

# State Compliance Audit

## Casco Bay Island Transit District

March 31, 2016



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CASCO BAY ISLAND TRANSIT DISTRICT

MARCH 31, 2016

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## INDEPENDENT AUDITORS' REPORT

Board of Directors  
Casco Bay Island Transit District  
Portland, Maine

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

We have audited the accompanying financial statements of the business-type activities of Casco Bay Island Transit District, as of and for the year ended March 31, 2016, and the related notes to the financial statements, which collectively comprise the District'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.

### **Auditors' Responsibility**

Our responsibility is to express an opinion 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 and the Mine Uniform Accounting and Auditing Practices for Community Agencies (MAAP). 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.

## **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of Casco Bay Island Transit District as of March 31, 2016, 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.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4-8 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 Casco Bay Island Transit District's 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 schedule of expenditures of federal awards is the responsibility of management and derived from and related 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 financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards 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 July 6, 2016 on our consideration of Casco Bay Island Transit District'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 the 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 Casco Bay Island Transit District's internal control over financial reporting and compliance.

*RHR Smith & Company*

Buxton, Maine  
July 6, 2016

**REQUIRED SUPPLEMENTARY INFORMATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
March 31, 2016**

**(UNAUDITED)**

The Management of Casco Bay Island Transit District (herein referred as "the District") offers readers of our financial statements the following narrative overview and analysis of our financial activities for the fiscal year ended March 31, 2016.

This Management's Discussion and Analysis report provides an opportunity, through narrative, for the District's management to identify elements of the audited financial statements that might be of particular interest to the reader. Please read it in conjunction with the District's financial statements.

## **PROLOGUE**

The District performed strongly in 2016 with increases in key operational metrics as well as financial performance. This past year continues the trend for growth of commerce and tourism among the Islands of Casco Bay and the District is positioned to continue this trajectory alongside the Island Communities it serves. Additionally, the District is well positioned for growth by way of grant awards that are pivotal to serving the increasing demand placed upon the District. The District is in the end stages of securing approval for grant funds to support over \$20M worth of Capital Improvement Projects in concert with the District's Long Range Capital Improvement Plan, which includes the design and construction of a new vessel as well as the second phase of a major renovation of the facility as well as preventative maintenance funds to service the growing asset base. These projects are in addition to software and information technology improvements, strategic marketing initiatives and operational planning and analysis that are all currently active. As you will see, the District currently maintains a healthy financial position with a balance sheet that will only strengthen as investments planned for 2017 materialize. **The District's Unrestricted Net Position improved to \$191,897 after many years of being in the red.** Additionally, the District's financial position is supported by strong liquidity and a debt balance of zero. The District is well positioned to make necessary strategic investments to meet the needs of the Casco Bay Islands into the future.

## **FINANCIAL HIGHLIGHTS**

Total Assets were \$13,535,439, a decrease of 0.8%. Of this amount, \$11,847,988 consisted of capital assets net of accumulated depreciation;

Total Liabilities and net position were \$13,535,439, a decrease by 0.8%;

- Total Liabilities were \$1,495,554, a decrease of 13.1%;
- Net Position was \$12,039,885, an increase of 1.0%. Of this amount, \$11,847,988 was invested in capital assets and \$191,897 was unrestricted. In comparison, as of March 31, 2015, Net Position was \$11,926,336. Of this amount, \$12,214,879 was invested in capital assets and -\$288,543 was unrestricted;

Operating revenues were \$5,418,336, an increase of 5.8%, consisting of:

<b><u>Operating Revenues</u></b>	<b><u>FY2016</u></b>	<b><u>Change from FY2015</u></b>
Passengers	\$2,619,139	5.9%
Vehicles	\$1,091,237	10.5%
Freight	\$672,662	5.0%
US Mail	\$71,671	-26.6%
Tours	\$564,776	16.1%
Charters	\$224,510	-3.3%
Catering	\$117,578	-21.3%
Miscellaneous	\$56,763	10.7%

