

Federal Compliance Audit

# Green Mountain Transit Authority

June 30, 2022



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GREEN MOUNTAIN TRANSIT AUTHORITY

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## INDEPENDENT AUDITOR'S REPORT

Board of Commissioners  
Green Mountain Transit Authority  
Burlington, Vermont

### Report on the Audit of the Financial Statements

#### *Opinions*

We have audited the financial statements of the business-type activities of the major fund of Green Mountain Transit Authority, as of and for the year ended June 30, 2022 and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the major fund of the Green Mountain Transit Authority as of June 30, 2022 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.

#### *Basis for Opinions*

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

### Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America 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.

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

### Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

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

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

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 through 9 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.

#### *Supplementary Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Green Mountain Transit Authority's basic financial statements. The Schedules of Operating Revenues and Subsidies and Schedules of Expenses are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance) and is also not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Operating Revenues and Subsidies, Schedule of Expenses 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 January 18, 2023, on our consideration of Green Mountain Transit

Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grants agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the effectiveness of the Green Mountain Transit Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in considering the Green Mountain Transit Authority's internal control over financial reporting and compliance.

*RHR Smith & Company*

Buxton, Maine  
Vermont Registration No. 092.0000697  
January 18, 2023

**REQUIRED SUPPLEMENTARY INFORMATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2022**

**(UNAUDITED)**

The following management's discussion and analysis of Green Mountain Transit Authority's financial performance provides an overview of the Authority's financial activities for the fiscal year ended June 30, 2022. Please read it in conjunction with the Authority's financial statements.

**Financial Statement Overview**

The Authority's basic financial statements include the following components: 1) proprietary fund financial statements and 2) notes to the financial statements. This report also includes other supplementary information including combining and other schedules.

**Basic Financial Statements**

The basic financial statements include financial information in the proprietary fund financial statements. These basic financial statements also include the notes to financial statements that explain in more detail certain information in the financial statements and also provide the user with the accounting policies used in the preparation of the financial statements.

The Statement of Net Position - this statement presents *all* of the government's assets, deferred outflows of resources, liabilities and deferred inflows of resources with the difference being reported as net position.

The Statement of Activities - this statement presents information that shows how the government's net position changed during the period. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows.

*Statement of Cash Flows* - this statement presents information on the effects changes in assets, deferred outflows of resources, liabilities, deferred inflows of resources and operations have on cash during the course of the fiscal year.

The above-mentioned financial statements have one column for the Authority's activities. The type of activity presented for the Authority is:

- *Business-type activities* - These activities are normally intended to recover all or a significant portion of their costs through user fees and/or charges to external users for goods and/or services.

**Notes to the Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the Proprietary Fund Financial Statements. The Notes to Financial Statements can be found following the Statements of Cash Flows.

## Other Supplementary Information

Other supplementary information follows the notes to the financial statements. These combining and other schedules provide information in regard to operating revenues and subsidies and expenses.

### Government-Wide Financial Analysis

Our analysis below focuses on the net position and changes in net position of the Authority's business-type activities. The Authority's net position increased by \$2,332,655 from \$34,290,742 to \$36,623,397.

Unrestricted net position - the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation or other legal requirements - increased by \$327,579 from \$3,192,543 to a balance of \$3,520,122 at the end of this year.

**Table 1**  
**Green Mountain Transit Authority**  
**Net Position**  
**June 30,**

	<u>2022</u>	<u>2021</u>
Assets:		
Current Assets	\$ 11,418,302	\$ 7,311,797
Noncurrent Assets - Capital Assets	30,596,144	29,732,118
Total Assets	<u>\$ 42,014,446</u>	<u>\$ 37,043,915</u>
Liabilities:		
Current Liabilities	\$ 3,954,116	\$ 1,596,874
Noncurrent Liabilities	909,883	1,082,612
Total Liabilities	<u>\$ 4,863,999</u>	<u>\$ 2,679,486</u>
Deferred Inflows of Resources:		
Deferred Revenue	\$ 527,050	\$ 73,687
Total Deferred Inflows of Resources	<u>\$ 527,050</u>	<u>\$ 73,687</u>
Net Position:		
Net Investment in Capital Assets	\$ 30,596,144	\$ 29,560,706
Restricted	2,507,131	1,537,493
Unrestricted	3,520,122	3,192,543
Total Net Position	<u>\$ 36,623,397</u>	<u>\$ 34,290,742</u>



**Table 2**  
**Green Mountain Transit Authority**  
**Changes in Net Position**  
**For the Years Ended June 30,**

	<u>2022</u>	<u>2021</u>
Operating revenues:		
Purchase of services	\$ 1,716,269	\$ 1,589,991
Intergovernmental	22,228,628	19,071,258
Other income	175,770	79,800
Total operating revenues	<u>24,120,667</u>	<u>20,741,049</u>
Operating expenses:		
Transportation	<u>21,959,518</u>	<u>19,374,899</u>
Operating income (loss)	<u>2,161,149</u>	<u>1,366,150</u>
Nonoperating revenues (expenses)		
Contributions	4,419,324	2,756,828
Other nonoperating revenue	(6,069)	121,925
Nonoperating expense	(4,002,971)	(4,249,452)
Change in deferred cost pool	<u>(238,778)</u>	<u>189,260</u>
Total nonoperating revenues (expenses)	<u>171,506</u>	<u>(1,181,439)</u>
Change in net position	2,332,655	184,711
Net Position - July 1	<u>34,290,742</u>	<u>34,106,031</u>
Net Position - June 30	<u>\$ 36,623,397</u>	<u>\$ 34,290,742</u>

### Revenues and Expenses

The Authority's operating revenues increased over last year's amounts and operating expenses increased compared to last year's amounts. Operating revenues increased by 16.29% and operating expenses increased by 13.34%.

### Capital Asset and Long-Term Debt Activity

#### Capital Assets

As of June 30, 2022, the net book value of capital assets recorded by the Authority increased by \$864,026 over the prior year. Net capital additions of \$4,361,744 were recorded while net disposals of \$69,830 were removed from the books. Depreciation expense in the amount of \$3,427,888 was recorded.

All capital assets and capital improvements with an original cost of \$5,000 or more are capitalized and depreciated, if necessary, in accordance with Government Accounting Standards Board Statement No. 34. More information on capital assets is included in Note 3 of Notes to Financial Statements.

**Table 3**  
**Green Mountain Transit Authority**  
**Capital Assets (Net of Depreciation)**  
**June 30,**

	<b>2022</b>	<b>2021</b>
Land	\$ 775,000	\$ 775,000
Construction in progress	84,813	142,448
Land easement - right of way	267,228	270,093
Buildings and improvements	14,200,892	14,696,721
Bus stops and shelters	452,326	585,929
Revenue vehicles	14,298,268	12,722,912
Non-revenue vehicles	90,299	97,756
Office equipment	10,950	3,852
Computer equipment/software	23,373	9,117
Shop equipment	392,995	428,290
Total	<b>\$ 30,596,144</b>	<b>\$ 29,732,118</b>

### **Currently Known Facts, Decisions or Conditions**

#### **Economic Factors and Next Year's Budgets and Rates**

The Authority has steadily maintained a sufficient unrestricted net position to sustain government operations for a period of approximately one month, while also maintaining significant reserve accounts for future capital and program needs. However, several factors including the following will have an impact on that balance:

- Fuel market volatility
- Expansion of services and service routes
- Purchases of additional buses
- Rising medical, workers' compensation and other insurance costs
- Declining State revenues and its effect on agency allocations
- Declining and/or level funded Federal grants

#### **Contacting the Authority's Financial Management**

This financial report is designed to provide our citizens, taxpayers, customers and investors and creditors with a general overview of the Authority's finances and to show the Authority's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Authority's Finance Department at 101 Queen City Park Road, Burlington, Vermont 05401.

