Totals
<b><i>Highway Planning and Construction - Cluster</i></b>			
U.S. Department of Transportation:			
Highway Planning and Construction	20.205	\$ <u>59,792</u>	
Total			\$ 59,792
<b><i>Federal Transit - Cluster</i></b>			
U.S. Department of Transportation:			
Bus and Bus Facilities Formula and Discretionary Program	20.526	<u>2,000,000</u>	
Total			2,000,000
<b><i>Other Programs</i></b>			
U.S. Department of Transportation:			
Formula Grants for Rural Areas	20.509	1,631,385	
U.S. Department of Transportation:			
CARES Grant for Rural Areas	20.509	605,619	
U.S. Department of Transportation:			
Rural Transportation Assistance Program	20.509	13,619	
U.S. Department of Transportation:			
National Aging and Disability Transportation Center	20.513	<u>30,000</u>	
Total			<u>2,280,623</u>
Total All Programs			\$ <u><u>4,340,415</u></u>

**MOUNTAIN RIDES TRANSPORTATION AUTHORITY  
BLAINE COUNTY, IDAHO**

**Schedule of Expenditures of Federal Awards  
for the year ended September 30, 2021**

**NOTE 1 - BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Mountain Rides Transportation Authority. The Information in this Schedule is presented in accordance with the requirements of Title 2 U.S.Code of Federal Regulations Part 200, Uniform Administrative Requirements, Costs Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Mountain Rides Transportation Authority, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Authority.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

**NOTE 3 - DE MINIMIS INDIRECT COST RATE**

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

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

The examination of the records of the Mountain Rides Transportation Authority for the year ended September 30, 2020 revealed no areas of comments, findings or questioned costs.

**SUMMARY SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

The examination of the records of the Mountain Rides Transportation Authority for the year ended September 30, 2021 revealed no areas of comments, findings or questioned costs.

**MOUNTAIN RIDES TRANSPORTATION AUTHORITY**  
**Year Ended September 30, 2021**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**Section 1 – Summary of Auditor's Results**

**Financial Statements**

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

Material weakness(es) identified? \_\_ yes  No

Significant deficiencies identified that are  
not considered to be material weakness(es) \_\_ yes  None reported

Noncompliance material to financial statements  
noted? \_\_ yes  No

**Federal Awards**

Internal control over major programs:

Material weakness(es) identified? \_\_ yes  No

Significant deficiencies identified that are  
not considered to be material weakness(es) \_\_ yes  None reported

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

Any audit findings disclosed that are required  
to be reported in accordance with section  
510(a) of Circular A-133? \_\_ yes  No

**Identification of major programs:**

**Other Programs**

**Federal CFDA Number**

U.S. Department of Transportation  
Formula Grants for Rural Areas  
Bus and Bus Facilities Formula Grants

20.505  
20.526

Dollar threshold used to distinguish  
between type A and type B programs: \$ 750,000

Auditee qualified as low-risk auditee? \_\_  Yes \_\_ no

**Section II – Financial Statement Findings**

No significant deficiencies, material weaknesses, fraud, noncompliance with provisions of laws, regulations, contracts, and grant agreements were reported.

**Section III – Federal Award Findings and Questioned Costs**

No significant deficiencies, material weaknesses, fraud, noncompliance with provisions of laws, regulations, contracts, and grant agreements were reported.

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

November 29, 2021

Board of Directors  
Mountain Rides Transportation Authority  
Ketchum, Idaho

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Mountain Rides Transportation Authority (Authority), as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated November 29, 2021.

***Internal Control Over Financial Reporting***

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

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

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

***Compliance and Other Matters***

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

Report Continued—

***Purpose of this Report***

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

*Workman & Company*

WORKMAN AND COMPANY  
Certified Public Accountants  
Twin Falls, Idaho

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

November 29, 2021

Board of Directors  
Mountain Rides Transportation Authority  
Ketchum, Idaho

### **Report on Compliance for Each Major Federal Program**

We have audited the Mountain Rides Transportation Authority's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Mountain Rides Transportation Authority's major federal programs for the year ended September 30, 2021. Mountain Rides Transportation Authority's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

### ***Management's Responsibility***

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

### ***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the Mountain Rides Transportation Authority's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Mountain Rides Transportation Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Mountain Rides Transportation Authority's compliance.

### ***Opinion on Each Major Federal Program***

In our opinion, the Mountain Rides Transportation Authority, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2021.

### ***Other Matters***

The results of our auditing procedures disclosed no instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance.

### **Report on Internal Control over Compliance**

Management of the Mountain Rides Transportation Authority, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Mountain Rides Transportation Authority's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Mountain Rides Transportation Authority's internal control over compliance.

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

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

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

*Workman & Company*

WORKMAN AND COMPANY  
Certified Public Accountants  
Twin Falls, Idaho