Operating expenses (less depreciation) were \$5,983,499, an increase of 2.0%, consisting of:

<b><u>Operating Expenses</u></b>	<b><u>FY2016</u></b>	<b><u>Change from FY2015</u></b>
Personnel	\$3,365,807	5.1%
Vessel Operations	\$1,476,764	-6.0%
Terminal	\$583,750	22.9%
Sales	\$336,392	-1.2%
Misc	\$154,136	-26.7%
	\$66,650	-1.7%

Depreciation expenses were \$841,205, an increase of 25.2%, primarily due to the addition of the newest passenger vessel, Wabanaki, to The District's fleet.

Depreciation schedule for the District's Vessels:

<u>Vessel</u>	<u>Year Built</u>	<u>Cost</u>	<u>Service Life (Years)</u>	<u>Annual Depreciation</u>	<u>Accumulated Depreciation</u>
Machigonne II	1988	\$1,174,874	25	\$0	\$1,174,874
Maquoit II	1995	\$1,822,292	25	\$72,892	\$1,457,836
Bay Mist	1998	\$622,000	15	\$0	\$622,000
Aucocisco III	2005	\$2,967,061	25	\$118,682	\$1,305,506
Wabanaki	2014	\$5,004,827	25	\$200,193	\$410,453



***The following financial notes are based on the unaudited March 31, 2016 P&L Report:***

**Revenues were 11.3 % better than the year to date projection.** Expenses were 2.7% better than year to date budget primarily due to the delay until FY2017 in the Wabanaki and Maquoit dry docks. **The result was a \$400k+ surplus, which was substantially better than the breakeven performance budgeted for the year to date.**

Passenger and Vehicle counts were up 7.8% and 11.9% respectively over the previous fiscal year.

### **Revenue**

- 11.3% better than budget; 4.5% better than the previous year to date
- Scheduled Passenger service was 8.7% better than budget and 5.8% better than last year with a significant increase in Diamond Dove service for the construction on the new Inn
- Vehicle revenues were 13.6% better than budget and 7.1% better than last year even with the Machigonne dry dock delay
- Freight revenues were 20.6% better than budget and 10.2% better than last year continuing an upward trend
- Group Sales were 13.7% better than budget due to Tours (30.6% better than budget) even with the impact of raising the age of the children tickets; Charters were better than budget but below last year by 3.3%.
- Catering revenues continued to be below budget and last year
- During the first eight months the estimated impact of raising the upper age of the children tickets was a \$50,000+/- loss of revenue. The annual impact was estimated to be greater than \$70,000.

### **Expenses**

- 2.7% better than budget; 2.3% more than the previous year to date
- Personnel expenses were 1.0% better than budget.
- Vessel Repairs were 9.2% better than budget (see note above). \$100,000 had been projected to be spent on the Wabanaki dry dock but the Wabanaki will now not go to dry dock until October 2016. \$80,000 had been projected to be spent on the Maquoit dry dock but the Maquoit did not go to dry dock until April 2016. As mentioned above, a major contributor to the increase in YTD expenses was the extra work required on the Machigonne during dry dock, causing it to go over the budget. The total cost for this biannual Machigonne dry dock was over \$500,000 for operating and capital preventive maintenance, some of which is capitalized and does not show on the P/L statement.
- Fuel was 5.5% better than budget, however barge support was much more, both primarily due to the delay in the Machigonne dry dock. Favorable fuel pricing contributed.
- Boat Insurance adjustment was due to year end reconciliation and the year to date total came in better than budget.