## GREEN MOUNTAIN TRANSIT AUTHORITY

STATEMENTS OF NET POSITION  
JUNE 30,

	<u>2022</u>	<u>2021</u>
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents (Note 2)	\$ 3,831,572	\$ 2,428,050
Grants, assessments and other receivables, (net of allowance for uncollectibles)	6,991,702	4,015,278
Deferred cost pool (Note 11)	(441,794)	(203,016)
Inventories	793,299	678,459
Prepaid items	<u>243,523</u>	<u>393,026</u>
Total current assets	<u>11,418,302</u>	<u>7,311,797</u>
Noncurrent assets:		
Land, structures and equipment - net of accumulated depreciation and amortization (Note 3)	<u>30,596,144</u>	<u>29,732,118</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 42,014,446</u></u>	<u><u>\$ 37,043,915</u></u>
<b>LIABILITIES</b>		
Current liabilities:		
Accounts payable	\$ 3,443,613	\$ 1,112,170
Accrued payroll expenses	345,510	275,824
Other accrued liabilities	117,104	119,355
Current portion of long-term obligations	<u>47,889</u>	<u>89,525</u>
Total current liabilities	<u>3,954,116</u>	<u>1,596,874</u>
Long-term liabilities:		
Noncurrent portion of long-term obligations:		
Note from direct borrowings payable (Note 4)	-	131,923
Accrued compensated absences (Note 5)	<u>909,883</u>	<u>950,689</u>
Total long-term liabilities	<u>909,883</u>	<u>1,082,612</u>
<b>TOTAL LIABILITIES</b>	<u>4,863,999</u>	<u>2,679,486</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Deferred revenue	<u>527,050</u>	<u>73,687</u>
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<u>527,050</u>	<u>73,687</u>
<b>NET POSITION</b>		
Net investment in capital assets	30,596,144	29,560,706
Restricted (Note 6)	2,507,131	1,537,493
Unrestricted (Note 7)	<u>3,520,122</u>	<u>3,192,543</u>
<b>TOTAL NET POSITION</b>	<u>36,623,397</u>	<u>34,290,742</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION</b>	<u><u>\$ 42,014,446</u></u>	<u><u>\$ 37,043,915</u></u>

See accompanying independent auditor's report and notes to financial statements.

## GREEN MOUNTAIN TRANSIT AUTHORITY

STATEMENTS OF ACTIVITIES  
FOR THE YEARS ENDED JUNE 30,

	2022			2021
	Urban	Rural	Total	
<b>OPERATING REVENUES</b>				
Purchase of services	\$ 35,925	\$ 1,680,344	\$ 1,716,269	\$ 1,589,991
Other income	159,934	15,836	175,770	79,800
Local subsidies	3,241,043	428,432	3,669,475	3,641,681
State subsidies	800,000	157,007	957,007	2,315,888
Federal subsidies	8,807,635	2,364,326	11,171,961	7,612,938
Other grants	3,845,322	2,584,863	6,430,185	5,500,751
<b>TOTAL OPERATING REVENUES</b>	<b>16,889,859</b>	<b>7,230,808</b>	<b>24,120,667</b>	<b>20,741,049</b>
<b>OPERATING EXPENSES</b>				
Transportation	15,165,731	6,793,787	21,959,518	19,374,899
<b>OPERATING INCOME (LOSS)</b>	<b>1,724,128</b>	<b>437,021</b>	<b>2,161,149</b>	<b>1,366,150</b>
<b>NONOPERATING REVENUES (EXPENSES)</b>				
SSTA lease payments	-	-	-	123,603
Interest income	246	3,271	3,517	5,275
Interest expense	(9,586)	-	(9,586)	(6,953)
Capital fund expense	(463,148)	(111,935)	(575,083)	(627,325)
Depreciation expense	(2,703,693)	(724,195)	(3,427,888)	(3,622,127)
<b>TOTAL NONOPERATING REVENUES (EXPENSES)</b>	<b>(3,176,181)</b>	<b>(832,859)</b>	<b>(4,009,040)</b>	<b>(4,127,527)</b>
<b>CHANGE IN NET POSITION BEFORE CAPITAL CONTRIBUTIONS</b>	<b>(1,452,053)</b>	<b>(395,838)</b>	<b>(1,847,891)</b>	<b>(2,761,377)</b>
<b>CAPITAL CONTRIBUTIONS</b>				
Capital contributions - grants	4,333,727	85,597	4,419,324	2,756,828
<b>TOTAL CAPITAL CONTRIBUTIONS</b>	<b>4,333,727</b>	<b>85,597</b>	<b>4,419,324</b>	<b>2,756,828</b>
<b>CHANGE IN DEFERRED COST POOL</b>	<b>(238,778)</b>	<b>-</b>	<b>(238,778)</b>	<b>189,260</b>
<b>CHANGE IN NET POSITION</b>	<b>2,642,896</b>	<b>(310,241)</b>	<b>2,332,655</b>	<b>184,711</b>
<b>NET POSITION - JULY 1</b>	<b>29,878,204</b>	<b>4,412,538</b>	<b>34,290,742</b>	<b>34,106,031</b>
<b>NET POSITION - JUNE 30</b>	<b>\$ 32,521,100</b>	<b>\$ 4,102,297</b>	<b>\$ 36,623,397</b>	<b>\$ 34,290,742</b>

See accompanying independent auditor's report and notes to financial statements

## GREEN MOUNTAIN TRANSIT AUTHORITY

STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED JUNE 30,

	<u>2022</u>	<u>2021</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers and users	\$ 6,014,877	\$ 5,318,332
Receipts from operating grants	15,582,729	15,200,297
Payments to vendors	(9,512,943)	(10,572,317)
Payments to employees	<u>(10,055,987)</u>	<u>(9,255,779)</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>2,028,676</u>	<u>690,533</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest income	<u>3,517</u>	<u>5,275</u>
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	<u>3,517</u>	<u>5,275</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Purchase of capital assets	(4,361,744)	(2,449,223)
Disposal of capital assets	69,830	244,605
Principal paid on capital debt	(171,412)	(39,489)
Interest paid on capital debt	(9,586)	(6,953)
Payments for capital fund expenses	(575,083)	(627,325)
Proceeds from SSTA lease payments	-	123,603
Proceeds from capital grants and contributions	<u>4,419,324</u>	<u>2,756,828</u>
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(628,671)</u>	<u>2,046</u>
NET INCREASE (DECREASE) IN CASH	1,403,522	697,854
CASH AND CASH EQUIVALENTS - JULY 1	<u>2,428,050</u>	<u>1,730,196</u>
CASH AND CASH EQUIVALENTS - JUNE 30	<u>\$ 3,831,572</u>	<u>\$ 2,428,050</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:		
Operating income (loss)	\$ 2,161,149	\$ 1,366,150
Changes in operating assets and liabilities:		
(Increase) decrease in grants, assessments and other receivables	(2,976,424)	(229,280)
(Increase) decrease in inventories	(114,840)	(25,421)
(Increase) decrease in prepaid items	149,503	2,403
(Decrease) increase in accounts payable	2,331,443	(490,851)
(Decrease) increase in accrued payroll expenses	69,686	19,568
(Decrease) increase in deferred revenue	453,363	6,860
(Decrease) increase in other accrued liabilities	(2,251)	(11,433)
(Decrease) increase in accrued compensated absences	<u>(42,953)</u>	<u>52,537</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ 2,028,676</u>	<u>\$ 690,533</u>

See accompanying independent auditor's report and notes to financial statements.

GREEN MOUNTAIN TRANSIT AUTHORITY

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022 AND 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**Reporting Entity**

Green Mountain Transit Authority (the Authority) was created in 1973 under the name Chittenden County Transportation Authority (CCTA) as a municipal corporation by an Act of the General Assembly of the State of Vermont. CCTA was formed for the purpose of providing public transportation services in Chittenden County. Fixed route (bus) transportation is provided in the following Authority member communities: Burlington, Colchester, Essex, Hinesburg, Milton, Shelburne, South Burlington, Williston and Winooski. Paratransit service for people with disabilities is provided in those communities where it is required.

With the addition of Green Mountain Transit Agency (GMTA) on July 1, 2011, the Authority now also provides public transportation in Washington, Lamoille, Franklin and Grand Isle Counties in Vermont and the municipalities of Washington, Williamstown and Orange in Orange County, Vermont. GMTA provides a variety of transportation options including deviated fixed route bus service in Montpelier and Barre, Medicaid brokering for eligible recipients, commuter routes to Waterbury, Montpelier, Burlington, Morristown, Richford, Alburg, St. Albans City and St. Albans Town, volunteer drivers and Ticket-To-Ride program. In addition, GMTA participates with the Central Vermont Council on Aging, Barre Project Independence, Care Partners, Vermont Center for Independent Living, CIDER, Central Vermont Area Aging and the Franklin County Senior Center, in the Elderly and Disabled Program.

The name of the Authority was legally changed to Green Mountain Transit Authority in fiscal year 2019 to rebrand and fully encompass the combined activities of CCTA and GMTA. The Authority is governed by a Board of Commissioners consisting of one commissioner from each member community with the exception of Colchester (non-voting member) and Burlington who has two.