- Ticket forms were more than budget for the month because it was decided to purchase the next batch of tickets in FY2016 instead of FY2017.
- Employee Recognition was greater than the budget due to an end of the season appreciation employee bowling party and distribution of Buoy Local gift cards to employees; both of which were favorably received.
- Credit card expenses continue to increase as more people use credit cards for payment as well as implementing online ticket sales.
- Travel was lower than projected due to Wabanaki and Maquoit delay in going to the shipyard.
- Damages were lower than budgeted
- Over/Short was more than budgeted due to how online purchases were handled. This amount is overstated and we have now developed a process to prevent this in the future.
- MISC expenses were higher primarily due to outside storage facility
- Reggae security was greater than budget because the budget was based on the number of events in 2014 instead of every weekend which happened last summer
- HR expenses were below budget as we transitioned to a full time position but the current month was greater than budget due to search cost to fill the open Director of Finance and HR position.
- Other Professional expenses were greater than budget primarily do to facilitating costs of the very successful Board strategic planning sessions in addition to the consulting services of a subject matter expert for the search of the accounting software replacement due to end of life.
- Uniforms were above budget primarily due to the addition of name tags on shirts this summer and the decision to purchase a complete new set of uniform for everyone this coming summer season.
- Fire alarms variance was due to two major repairs and a five year inspection which was not budgeted for
- Sales expense variances were primarily due to timing except for the website maintenance line item which was due to an increase in ad campaign budget to generate additional revenue.

### **Operating Surplus/Loss**

- 56.3% better than budget; 15.3% better than previous year to date

### **Grant Revenues**

- 22.6% below budget; 14.8% below the previous year to date

### **Surplus/Loss**

- Significantly better than budget and the previous year to date

**Line of Credit Balance: \$0**

## **Basic Financial Statements**

Our basic financial statements are prepared utilizing proprietary fund (enterprise fund) accounting that uses the same basis of accounting as the private-sector business enterprises. The District is accounted for as an accrual basis enterprise fund. This method of accounting has an economic resources measurement focus using the accrual basis of accounting.

Under the accrual basis of accounting, revenue is recorded when earned and expenses are recorded when incurred. The basic financial statements include a balance sheet, statement of revenues, expenses and changes in net assets and a statement of cash flows. These are followed by the notes to the financial statements. In addition to the basic financial statements, this report also contains the required supplementary information that pertains to the District's retirement/pension plan.

The balance sheet presents information on assets and liabilities, with the difference between the two reported as net assets. In comparisons over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The statement of revenues, expenses and changes in net assets reports the operating revenue, non-operating revenue and expenses of the District for the fiscal year. The difference (net income or loss) is combined with the activity in capital grants to determine the change in net assets for the fiscal year. This change in net assets, when added to the net asset total from the previous fiscal year, reconciles to the net asset total at the end of the current fiscal year.

The statement of cash flows reports the changes in cash and cash equivalents for the fiscal year resulting from operating activities, financing activities and investing activities. The net result of these activities added to the beginning cash and cash equivalent balance for the fiscal year results in the cash and cash equivalent balance at the end of the current fiscal year.

## **Requests for Information**

This financial report is intended to provide an overview of the finances of the Casco Bay Island Transit District. Questions concerning any information contained in this report should be directed to the following:

Respectfully submitted,

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Henry Berg  
General Manager

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Jonathan Greven  
Director of Finance and HR

CASCO BAY ISLAND TRANSIT DISTRICT

STATEMENTS OF NET POSITION  
MARCH 31,

	<u>2016</u>	<u>2015</u>
ASSETS		
CURRENT ASSETS:		
Cash	\$ 1,207,301	\$ 689,554
Accounts receivable (net of allowance for uncollectible accounts)	25,071	21,603
Grants receivable	243,972	525,931
Inventory	136,660	152,481
Prepaid expenses	74,447	42,756
TOTAL CURRENT ASSETS	<u>1,687,451</u>	<u>1,432,325</u>
NONCURRENT ASSETS		
Capital assets:		
Buildings and equipment, net of accumulated depreciation	11,847,988	12,214,879
TOTAL NONCURRENT ASSETS	<u>11,847,988</u>	<u>12,214,879</u>
TOTAL ASSETS	<u>\$ 13,535,439</u>	<u>\$ 13,647,204</u>
LIABILITIES AND NET POSITION		
CURRENT LIABILITIES:		
Account payable	\$ 152,460	\$ 468,699
Accrued payroll and payroll taxes	40,408	57,970
Accrued compensated absences	102,201	91,632
Accrued pension	163,910	158,934
Other accrued liabilities	23,443	27,700
Charter deposits	23,025	24,700
Unearned revenue	23,890	25,021
Deferred reserve fund	966,217	866,212
TOTAL CURRENT LIABILITIES	<u>1,495,554</u>	<u>1,720,868</u>
TOTAL LIABILITIES	<u>1,495,554</u>	<u>1,720,868</u>
NET POSITION		
Net investment in capital assets	11,847,988	12,214,879
Unrestricted net position	191,897	(288,543)
TOTAL NET POSITION	<u>12,039,885</u>	<u>11,926,336</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 13,535,439</u>	<u>\$ 13,647,204</u>

See accompanying independent auditors' report and notes to financial statements.

CASCO BAY ISLAND TRANSIT DISTRICT

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
FOR THE YEARS ENDED MARCH 31,

	2016	2015
OPERATING REVENUES		
Passenger fares	\$ 2,619,139	\$ 2,474,161
Vehicles	1,091,237	987,653
Freight	672,662	640,491
Mail contract	71,671	97,685
Tours and cruises	564,776	486,574
Charters	224,510	232,105
Catering	117,578	149,400
Miscellaneous	56,763	51,262
TOTAL OPERATING REVENUES	5,418,336	5,119,331
OPERATING EXPENSES	6,824,704	6,539,199
OPERATING LOSS	(1,406,368)	(1,419,868)
NONOPERATING REVENUES (EXPENSES):		
U.S. Department of Transportation, Federal Transit Administration grant	909,946	816,134
State of Maine grants	68,444	68,444
Interest income	546	110
Interest expense	-	(3,412)
TOTAL NONOPERATING REVENUES (EXPENSES)	978,936	881,276
LOSS BEFORE CAPITAL GRANT REVENUE	(427,432)	(538,592)
CAPITAL GRANT REVENUE:		
U.S. Department of Transportation, Federal Transit Administration grant	315,895	1,128,118
Other non-operating revenues	188,116	-
Other capital revenue	36,970	318,070
TOTAL CAPITAL GRANT REVENUE	540,981	1,446,188
CHANGE IN NET POSITION	113,549	907,596
NET POSITION - APRIL 1	11,926,336	11,018,740
NET POSITION - MARCH 31	\$ 12,039,885	\$ 11,926,336

See accompanying independent auditors' report and notes to financial statements.

CASCO BAY ISLAND TRANSIT DISTRICT

STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED MARCH 31,

	2016	2015
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from customers	\$ 5,512,067	\$ 5,720,685
Payments to employees	(3,372,081)	(3,205,306)
Payments to suppliers and vendors	(2,949,801)	(2,777,386)
Net cash provided (used) by operating activities	(809,815)	(262,007)
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>		
Federal maintenance grant	1,507,800	2,111,911
State subsidy grant	68,444	68,444
Other	225,086	318,070
Net cash provided by noncapital financing activities	1,801,330	2,498,425
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest on investments	546	110
Net cash provided by investing activities	546	110
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Acquisition of property, plant and equipment	(474,314)	(1,506,332)
Interest paid	-	(3,412)
Net increase (decrease) in borrowings on line of credit	-	(325,000)
Net cash (used) by capital and related financing activities	(474,314)	(1,834,744)
<b>NET (DECREASE) IN CASH</b>	517,747	401,784
<b>CASH - APRIL 1</b>	689,554	287,770
<b>CASH - MARCH 31</b>	\$ 1,207,301	\$ 689,554
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:</b>		
Operating income (loss)	\$ (1,406,368)	\$ (1,419,868)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:		
Depreciation expense	841,205	671,669
Changes in operating assets and liabilities:		
(Increase) decrease in accounts receivable	(3,468)	(6,453)
(Increase) decrease in prepaid expense	(31,691)	1,462
(Increase) decrease in inventory	15,821	(5,498)
Increase (decrease) in accounts payable	(316,239)	(108,268)
Increase (decrease) in accrued payroll and payroll taxes	(17,562)	(13,493)
Increase (decrease) in accrued compensated absences	10,569	(4,130)
Increase (decrease) in accrued pension	4,976	8,436
Increase (decrease) in other accrued liabilities	(4,257)	6,329
Increase (decrease) in charter deposits	(1,675)	(10,250)
Increase (decrease) in unearned revenue	(1,131)	(1,892)
Increase (decrease) in deferred garage revenue	100,005	619,949
Net cash provided (used) by operating activities	\$ (809,815)	\$ (262,007)