The Authority's financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). Governments are also required to follow the pronouncements of the Financial Accounting Standards Board (FASB) issued through November 30, 1989 (when applicable) that do not conflict with or contradict GASB pronouncements. Although the Authority has the option to apply FASB pronouncements issued after that date to its business-type activities and enterprise funds, the Authority has chosen not to do so.

The Authority's combined financial statements include all accounts and all operations of the Authority. We have determined that the Authority has no component units as described in GASB Statement No. 14 and amended by GASB Statements No. 39 and No. 61.

GREEN MOUNTAIN TRANSIT AUTHORITY

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022 AND 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**Implementation of New Accounting Standards**

During the year ended June 30, 2022, the following statements of financial accounting standards issued by the Governmental Accounting Standards Board became effective:

Statement No. 87 “Leases”. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments’ financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments’ leasing activities. Management has determined the impact of this Statement is not material to the financial statements.

Statement No. 89 “Accounting for Interest Cost Incurred before the End of a Construction Period”. This Statement establishes accounting requirements for interest cost incurred before the end of a construction period. Such interest cost includes all interest that previously was accounted for in accordance with the requirements of paragraphs 5–22 of Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, which are superseded by this Statement. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. Management has determined the impact of this Statement is not material to the financial statements.

Statement No. 91 “Conduit Debt Obligations”. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements

GREEN MOUNTAIN TRANSIT AUTHORITY

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022 AND 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

associated with conduit debt obligations; and improving required note disclosures. Management has determined the impact of this Statement is not material to the financial statements.

Statement No. 92 "Omnibus 2020". The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. Management has determined the impact of this Statement is not material to the financial statements.

Statement No. 93 "Replacement of Interbank Offered Rates (paragraphs 13-14)". The primary objectives of paragraphs 13-14 concern provisions of lease contracts that are amended while the contract is in effect. Management has determined the impact of this Statement is not material to the financial statements.

Statement No. 97 "Certain Component Unit Criteria and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans". The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. Management has determined the impact of this Statement is not material to the financial statements.

**Proprietary Fund Financial Statements**

In the government-wide Statement of Net Position, the business-type activities are (a) presented on a consolidated basis and (b) are reported on a full accrual, economic resources basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The Authority's net position is reported in three parts - net investment in capital assets; restricted net position and unrestricted net position. The Authority first utilizes restricted resources to finance qualifying activities.

The net costs (by function) are normally covered by general revenue (certain intergovernmental revenues and charges for services, etc.).



GREEN MOUNTAIN TRANSIT AUTHORITY

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022 AND 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The proprietary fund focus is more on the sustainability of the Authority as an entity and the change in the Authority's net position resulting from the current year's activities.

**Measurement Focus - Basic Financial Statements and Fund Financial Statements**

The financial transactions of the Authority are reported in one fund in the financial statements. This fund is accounted for by providing self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position, revenues and expenditures/expenses. The following fund type is used by the Authority:

1. Proprietary Fund

The focus of proprietary fund measurement is upon determination of operating income, changes in net position, financial position and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. Operating revenues include charges for services, intergovernmental reimbursements and other miscellaneous fees which are a direct result of the proprietary activity. Nonoperating revenues are any revenues which are generated outside of the general proprietary activity, i.e. interest income. The following is a description of the proprietary fund of the Authority:

Major Fund

- a. Enterprise Funds are required to be used to account for operations for which a fee is charged to external users for goods or services and the activity (a) is financed with debt that is solely secured by a pledge of net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges or (c) established fees and charges based on a pricing policy designed to recover similar costs.

The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories. Nonmajor funds by category are summarized into a single column. GASB Statement No. 34 sets forth minimum criteria (percentage of the assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues or expenses of either the fund category or the governmental and enterprise combined) for the determination of major funds. The activity of the Authority is in one major fund and there are no nonmajor funds.

GREEN MOUNTAIN TRANSIT AUTHORITY

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022 AND 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**Basis of Accounting**

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

1. Accrual

Business-type activities in the proprietary fund financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

**Deposits and Investments**

The Authority's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

It is the Authority's policy to value investments at fair value. None of the Authority's investments are reported at amortized cost. The Authority's Treasurer is authorized by State Statutes to invest all excess funds in the following:

- Obligations of the U.S. Government, its agencies and instrumentalities
- Certificates of deposit and other evidence of deposits at banks, savings and loan associations and credit unions
- Repurchase agreements
- Money market mutual funds

**Inventories**

Inventories consist of expendable supplies held for consumption and are valued at cost which approximates market, using the first-in/first-out (FIFO) method. The costs of inventories are recorded as expenditures when used (consumption method). Inventory of the Authority consists of tickets, fuel, oil, materials and supplies.

**Prepaid Items**

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in the government-wide financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

GREEN MOUNTAIN TRANSIT AUTHORITY

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022 AND 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**Receivables**

Receivables include amounts due from governmental agencies and local businesses. All receivables are current and therefore due within one year. Receivables are reported net of an allowance for uncollectible accounts and revenues net of uncollectibles. Allowances are reported when accounts are proven to be uncollectible. The allowance for uncollectible accounts is estimated to be \$0 as of June 30, 2022. Accounts receivable netted with allowances for uncollectible accounts were \$3,768,816 for the year ended June 30, 2022. The allowance for uncollectible accounts for grants receivable is estimated to be \$0 as of June 30, 2022. Grants receivable netted with allowances for uncollectible accounts were \$3,222,886 for the year ended June 30, 2022.

**Capital Assets**

Capital assets purchased or acquired with an original cost of \$5,000 or more and a useful life longer than one year are reported at historical cost or estimated historical cost. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the estimated useful lives.

The assets are valued at historical cost when available and estimated historical cost where actual invoices or budgetary data was unavailable. Donated fixed assets are reported at their estimated fair market value on the date received. All retirements have been recorded by eliminating the net carrying values.

Estimated useful lives are as follows:

Land easement - right of way	99 years
Buildings and improvements	10-50 years
Bus stops and shelters	5-20 years
Office equipment	5-10 years
Revenue vehicles	7-12 years
Shop equipment	7-20 years
Non-revenue vehicles	4-12 years
Computer equipment/software	3 years

**Long-term Obligations**

All long-term obligations to be repaid from business-type resources are reported as liabilities in proprietary fund statements. The long-term obligations consist of a note from direct borrowings payable and accrued compensated absences.

GREEN MOUNTAIN TRANSIT AUTHORITY

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022 AND 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**Net Position**

Net position represents the difference between assets and liabilities. Net position invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for those assets and adding back unspent proceeds. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislations adopted by the Authority or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Unrestricted net position is the net amount of the assets, deferred outflows of resources, liabilities and deferred inflows of resources that are not included in the determination of net investment in capital assets or restricted net position.

**Program Revenues**

Program revenues include all directly related income items applicable to a particular program (charges to customers or applicants for goods, services or privileges provided, operating or capital grants and contributions, including special assessments).

**Operating/Nonoperating Proprietary Fund Revenues**

Operating revenues consist mainly of direct revenue sources and/or charges for services applicable to that fund's ongoing operations. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

**Deferred Outflows and Inflows of Resources**

In addition to assets, the statement of financial position and/or balance sheet will at times report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Authority currently has no deferred outflows of resources.

In addition to liabilities, the statement of financial position and or balance sheet will at times report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Deferred revenue qualifies for reporting in this category. This item is reported in both the statements of net position and proprietary funds balance sheet. All items in this category are deferred and recognized as an inflow of resources in the period that the amounts become available.

GREEN MOUNTAIN TRANSIT AUTHORITY

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022 AND 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**Encumbrance Accounting**

Encumbrances are not liabilities and, therefore, are not recorded as expenditures until receipt of material or service. For budgetary purposes, operating budget appropriations lapse at fiscal year-end and capital budget appropriations remain available until appropriations are liquidated. The Authority does not utilize encumbrance accounting for its operations.

**Use of Estimates**

During the preparation of the Authority's financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosure of contingent items as of the date of the financial statements and the reported amounts of revenues and expenses/expenditures during the reporting period. Actual results may differ from these estimates.

NOTE 2 - DEPOSITS AND INVESTMENTS

State statutes require that all investments made by the Authority consider the safe and sound investment of principal and preservation of capital in the overall portfolio, maintenance of sufficient liquidity to meet day-to-day operations and other cash requirements and maximization of income, within established investment risk guidelines, with consistent cash flows throughout the budgetary cycle. These investment policies apply to all Authority funds.