See accompanying independent auditors' report and notes to financial statements.

# CASCO BAY ISLAND TRANSIT DISTRICT

## NOTES TO FINANCIAL STATEMENTS MARCH 31, 2016 AND 2015

### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Nature of Organization

Casco Bay Island Transit District operates a year-round ferry service to the islands of Casco Bay as well as tours and charter trips. The District was created by the P&S Law, 1981 Chapter 22 of the State of Maine, as a transit district. The Directors of the District have charge of and supervise the management, operation, and direction of all business and affairs of the District, including the issuance of debt. The Directors of the District are determined by election as provided for in P&S Law, 1981 Chapter 22. The District receives capital grants from local, State of Maine and Federal government sources and operating subsidies from the State of Maine and Federal government sources and must comply with requirements of these funding sources.

#### Basis of Accounting

Private-sector standards of accounting and financial reporting issued prior to March 1, 1989, generally are followed by the District to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. The District also has the option of following subsequent private-sector guidance, subject to the same limitation. The District has elected not to follow subsequent private-sector guidance.

#### Financial Statement Presentation

The District distinguishes operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with the District's principal ongoing operations. The principal operating revenues of the District are charges to customers for ferry fares; operating expenses include the services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

#### Cash and Cash Equivalents

For the purpose of the statement of cash flows, the District considers all purchased government securities to be held on to for three months or less when purchased, to be cash equivalents.

#### Accounts Receivable

The District provides credit to customers in the District, which consist of businesses and governmental agencies.

CASCO BAY ISLAND TRANSIT DISTRICT

NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2016 AND 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets

Capital assets owned by the District are stated at the cost to acquire or construct the asset. Routine maintenance and repairs are charged against income. Expenses, which materially increase values, change capacities, or extend useful lives, are capitalized. The provision for depreciation has been computed by the use of the straight line method at rates intended to amortize the cost of the related assets over their estimated useful lives, ranging from 5-25 years.

Inventories

Inventory is stated at cost determined by the first-in, first-out method. Inventory consists of replacement vessel parts.

Accrued Compensated Absences

Employees of the District are entitled to be paid vacation and paid sick days depending on job classification, length of service and other factors. The District's policy is to recognize the cost of sick days when actually paid to employees. There is no liability to pay accrued sick days, as the District is not obligated for payment upon termination of employment. Accrued vacation pay at March 31, 2016 was \$102,201.

Budget

The District is not legally required to adopt a budget. Therefore, no budgetary comparison is presented.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make certain estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.



CASCO BAY ISLAND TRANSIT DISTRICT

NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2016 AND 2015

NOTE 2 – CASH

Deposits

The District's investment policies, which follow state statutes, authorize the District 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 Maine, corporate stocks and bonds within statutory limits, financial institutions, mutual funds and repurchase agreements. These investment policies apply to all District funds.

Custodial credit risk for deposits is the risk that, in the event of a failure of a depository financial institution, the District will not be able to recover its deposits or will not be able to recover collateral securities that are in possession of an outside party. The District does not have a policy covering custodial credit risk.