**Deposits:**

Custodial credit risk for deposits is the risk that, in the event of a failure of a depository financial institution, the Authority will not be able to recover its deposits. The Authority does not have a policy covering custodial credit risk for deposits. However, the Authority maintains deposits in qualifying financial institutions that are a member of the FDIC or NCUSIF. At June 30, 2022, the Authority's cash balance of \$3,831,572 was comprised of deposits amounting to \$ 3,839,694 . Bank deposits are adjusted primarily by outstanding checks and deposits in transit to reconcile to the Authority's cash balance. Of these bank deposits, \$250,000 was fully insured by federal depository insurance and consequently was not exposed to custodial credit risk and \$ 3,589,694 was insured or collateralized with securities held by the financial institution in the Authority's name and consequently were not exposed to custodial credit risk.

GREEN MOUNTAIN TRANSIT AUTHORITY

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022 AND 2021

NOTE 2 - DEPOSITS AND INVESTMENTS (CONTINUED)

<u>Account Type</u>	<u>Bank Balance</u>
Checking accounts	\$ 580,238
Repurchase agreements	<u>3,259,456</u>
	<u>\$ 3,839,694</u>

**Investments:**

Custodial credit risk for investments is that, in the event of failure of the counterparty, the Authority will not be able to recover the value of its investments or collateral securities that are in possession of an outside party.

Interest rate risk - is the risk that changes in interest rates will adversely affect the fair value of an investment. The Authority does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from fluctuations in interest rates.

At June 30, 2022, the Authority did not have any investments.

Credit risk - Statutes for the State of Vermont authorize the Authority to invest in obligations of the U.S. Treasury, agencies and instrumentalities, other states and Canada, provided such securities are rated within the three highest grades by an approved rating service of the State of Vermont, corporate stocks and bonds within statutory limits, financial institutions, mutual funds and repurchase agreements. Generally, the Authority invests excess funds in cash management accounts and various insured certificates of deposit.

GREEN MOUNTAIN TRANSIT AUTHORITY

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022 AND 2021

NOTE 3 - CAPITAL ASSETS

The following is a summary of changes in capital assets for the year ended June 30, 2022:

	Balance, 7/1/21	Additions	Disposals	Balance, 6/30/22
<u>Primary government:</u>				
Non-depreciated assets:				
Land	\$ 775,000	\$ -	\$ -	\$ 775,000
Construction in progress	142,448	-	(57,635)	84,813
	<u>917,448</u>	<u>-</u>	<u>(57,635)</u>	<u>859,813</u>
Depreciated assets:				
Land easement - right of way	283,600	-	-	283,600
Buildings and improvements	19,072,452	41,092	-	19,113,544
Bus stops and shelters	2,677,619	-	(393,786)	2,283,833
Revenue vehicles	37,643,225	4,269,950	(440,071)	41,473,104
Non-revenue vehicles	410,797	31,484	(48,339)	393,942
Office equipment	23,785	9,983	-	33,768
Computer equipment/software	330,238	47,377	-	377,615
Bus accessories	47,910	-	(30,160)	17,750
Shop equipment	867,381	19,493	(8,656)	878,218
	<u>61,357,007</u>	<u>4,419,379</u>	<u>(921,012)</u>	<u>64,855,374</u>
Less: accumulated depreciation	<u>(32,542,337)</u>	<u>(3,427,888)</u>	<u>851,182</u>	<u>(35,119,043)</u>
Net depreciated capital assets	<u>28,814,670</u>	<u>991,491</u>	<u>(69,830)</u>	<u>29,736,331</u>
Total net capital assets	<u>\$ 29,732,118</u>	<u>\$ 991,491</u>	<u>\$ (127,465)</u>	<u>\$ 30,596,144</u>

NOTE 4 - LONG-TERM DEBT

The following is a summary of changes in the long-term debt for the year ended June 30, 2022:

	Balance, 7/1/21	Additions	Deletions	Balance, 6/30/22	Current Portion
Note from direct borrowings payable	<u>\$ 171,412</u>	<u>\$ -</u>	<u>\$ (171,412)</u>	<u>\$ -</u>	<u>\$ -</u>

All notes from direct borrowings payable are direct obligations of the Authority, for which its full faith and credit are pledged. The Authority is not obligated for any special assessment debt. All debt is payable from assessments levied on all member municipalities within the Authority.

GREEN MOUNTAIN TRANSIT AUTHORITY

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022 AND 2021

NOTE 5 - OTHER LONG-TERM OBLIGATIONS

The following is a summary of changes in other long-term obligations for the year ended June 30, 2022:

	Balance, 7/1/21	Additions	Deletions	Balance, 6/30/22	Current Portion
Accrued compensated absences	\$ 1,000,725	\$ -	\$ (42,953)	\$ 957,772	\$ 47,889

The Authority's policies regarding combined time off permit employees to accumulate earned but unused combined time off. The liability for these compensated absences is recorded as long-term obligations in the government-wide financial statements.

NOTE 6 - NET INVESTMENT IN CAPITAL ASSETS

The following is the calculation of the net investment in capital assets for the Authority at June 30, 2022:

Invested in capital assets	\$ 65,715,187
Accumulated depreciation	<u>(35,119,043)</u>
	<u>\$ 30,596,144</u>

NOTE 7 - RESTRICTED NET POSITION

The following net position has been restricted at June 30, for the following purposes:

	<u>2022</u>	<u>2021</u>
Restricted for obligated local match on future purchases	\$ 2,372,961	\$ 1,326,479
Restricted by the Board for future capital match	<u>134,170</u>	<u>211,014</u>
	<u>\$ 2,507,131</u>	<u>\$ 1,537,493</u>



GREEN MOUNTAIN TRANSIT AUTHORITY

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022 AND 2021

NOTE 8 - NET POSITION

The following table discloses the composition of net position at June 30, 2022, separated between Rural and Urban programs:

	<u>Urban</u>	<u>Rural</u>	<u>Total</u>
Net investment in capital assets	\$ 28,751,547	\$ 1,844,597	\$ 30,596,144
Restricted net position (Note 6)	2,140,113	367,018	2,507,131
Unrestricted net position	<u>1,542,633</u>	<u>1,977,489</u>	<u>3,520,122</u>
	<u>\$ 32,434,293</u>	<u>\$ 4,189,104</u>	<u>\$ 36,623,397</u>

The Authority has recognized management-imposed designations on unrestricted net position as of June 30, 2022, separated between Rural and Urban programs:

	<u>Urban</u>	<u>Rural</u>	<u>Total</u>
Unrestricted net position	\$ 1,542,633	\$ 1,977,489	\$ 3,520,122
Less: management designated net position:			
Inventories	757,362	35,937	793,299
Prepaid items	187,903	55,620	243,523
Total management designated net position	<u>945,265</u>	<u>91,557</u>	<u>1,036,822</u>
Unrestricted, undesignated net position	<u>\$ 597,368</u>	<u>\$ 1,885,932</u>	<u>\$ 2,483,300</u>

The Authority currently has approximately one month of operating expenses in unrestricted, undesignated net position.

NOTE 9 - RETIREMENT PLAN

The Authority contributes to a qualified 401(a) plan covering all eligible employees who have completed one year of service and have attained the age of 21. The plan is administered by Future Planning Associates, Inc. Employee contributions vest immediately and employer contributions are 100% vested after three years of service. Normal retirement age is 65, however, the pension plan also provides for early retirement at age 62 with completion of three years of service. The Authority's contribution will be equal to 3% or more of the eligible employees' gross wages for that year. Employee contributions during fiscal years ended June 30, 2022 and 2021, respectively, were \$528,762 and \$440,210. Pension expense for fiscal years ended June 30, 2022 and 2021, respectively, were \$412,024 and \$381,792. Total payroll covered under the plan is \$7,624,842.

GREEN MOUNTAIN TRANSIT AUTHORITY

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022 AND 2021

NOTE 10 - CONTINGENCY

The Authority receives federal funds through grants and loans. Closeout of these grants may not happen until subsequent fiscal years. The Authority may be responsible for returning federal funds based upon the close out of these grants.

NOTE 11 - 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. The Authority maintains insurance coverage covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Authority. Settled claims have not exceeded this coverage in any of the past three fiscal years.

The Authority is self-insured for unemployment coverage. The Authority must pay the Vermont Department of Labor for any paid claims. The Authority paid \$4,838 and \$18,636 for unemployment claims for the years ended June 30, 2022 and 2021, respectively.

NOTE 12 - DEFERRED COST POOL

For the fiscal years ended June 30, 2022 and 2021, the Authority used a Simplified Allocation Method with a fixed rate and a carryforward provision as prescribed under the Uniform Guidance. This methodology resulted in an over-allocation of general and administration costs at June 30, 2022 of \$238,778 and an under-allocation of general and administration costs at June 30, 2021 of \$189,260.