At March 31, 2016, the District's deposits amounting to \$1,207,301 were comprised of bank deposits of \$1,199,113. Of these deposits, \$184,118 was insured by federal depository insurance and consequently was not exposed to custodial credit risk. The District also has an overnight repurchase agreement for their checking account in the amount of \$1,014,995 that is also insured by a third party agreement. In addition, the District had a petty cash/change fund balance of \$5,350 as of March 31, 2016.

<u>Account Type</u>	<u>Bank Balance</u>
Checking accounts	\$ 184,000
Savings accounts	1,014,995
Repurchase agreement	118
	<u>\$ 1,199,113</u>

CASCO BAY ISLAND TRANSIT DISTRICT

NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2016 AND 2015

NOTE 3 – CAPITAL ASSETS

The following is a summary of the changes in capital assets from March 31, 2016:

Leasehold improvements	\$ 4,421,057	\$ 9,016	\$ -	\$ 4,430,073
Equipment	1,256,307	120,225	-	1,376,532
Vessels	<u>14,901,442</u>	<u>345,073</u>	<u>-</u>	<u>15,246,515</u>
	20,578,806	474,314	-	21,053,120
Less: accumulated depreciation	<u>(8,363,927)</u>	<u>(841,205)</u>	<u>-</u>	<u>(9,205,132)</u>
	<u>12,214,879</u>	<u>(366,891)</u>	<u>-</u>	<u>11,847,988</u>
Net capital assets	<u>\$ 12,214,879</u>	<u>\$ (366,891)</u>	<u>\$ -</u>	<u>\$ 11,847,988</u>

NOTE 4 – PENSION PLAN

The District has a non-contributory money purchase plan. All employees are eligible to participate in the plan if they are at least 20 years of age and have completed one year of eligible service. The District's contribution rate is 15% of the total compensation of all eligible participants and is funded currently. Effective March 16, 2011 the rate changed to 8% for new participants to the plan. The plan also reflects credits against current year expense for nonvested amounts of employees who are no longer employed by the District. The District's total contributions for the years ended March 31, 2016 and 2015 were \$346,081 and \$289,315, respectively.

NOTE 5 – OPERATING LEASES

The District has a lease agreement with the City of Portland to lease their facilities in the Casco Bay Ferry Terminal. The lease began March 5<sup>th</sup>, 1985 and the lease term is for thirty years following the date of the notice of beneficial occupancy of the facility. The amount of future minimum lease payments had been agreed upon through March 31, 2017. The City of Portland and the District are in the process of establishing the new future lease payments. The increase in minimum rental payments will be no less than the annual rate of inflation for the twelve months immediately preceding September 1, 2005.

CASCO BAY ISLAND TRANSIT DISTRICT

NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2016 AND 2015

NOTE 5 – OPERATING LEASES (CONTINUED)

The annual rent will be 5% of gross revenues from tours and cruises and charter operations.

The District will pay to the City, no later than November 15 of each year, an amount equal to 5% of gross revenues mentioned above for each fiscal year from April 1st to March 31<sup>st</sup>. This amount will be reduced by the monthly payments already paid to the City during the year. The District is responsible for all costs and expenses related to the Casco Bay Ferry Terminal.

In the lease, the City agreed to establish a maintenance fund to assist the District with major repairs and maintenance of the Terminal facility. The fund will consist of 50% of the annual net revenues (less the City's annual cost of all casualty insurance covering the Terminal) received by the City from the 190 parking spaces in the parking garage adjacent to the Terminal, which were funded by the Federal Transit Administration. As of March 31, 2016, the District and the City have not reached an agreement on the appropriate allocation of revenues and expenses at the parking garage for the city fiscal year 2016.

Also in the lease the City agreed to establish an Excess Fund upon repayment to the City of all of its debt services costs associated with acquisition of the west side of the Maine State Pier. The fund will consist of 100% of the net revenues received by the City from the 190 parking spaces in excess of the Maintenance Fund plus the rent paid by the District. The City shall make the funds available on a priority basis: first to the District for capital costs associated with its operation and then to be disbursed to all other mass transportation needs and not limited to capital expenditures.

The District entered into a rental agreement with the State of Maine Department of Transportation for the right to use pier facilities on the islands the District serves. The rental period shall run for a period of twelve years beginning April 1, 2009. In lieu of annual rental payments, the District agrees to perform minor maintenance activities that require prompt attention.

The total rent and minor repairs expense for the year ended March 31, 2016 was \$85,764.

CASCO BAY ISLAND TRANSIT DISTRICT

NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2016 AND 2015

NOTE 5 – OPERATING LEASES (CONTINUED)

Future minimum lease payments for the following years ending March 31 are as follows:

2017	\$ 16,000
2018	-
2019	-
2020	-
	<u>\$ 16,000</u>

NOTE 6 – COMMITMENTS AND CONTINGENCIES

Equipment and four vessels owned and operated by the District were purchased, in part, with grants from the Federal Transit Administration. Upon disposal of the vessels or equipment that sell for more than \$1,000, the District may be required to return a portion of the funds to the FTA in proportion to the original percentage of Federal funds contributed by the FTA. That proportion would be approximately 80%.

NOTE 7 – CONTINGENT LIABILITIES

Grant funds amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the state and federal governments. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amounts, if any, of expenses which may be disallowed by the grantor cannot be determined at this time although the District expects such amounts, if any, to be immaterial.

NOTE 8 – RISK MANAGEMENT

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

CASCO BAY ISLAND TRANSIT DISTRICT

NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2016 AND 2015

NOTE 9 – RESERVE FUND

The deferred reserve fund is money received from a current operating lease paid to Casco Bay Island Transit District during the fiscal year. This money is to be used for capital expenses or preventive maintenance as stated in the lease. The value of deferred capital reserve is \$966,217 with part of this being used for the local match of the current construction project being done during the next fiscal year or for preventive maintenance.

NOTE 10 – RECONCILIATIONS OF NET POSITION

	Unrestricted net position	Restricted	Net investment in capital assets	Total
Operating Revenues	\$ 5,418,336	\$ -	\$ -	\$ 5,418,336
Operating Expenses	(6,824,704)	-	-	(6,824,704)
Nonoperating revenues (expenses)	978,936	-	-	978,936
Capital Grant Revenues	315,895	-	-	315,895
Other non-operating revenues	188,116	-	-	188,116
Other Capital Revenues	36,970	-	-	36,970
Depreciation expense	841,205	-	(841,205)	-
Change in fixed assets account not in expenses	(474,314)	-	474,314	-
Increase(Decrease) in Net Position	480,440	-	(366,891)	113,549
Net Position - April 1, 2015	(288,543)	-	12,214,879	11,926,336
Net Position - March 31, 2016	<u>\$ 191,897</u>	<u>\$ -</u>	<u>\$ 11,847,988</u>	<u>\$ 12,039,885</u>

Summary of Increase (Decrease) in Net Position:

Provision for deficit reduction account	\$ -
(Loss) above provision for deficit reduction account for unrestricted funds	480,440
Increase(Decrease) in Net Position	<u>\$ 480,440</u>