NOTE 13 - COMPARATIVE DATA/RECLASSIFICATIONS

Comparative data for the prior year has been presented in selected sections of the accompanying financial statements in order to provide an understanding of the changes in the Authority's financial position and operations. Also, certain amounts presented in the prior year's data have been reclassified to be consistent with the current year's presentation.

## Supplementary Information Description

Other supplementary information includes financial statements and schedules not required by the Governmental Accounting Standards Board, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

- Schedule of Operating Revenues and Subsidies
- Schedule of Expenses

## GREEN MOUNTAIN TRANSIT AUTHORITY

SCHEDULES OF OPERATING REVENUES AND SUBSIDIES  
FOR THE YEARS ENDED JUNE 30,

	Urban	Rural	Total	
			2022	2021
Operating Revenues:				
Passenger fares:				
Fixed route	\$ (330)	\$ -	\$ (330)	\$ (665)
Subtotal passenger fares	<u>(330)</u>	<u>-</u>	<u>(330)</u>	<u>(665)</u>
Purchase of services:				
Fixed route	<u>36,255</u>	<u>1,680,344</u>	<u>1,716,599</u>	<u>1,590,656</u>
Total other purchase of services	<u>35,925</u>	<u>1,680,344</u>	<u>1,716,269</u>	<u>1,589,991</u>
Other income:				
Advertising	129,349	12,236	141,585	232,705
Gain (loss) - sale of asset	26,558	2,370	28,928	(209,322)
Other income	4,027	1,230	5,257	56,417
Subtotal other income	<u>159,934</u>	<u>15,836</u>	<u>175,770</u>	<u>79,800</u>
Local subsidies:				
Fixed route operating	2,558,019	428,432	2,986,451	2,952,910
Paratransit operating	<u>683,024</u>	<u>-</u>	<u>683,024</u>	<u>688,771</u>
Subtotal local subsidies	<u>3,241,043</u>	<u>428,432</u>	<u>3,669,475</u>	<u>3,641,681</u>
State subsidies - State operating grant	<u>800,000</u>	<u>157,007</u>	<u>957,007</u>	<u>2,315,888</u>
Federal subsidies - Federal operating grant	<u>8,807,635</u>	<u>2,364,326</u>	<u>11,171,961</u>	<u>7,612,938</u>
Other grants:				
Planning revenue	362,106	15,778	377,884	398,357
Grants - JARC, CMAQ, other	<u>3,483,216</u>	<u>2,569,085</u>	<u>6,052,301</u>	<u>5,102,394</u>
Subtotal other grants	<u>3,845,322</u>	<u>2,584,863</u>	<u>6,430,185</u>	<u>5,500,751</u>
Total operating revenues	<u>16,889,859</u>	<u>7,230,808</u>	<u>24,120,667</u>	<u>20,741,049</u>
Nonoperating revenues:				
Local contributions:				
SSTA lease payments	-	-	-	123,603
Interest income	<u>246</u>	<u>3,271</u>	<u>3,517</u>	<u>5,275</u>
Total nonoperating revenue	<u>246</u>	<u>3,271</u>	<u>3,517</u>	<u>128,878</u>
Total revenues from operating grants and subsidies	<u>\$ 16,890,105</u>	<u>\$ 7,234,079</u>	<u>\$ 24,124,184</u>	<u>\$ 20,869,927</u>

See accompanying independent auditor's report and notes to financial statements.

GREEN MOUNTAIN TRANSIT AUTHORITY

SCHEDULES OF EXPENSES  
FOR THE YEARS ENDED JUNE 30,

	Urban										
	General Admin.	Transit Operations	Maintenance	Marketing	Planning	ADA	Mobility Management	COVID	Training	Capital Exp./ Depreciation	Urban Total
Operating Expenses:											
Labor:											
Operators' salaries and wages	\$ -	\$ 4,585,804	\$ 866,877	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 55,219	\$ -	\$ 5,507,900
Other salaries and wages	439,727	489,133	150,654	32,339	278,534	13,447	39,666	-	-	5,759	1,449,259
Benefit wages	17,602	31,835	37,799	3,692	12,879	-	1,956	-	-	-	105,763
Subtotal labor	457,329	5,106,772	1,055,330	36,031	291,413	13,447	41,622	-	55,219	5,759	7,062,922
Fringe benefits:											
Payroll taxes	37,820	393,247	79,382	2,903	21,890	1,008	3,664	-	4,226	431	544,571
Pension plan	23,085	239,835	40,381	904	14,835	942	2,927	-	1,047	348	324,304
Life insurance and short-term disability plan											
Medical plan	7,753	71,554	14,563	1,554	3,441	255	576	-	-	330	100,026
Dental plan	89,691	1,320,387	282,771	2,702	61,925	3,561	10,269	-	11,083	885	1,783,274
Employer flex contribution	4,992	80,931	15,987	165	3,565	224	613	-	628	47	107,152
Vision reimbursement	-	(2,830)	-	-	-	-	-	-	-	-	(2,830)
Vision plan	463	2,743	-	-	-	-	-	-	-	-	3,206
Employee testing	555	8,992	1,776	18	396	25	68	-	70	5	11,905
Unemployment insurance	165	5,942	2,122	-	-	-	-	-	-	-	8,229
Other employee benefits	451	(72)	155	-	-	-	-	-	-	-	534
Uniform and work clothing allowance	9,025	15,045	2,769	-	717	-	259	-	-	-	27,815
Employee development	-	17,021	25,194	-	-	-	-	-	-	-	42,215
Tool allowance	3,094	3,549	9,610	-	-	-	-	-	-	-	16,253
Subtotal fringe benefits	-	-	11,250	-	-	-	-	-	-	-	11,250
Subtotal fringe benefits	177,094	2,156,344	485,960	8,246	106,769	6,015	18,376	-	17,054	2,046	2,977,904
Services:											
Legal fees	76,852	-	-	-	-	-	-	-	-	-	76,852
Accounting and audit fees	23,500	-	-	-	-	-	-	-	-	-	23,500
Cleaning	-	-	-	-	-	-	-	-	-	-	-
Consultants	1,159	-	-	-	-	-	-	-	-	-	1,159
Subtotal services	101,511	-	-	-	-	-	-	-	-	-	101,511

GREEN MOUNTAIN TRANSIT AUTHORITY

SCHEDULES OF EXPENSES  
FOR THE YEARS ENDED JUNE 30,

	Rural													Rural	2022	2021
	Transit	Maintenance	Marketing	RTAP	Planning	Elders and Disabled	Broker Services	Micro Transit	Mobility Management	Montpelier Transit Center	COVID	Training	Capital Exp./ Depreciation	Total	Total	Total
Operating Expenses:																
Labor:																
Operators' salaries and wages	\$ 1,948,635	\$ 103,219	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,242	\$ -	\$ 2,065,096	\$ 7,572,996	\$ 6,868,649
Other salaries and wages	435,615	41,669	15,181	-	-	-	285,860	-	49,386	38,973	-	-	2,662	869,346	2,318,605	2,255,590
Benefit wages	79,234	(4,304)	-	-	-	8,238	(1,025)	-	-	962	-	-	-	83,105	188,868	192,212
Subtotal labor	2,463,484	140,584	15,181	-	-	8,238	284,835	-	49,386	39,935	-	13,242	2,662	3,017,547	10,080,469	9,316,451
Fringe benefits:																
Payroll taxes	182,500	10,975	1,154	-	-	-	22,414	-	3,725	3,043	-	1,012	220	225,043	769,614	704,547
Pension plan	73,147	5,048	81	-	-	-	5,501	-	3,536	15	-	26	160	87,514	411,818	376,646
Life insurance and short-term disability plan	32,362	1,348	666	-	-	4,738	1,300	-	1,104	-	-	-	242	41,760	141,786	148,420
Medical plan	372,218	34,309	385	-	-	-	60,562	-	8,232	26	-	379	402	476,513	2,259,787	2,308,613
Dental plan	18,872	2,274	24	-	-	-	5,261	-	437	2	-	20	21	26,911	134,063	142,133
Employer flex contribution	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(2,830)	(2,671)
Vision reimbursement	1,228	-	-	-	-	-	-	-	-	-	-	-	-	1,228	4,434	3,414
Vision plan	2,099	253	3	-	-	-	585	-	48	-	-	2	2	2,992	14,897	16,035
Employee testing	6,843	181	-	-	-	-	5,712	-	-	-	-	-	-	12,736	20,965	21,665
Employee referral program	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Unemployment insurance	4,237	-	-	-	-	-	67	-	-	-	-	-	-	4,304	4,838	18,636
Other employee benefits	8,175	459	-	-	-	-	1,248	-	259	775	-	-	-	10,916	38,731	12,477
Uniform and work clothing allowance	6,510	1,994	-	-	-	-	-	-	-	-	-	-	-	8,504	50,719	49,689
Employee development	653	-	-	28,000	-	-	-	-	-	-	-	-	-	28,653	44,906	29,724
Tool allowance	-	1,150	-	-	-	-	-	-	-	-	-	-	-	1,150	12,400	15,400
Subtotal fringe benefits	708,844	57,991	2,313	28,000	-	4,738	102,650	-	17,341	3,861	-	1,439	1,047	928,224	3,906,128	3,844,728
Services:																
Legal fees	-	184	-	-	-	-	-	-	-	-	-	-	-	184	77,036	87,485
Accounting and audit fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	23,500	28,500
Cleaning	1,541	6,121	-	-	-	-	470	-	-	-	-	-	-	8,132	8,132	7,494
Consultants	2,500	-	-	-	-	-	-	-	-	-	-	-	-	2,500	3,659	9,500
Subtotal services	4,041	6,305	-	-	-	-	470	-	-	-	-	-	-	10,816	112,327	132,979

GREEN MOUNTAIN TRANSIT AUTHORITY

SCHEDULES OF EXPENSES  
FOR THE YEARS ENDED JUNE 30,

	Urban									Urban	
	General Admin.	Transit Operations	Maintenance	Marketing	Planning	ADA	Mobility Management	COVID	Training	Capital Exp./ Depreciation	Total
Materials and supplies:											
Fuels and lubricants	-	1,192,900	-	-	-	-	-	-	-	-	1,192,900
Tires and tubes	-	-	70,521	-	-	-	-	-	-	-	70,521
Other materials and supplies:											
Hardware	-	-	23,363	-	-	-	-	-	-	-	23,363
Facility maintenance	-	-	103,020	-	-	-	-	-	-	-	103,020
Small tools expense	-	-	9,874	-	-	-	-	-	-	-	9,874
Parts expense:											
Service vehicles	-	-	8,737	-	-	-	-	-	-	-	8,737
Revenue vehicles	-	-	479,336	-	-	-	-	-	-	-	479,336
Towing maintenance	-	-	7,213	-	-	-	-	-	-	-	7,213
Maintenance supplies	-	-	67,771	-	-	-	-	8,510	-	-	76,281
Radio maintenance	-	-	1,803	-	-	-	-	-	-	-	1,803
Repeater fees	-	21,348	-	-	-	-	-	-	-	-	21,348
Safety expense	-	4,935	-	-	-	-	-	-	-	-	4,935
Vehicle registrations	-	681	-	-	-	-	-	-	-	-	681
Subtotal materials and supplies	-	1,219,864	771,638	-	-	-	-	8,510	-	-	2,000,012
Utilities:											
Light, heat and water	20,536	6,040	154,521	-	-	-	-	-	-	-	181,097
Communications	18,053	15,250	6,367	1,370	1,827	-	-	-	-	-	42,867
Subtotal utilities	38,589	21,290	160,888	1,370	1,827	-	-	-	-	-	223,964
Casualty and liability costs:											
Insurance premiums	110,645	764,777	140,242	7,462	7,241	137	-	-	-	-	1,030,504
Subtotal casualty and liability costs	110,645	764,777	140,242	7,462	7,241	137	-	-	-	-	1,030,504

GREEN MOUNTAIN TRANSIT AUTHORITY

SCHEDULES OF EXPENSES  
FOR THE YEARS ENDED JUNE 30,

	Rural												Rural	2022	2021	
	Transit	Maintenance	Marketing	RTAP	Planning	Elders and Disabled	Broker Services	Micro Transit	Mobility Management	Montpelier Transit Center	COVID	Training	Capital Exp./ Depreciation	Total	Total	Total
Materials and supplies:																
Fuels and lubricants	473,312	-	-	-	-	-	-	-	-	-	-	-	-	473,312	1,666,212	900,556
Tires and tubes	-	29,540	-	-	-	-	-	-	-	-	-	-	-	29,540	100,061	86,196
Other materials and supplies:																
Hardware	-	(5,890)	-	-	-	-	-	-	-	-	-	-	-	(5,890)	17,473	51,331
Facility maintenance	-	23,540	-	-	-	-	-	-	-	5,477	-	-	-	29,017	132,037	79,596
Small tools expense	-	1,228	-	-	-	-	-	-	-	-	-	-	-	1,228	11,102	4,648
Parts expense:																
Service vehicles	-	323	-	-	-	-	-	-	-	-	-	-	-	323	9,060	4,001
Revenue vehicles	-	45,782	-	-	-	-	-	-	-	-	-	-	-	45,782	525,118	503,009
Towing maintenance	-	3,973	-	-	-	-	-	-	-	-	-	-	-	3,973	11,186	-
Maintenance supplies	-	8,176	-	-	-	-	-	-	-	221	464	-	-	8,861	85,142	91,421
Radio maintenance	-	1,946	-	-	-	-	-	-	-	-	-	-	-	1,946	3,749	6,560
Repeater fees	16,621	-	-	-	-	-	-	-	-	-	-	-	-	16,621	37,969	35,703
Safety expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4,935	3,069
Vehicle registrations	238	-	-	-	-	-	-	-	-	-	-	-	-	238	919	1,680
Subtotal materials and supplies	490,171	108,618	-	-	-	-	-	-	-	5,698	464	-	-	604,951	2,604,963	1,767,770
Utilities:																
Light, heat and water	20,067	32,616	-	-	-	-	5,461	-	-	6,335	-	-	-	64,479	245,576	209,270
Communications	15,965	-	-	-	-	-	4,746	-	-	5,543	-	-	-	26,254	69,121	65,633
Subtotal utilities	36,032	32,616	-	-	-	-	10,207	-	-	11,878	-	-	-	90,733	314,697	274,903
Casualty and liability costs:																
Insurance premiums	433,400	52,849	7,038	-	14,100	-	30,866	-	-	-	-	-	-	538,253	1,568,757	1,430,633
Subtotal casualty and liability costs	433,400	52,849	7,038	-	14,100	-	30,866	-	-	-	-	-	-	538,253	1,568,757	1,430,633



GREEN MOUNTAIN TRANSIT AUTHORITY

SCHEDULES OF EXPENSES  
FOR THE YEARS ENDED JUNE 30,

	Urban									Urban	
	General Admin.	Transit Operations	Maintenance	Marketing	Planning	ADA	Mobility Management	COVID	Training	Capital Exp./ Depreciation	Total
General and administration:											
Dues and subscriptions	1,508	-	4	-	-	698	-	-	-	-	2,210
Travel, meetings and meals	2,670	164	569	-	-	-	-	-	-	-	3,403
Marketing expense	-	-	-	16,466	-	-	-	-	-	-	16,466
Advertising/public information	-	-	-	25,976	-	-	-	-	-	-	25,976
Office supplies	22,544	2,317	1,395	167	-	-	-	-	-	-	26,423
Fare media	-	-	-	11	-	-	-	-	-	-	11
Recruiting	17,629	9,068	10,901	-	-	-	-	-	-	-	37,598
Computer services	106,833	27,669	6,506	-	-	-	-	-	-	-	141,008
Postage and freight	5,834	-	-	-	-	-	-	-	-	-	5,834
Bank charges	188	-	-	-	-	-	-	-	-	-	188
Rent expense	-	-	-	-	-	-	-	-	-	-	-
Subtotal general and administration	157,206	39,218	19,375	42,620	-	698	-	-	-	-	259,117

GREEN MOUNTAIN TRANSIT AUTHORITY

SCHEDULES OF EXPENSES  
FOR THE YEARS ENDED JUNE 30,

	Rural												Rural Total	2022 Total	2021 Total	
	Transit Operations	Maintenance	Marketing	RTAP	Planning	Elders and Disabled	Broker Services	Micro Transit	Mobility Management	Montpelier Transit Center	COVID	Training				Capital Exp./ Depreciation
General and administration:																
Dues and subscriptions	-	-	-	-	-	-	90,790	-	-	-	-	-	-	90,790	93,000	14,000
Travel, meetings and meals	189	-	-	-	-	-	-	-	-	-	-	-	-	189	3,592	26
Marketing expense	-	-	13,020	-	-	-	-	-	-	-	-	-	-	13,020	29,486	22,508
Advertising/public information	-	-	14,869	-	-	-	-	-	-	-	-	-	-	14,869	40,845	36,676
Office supplies	1,860	-	-	-	-	-	73	-	-	861	-	-	-	2,794	29,217	19,776
Fare media	-	-	-	-	-	-	-	-	-	-	-	-	-	-	11	4,147
Recruiting	7,511	6,619	-	-	-	-	-	-	4,441	-	-	-	-	18,571	56,169	17,031
Computer services	1,413	27,632	-	-	-	-	-	-	-	-	-	-	-	29,045	170,053	109,305
Postage and freight	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5,834	4,220
Bank charges	-	-	-	-	-	-	-	-	-	319	-	-	-	319	507	18,869
Rent expense	-	36,700	-	-	-	-	-	-	-	-	-	-	-	36,700	36,700	36,100
Subtotal general and administration	10,973	70,951	27,889	-	-	-	90,863	-	4,441	1,180	-	-	-	206,297	465,414	282,658

GREEN MOUNTAIN TRANSIT AUTHORITY

SCHEDULE OF EXPENSES  
FOR THE YEARS ENDED JUNE 30,

	Urban									Urban Total	
	General Admin.	Transit Operations	Maintenance	Marketing	Planning	ADA	Mobility Management	COVID	Training		Capital Exp./ Depreciation
Miscellaneous expenses:											
Park and ride lease payments	-	28,274	-	-	-	-	-	-	-	-	28,274
Parking	-	80	-	-	-	-	-	-	-	-	80
Planning expenses	-	-	-	-	43,993	-	-	-	-	-	43,993
Cash counting expense	(1,969)	-	-	-	-	-	-	-	-	-	(1,969)
Paratransit transportation expense	-	-	-	-	-	1,544,404	-	-	-	-	1,544,404
Volunteer mileage reimbursements	-	-	-	-	-	-	-	-	-	-	-
Contracted transportation expense	-	23,161	-	-	-	-	-	-	-	-	23,161
Other miscellaneous expenses	-	19,140	-	-	-	-	-	-	-	-	19,140
Subtotal miscellaneous expenses	(1,969)	70,655	-	-	43,993	1,544,404	-	-	-	-	1,657,083
Total operating expenses	1,040,405	9,378,920	2,633,433	95,729	451,243	1,564,701	59,998	8,510	72,273	7,805	15,313,017
Nonoperating expenses:											
Capital fund expenses	-	-	-	-	-	-	-	-	-	463,148	463,148
Depreciation expense	-	-	-	-	-	-	-	-	-	2,703,693	2,703,693
Debt service expense	9,586	-	-	-	-	-	-	-	-	-	9,586
Subtotal nonoperating expenses	9,586	-	-	-	-	-	-	-	-	3,166,841	3,176,427
Total expenses	1,049,991	9,378,920	2,633,433	95,729	451,243	1,564,701	59,998	8,510	72,273	3,174,646	18,489,444
General administration allocation	(1,296,363)	867,912	233,338	6,953	28,647	1,470	4,344	616	5,232	565	(147,286)
Deferred Cost Pool - Current year	238,778	-	-	-	-	-	-	-	-	-	238,778
Total change in deferred cost pool	238,778	-	-	-	-	-	-	-	-	-	238,778
Net expenses	\$ (7,594)	\$ 10,246,832	\$ 2,866,771	\$ 102,682	\$ 479,890	\$ 1,566,171	\$ 64,342	\$ 9,126	\$ 77,505	\$ 3,175,211	\$ 18,580,936

GREEN MOUNTAIN TRANSIT AUTHORITY

SCHEDULE OF EXPENSES  
FOR THE YEARS ENDED JUNE 30,

	Rural												Rural Total	2022 Total	2021 Total	
	Transit Operations	Maintenance	Marketing	RTAP	Planning	Elders and Disabled	Broker Services	Micro Transit	Mobility Management	Montpelier Transit Center	COVID	Training				Capital Exp./ Depreciation
Miscellaneous expenses:																
Park and ride lease payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	28,274	31,886
Planning expenses	-	-	-	-	19,723	-	-	-	-	-	-	-	-	19,723	63,716	116,459
Cash counting expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,969)	1,969
Paratransit transportation expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,544,404	1,093,218
Volunteer mileage reimbursements	-	-	-	-	-	124,905	215,929	-	-	-	-	-	-	340,834	340,834	344,003
Contracted transportation expense	19,610	-	-	-	-	753,866	115,647	-	-	-	-	-	-	889,123	912,284	735,240
Other miscellaneous expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	19,140	1,522
Subtotal miscellaneous expenses	19,610	-	-	-	19,723	878,771	331,576	-	-	-	-	-	-	1,249,680	2,906,683	2,324,297
Total operating expenses	4,166,555	469,914	52,421	28,000	33,823	891,747	851,467	-	71,168	62,552	464	14,681	3,709	6,646,501	21,959,518	19,374,899
Nonoperating expenses:																
Capital fund expenses	-	-	-	-	-	-	-	-	-	-	-	-	111,935	111,935	575,083	627,325
Depreciation expense	-	-	-	-	-	-	-	-	-	-	-	-	724,195	724,195	3,427,888	3,622,127
Interest expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	9,586	6,953
Subtotal nonoperating expenses	-	-	-	-	-	-	-	-	-	-	-	-	836,130	836,130	4,012,557	4,256,405
Total expenses	4,166,555	469,914	52,421	28,000	33,823	891,747	851,467	-	71,168	62,552	464	14,681	839,839	7,482,631	25,972,075	23,631,304
General administration allocation	106,051	(10,405)	3,795	-	2,449	939	31,607	1,803	5,152	4,529	34	1,063	269	147,286	-	-
Deferred Cost Pool - Current year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	238,778	(189,260)
Total change in deferred cost pool	-	-	-	-	-	-	-	-	-	-	-	-	-	-	238,778	(189,260)
Net expenses	\$ 4,272,606	\$ 459,509	\$ 56,216	\$ 28,000	\$ 36,272	\$ 892,686	\$ 883,074	\$ 1,803	\$ 76,320	\$ 67,081	\$ 498	\$ 15,744	\$ 840,108	\$ 7,629,917	\$ 26,210,853	\$ 23,442,044

See accompanying independent auditor's report and notes to financial statements.

## Federal Compliance Description

Federal compliance includes financial information and reports that are required in accordance with Government Auditing Standards and/or the Uniform Guidance in accordance with 2 CFR § 515. Such financial information and reports include:

- Schedule of Expenditures of Federal Awards
- Notes to Schedule of Expenditures of Federal Awards
- 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
- Independent Auditor's Report on Compliance or Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance
- Schedule of Findings and Questioned Costs

GREEN MOUNTAIN TRANSIT AUTHORITY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2022

Federal Grantor Pass-through Grantor Program Title or Cluster	Federal AL Number	Pass-Through Grantor Identifying Number	Total Federal Expenditures	Expenditures to Subrecipients
U.S. DEPARTMENT OF TRANSPORTATION:				
Federal Transit Cluster:				
Direct Programs:				
Federal Transit Capital Investment Grants - Capital Assistance Program	20.500	VT-03-0048	\$ 11,276	\$ -
Federal Transit Capital Investment Grants - Capital Assistance Program	20.500	VT-04-0011	17,752	-
Federal Transit Capital Investment Grants - Capital Assistance Program	20.500	VT-04-0019	3,751	-
			<u>32,779</u>	<u>-</u>
Direct Programs:				
Federal Transit Formula Grants - Capital Assistance Program	20.507	VT-2019-004	5,855	-
Federal Transit Formula Grants - Capital Assistance Program	20.507	VT-2021-007	133,139	-
Federal Transit Formula Grants - Capital Assistance Program	20.507	VT-2022-002	223,924	-
Federal Transit Formula Grants - Preventive Maintenance	20.507	VT-2021-004	50,000	-
Federal Transit Formula Grants - Preventive Maintenance	20.507	VT-2021-007	990,255	-
Federal Transit Formula Grants - Preventive Maintenance	20.507	VT-2022-002	559,741	-
Federal Transit Formula Grants - Operating	20.507	VT-2020-008	1,865,975	-
Federal Transit Formula Grants - Operating - COVID-19	20.507	VT-2020-006	1,263,849	-
Federal Transit Formula Grants - Operating - CRSSAA	20.507	VT-2022-008	2,480,670	-
Federal Transit Formula Grants - Operating - ARPA	20.507	VT-2021-009	3,497,141	-
Federal Transit Formula Grants - CMAQ Operating	20.507	VT-2019-004	30,212	-
Federal Transit Formula Grants - CMAQ Operating	20.507	VT-2020-007	1,179,353	-
Federal Transit Formula Grants - CMAQ Operating	20.507	VT-2021-007	301,031	-
			<u>12,581,145</u>	<u>-</u>
Passed through State of Vermont, Agency of Transportation:				
Federal Transit Capital Investment Grants - Capital Assistance Program	20.500	VT-04-0021	66,666	-
Bus and Bus Facilities Formula, Competitive and Low or No Emissions Program - Capital Assistance Program				
Emissions Program - Capital Assistance Program	20.526	VT-2020-005	532	-
Emissions Program - Capital Assistance Program	20.526	VT-2021-002	1,389,487	-
Emissions Program - Capital Assistance Program	20.526	VT-2021-011	2,260,566	-
Subtotal Bus and Bus Facilities Formula, Competitive, and Low or No Emissions Program - Capital Assistance Program			<u>3,650,585</u>	<u>-</u>
Subtotal Federal Transit Cluster			<u>16,331,175</u>	<u>-</u>

GREEN MOUNTAIN TRANSIT AUTHORITY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2022

Federal Grantor Pass-through Grantor Program Title or Cluster	Federal AL Number	Pass-Through Identifying Grantor Number	Total Federal Expenditures	Expenditures to Subrecipients
Passed through Chittenden County Regional Planning Commission (CCRPC):				
Metropolitan Transportation Planning and State and Non-Metropolitan Planning and Research - CCRPC	20.505	PL 2022-GMT	321,872	-
Passed through State of Vermont, Agency of Transportation:				
Metropolitan Transportation Planning and State and Non-Metropolitan Planning and Research - Rural Planning	20.505	VT-2021-013	<u>15,778</u>	<u>-</u>
Subtotal Metropolitan Transportation Planning and State and Non-Metropolitan Planning and Research - Rural Planning			<u>337,650</u>	<u>-</u>
Passed through State of Vermont, Agency of Transportation:				
Formula Grants for Rural Areas - Admin - ARPA	20.509	VT-2021-014	725,000	-
Formula Grants for Rural Areas - Admin Formula	20.509	VT-2022-009	87,967	-
Formula Grants for Rural Areas - Capital Assistance Program	20.509	VT-2020-005	46,883	-
Formula Grants for Rural Areas - Capital Assistance Program	20.509	VT-2020-012	31,854	-
Formula Grants for Rural Areas - Operating Assistance Program	20.509	VT-2020-005	234,694	-
Formula Grants for Rural Areas - COVID-19 - Operating Assistance Program	20.509	VT-2020-008	1,250,000	-
Formula Grants for Rural Areas - Preventive Maintenance - ARPA	20.509	VT-2021-014	825,000	-
Formula Grants for Rural Areas - Preventive Maintenance - Formula	20.509	VT-2022-009	95,986	-
Formula Grants for Rural Areas - E&D - Chittenden - Rural - Washington, Franklin & Grand Isle Counties - ARPA	20.509	VT-2021-014	1,181,483	-
Formula Grants for Rural Areas - E&D - Chittenden - Rural - Washington, Franklin & Grand Isle Counties	20.509	VT-2022-009	21,185	-
Formula Grants for Rural Areas - E&D - Chittenden - Rural - Washington, Franklin & Grand Isle Counties	20.509	VT-2020-005	150,000	-
Formula Grants for Rural Areas - RTAP	20.509	VT-2022-005	28,000	-
Formula Grants for Rural Areas - CMAQ US2 Commuter	20.509	VT-2021-014	37,908	-
Formula Grants for Rural Areas - CMAQ MTC Operating	20.509	VT-2020-005	<u>53,665</u>	<u>-</u>
Subtotal Formula Grants for Rural Areas			<u>4,769,625</u>	<u>-</u>
Transit Services Programs Cluster:				
Passed through State of Vermont, Agency of Transportation:				
Enhanced Mobility of Seniors and Individuals with Disabilities - Mobility Management	20.513	VT-2022-003	60,165	-
Enhanced Mobility of Seniors and Individuals with Disabilities - Mobility Management	20.513	VT-2022-003	<u>52,400</u>	<u>-</u>
Subtotal Transit Services Programs Cluster			<u>112,565</u>	<u>-</u>
Passed through State of Vermont, Agency of Transportation:				
Public Transportation Research, Technical Assistance and Training	20.514	VT-2020-001	124	-
Public Transportation Research, Technical Assistance and Training	20.514	VT-2021-003	<u>30,194</u>	<u>-</u>
			<u>30,318</u>	<u>-</u>
TOTAL U.S. DEPARTMENT OF TRANSPORTATION			<u>21,581,333</u>	<u>-</u>
Total Federal Expenditures			<u>\$ 21,581,333</u>	<u>\$ -</u>

GREEN MOUNTAIN TRANSIT AUTHORITY

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2022

1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal awards activity of Green Mountain Transit Authority under programs of the federal government for the year ended June 30, 2022. The federal awards activity presented in the Schedule includes all federal awards received directly from federal agencies as well as federal awards passed through other government agencies. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance). Since the Schedule presents only a selected portion of the operations of the Green Mountain Transit Authority, it is not intended to and does not present the financial position, changes in net position or cash flows of the Green Mountain Transit Authority.

2. Summary of Significant Accounting Policies

- a. Expenditures presented 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.
- b. The Green Mountain Transit Authority elected to use a 7.24% fixed indirect cost rate for fiscal year 2022, as approved by the Federal Transit Administration. The approved fixed indirect cost rate used by Green Mountain Transit Authority in fiscal year 2022 is calculated using an indirect cost rate base type of modified total direct costs.

3. Major Programs - Federal

The following programs were considered major programs as defined by the Uniform Guidance and also Type A programs as defined by the Uniform Guidance. These programs were tested due to the Agency being classified as low-risk as defined in the Uniform Guidance:

<u>Program</u>	<u>FAL #</u>
Federal Transit Cluster	20.500, 20.507 and 20.526
Formula Grants for Rural Areas	20.509





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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

Board of Commissioners  
Green Mountain Transit Authority  
Burlington, Vermont

We have audited, in accordance with generally accepted auditing standards 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 business-type activities of the major fund of the Green Mountain Transit Authority as of and for the year ended June 30, 2022 and the related notes to the financial statements, which collectively comprise the Green Mountain Transit Authority's basic financial statements and have issued our report thereon dated January 18, 2023.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Green Mountain Transit 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 Green Mountain Transit Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Green Mountain Transit Authority's internal control.

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

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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 Green Mountain Transit 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 instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards*. In a separate management letter dated January 18, 2023, we documented that we noted no other matters that were required to be reported to the management of the Authority.

### Purpose of this Report

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

*RHR Smith & Company*

Buxton, Maine  
Vermont Registration No. 092.0000697  
January 18, 2023



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

Board of Commissioners  
Green Mountain Transit Authority  
Burlington, Vermont

### Report on Compliance for Each Major Federal Program

We have audited Green Mountain Transit 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 Green Mountain Transit Authority's major federal programs for the year ended June 30, 2022. Green Mountain Transit 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 the requirements of laws, regulations, contracts and grants applicable to its federal programs.

### Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Green Mountain Transit 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 Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Award* (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 Green Mountain Transit Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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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 Green Mountain Transit Authority's compliance.

### Opinion on Each Major Federal Program

In our opinion, Green Mountain Transit 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 June 30, 2022.

### Report on Internal Control Over Compliance

Management of Green Mountain Transit 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 Green Mountain Transit 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 Green Mountain Transit 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 a 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 communication is not suitable for any other purpose.

*RHR Smith & Company*

Buxton, Maine  
Vermont Registration No. 092.0000697  
January 18, 2023

GREEN MOUNTAIN TRANSIT AUTHORITY  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
 FOR THE YEAR ENDED JUNE 30, 2022

**Section I - Summary of Auditor's Results**

• *Financial Statements*

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? \_\_\_yes       X no
- Significant deficiency(ies) identified? \_\_\_yes       X no
- Noncompliance material to financial statements noted? \_\_\_yes       X no

• *Federal Awards*

Internal control over major programs:

- Material weakness(es) identified? \_\_\_yes       X no
- Significant deficiency(ies) identified? \_\_\_yes       X no

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 2 CFR 200.516(a) \_\_\_yes       X no

Identification of major programs:

<u>FAL Number</u>	<u>Name of Federal Program or Cluster</u>
20.500, 20.507, 20.526	Federal Transit Cluster
20.509	Formula Grants for Rural Areas

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

Auditee qualified as low-risk auditee?  X yes      \_\_\_no

**Section II – Financial Statement Findings**

None

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

None