## Other Supplementary Information

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

- Statements of Expenses

CASCO BAY ISLAND TRANSIT DISTRICT

STATEMENTS OF EXPENSES  
FOR THE YEARS ENDED MARCH 31,

	<u>2016</u>	<u>2015</u>
OPERATING EXPENSES		
Salaries and wages	\$ 2,532,378	\$ 2,450,989
Payroll taxes	189,329	183,683
Employee benefits	298,019	278,461
Pension plan	346,081	289,315
Repairs and maintenance	737,907	730,971
Fuel	738,857	840,575
Insurance	105,380	101,346
Telephone	11,067	13,127
Mail agent	11,105	10,233
Office expense	206,205	189,545
Postage	1,883	3,072
Travel	3,213	10,710
Injuries and damages	21,095	13,797
Professional fees	175,394	102,287
Dues and subscriptions	6,314	6,771
Uniforms	40,459	22,781
Training	1,635	1,413
Heat and utilities	67,421	57,726
Janitorial	69,441	68,338
Rent	39,464	35,934
Terminal	160,066	178,533
Advertising	54,705	96,594
Catering	99,431	113,547
Depreciation	841,205	671,669
Miscellaneous	66,650	67,782
	<u>\$ 6,824,704</u>	<u>\$ 6,539,199</u>

See accompanying independent auditors' report and notes to financial statements.

CASCO BAY ISLAND TRANSIT DISTRICT  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE YEAR ENDED MARCH 31, 2016

Federal Grantor Pass-through Grantor/ Program Title	CFDA Number	Pass-Through Grantor Number	Federal Expenditures
U.S. DEPARTMENT OF TRANSPORTATION Pass Through Federal Transit Administration:			
Federal Transit Formula Grants	20.507	ME-90-2207	\$ 22,127
Federal Transit Formula Grants	20.507	ME-95-0022	68,866
Federal Transit Formula Grants	20.507	ME-95-0013	9,008
Federal Transit Formula Grants	20.507	ME-90-0208	772,158
Federal Transit Formula Grants	20.507	ME-90-0217	11,349
Federal Transit Formula Grants	20.507	ME-90-0194	55,622
Federal Transit Formula Grants	20.507	ME-95-0016	6,937
			<u>946,067</u>
Passed Through -State of Maine Department of Transportation			
Formula Grants for Rural Areas	20.509	PIN 014887	10,084
Formula Grants for Rural Areas	20.509	PIN 019537	4,003
			<u>14,087</u>
TOTAL FEDERAL AWARDS			<u>\$ 960,154</u>



CASCO BAY ISLAND TRANSIT DISTRICT

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED MARCH 31, 2016

1. General

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal awards of Casco Bay Island Transit District. All federal awards received directly from federal agencies as well as federal awards passed through other government agencies are included on the schedule.

2. Basis of Accounting

The accompanying Schedule of Expenditures of Federal Awards is presented using the accrual basis of accounting.

3. Major Programs - Federal

The following programs were considered major programs as defined by the Uniform Guidance:

Federal Transit Formula Grant	CFDA #20.507
Federal Transit Formula Grant	CFDA #20.509



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INDEPENDENT AUDITORS' 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 Directors  
Casco Bay Island Transit District  
Portland, Maine

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 business-type activities of Casco Bay Island Transit District as of and for the year ended March 31, 2016, and the related notes to the financial statements, which collectively comprise Casco Bay Island Transit District's basic financial statements, and have issued our report thereon dated July 6, 2016.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Casco Bay Island Transit District'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 opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Casco Bay Island Transit District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District'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 combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Casco Bay Island Transit District's financial statements are free of 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*.

## **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 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  
July 6, 2016



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

Board of Directors  
Casco Bay Island Transit District  
Portland, Maine

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

We have audited Casco Bay Island Transit District'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 Casco Bay Island Transit District's major federal programs for the year ended March 31, 2016. Casco Bay Island Transit District'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 Casco Bay Island Transit District's major federal programs based on our audit of the type 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 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 Casco Bay Island Transit District'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 on Casco Bay Island Transit District's compliance.

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

In our opinion, Casco Bay Island Transit District, 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 March 31, 2016.

### **Report on Internal Control Over Compliance**

Management of Casco Bay Island Transit District 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 Casco Bay Island Transit District's internal control over compliance with the types of requirements that could have a direct and material effect on a major federal program in order 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 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 Casco Bay Island Transit District'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.

This 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 Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*RHR Smith & Company*

Buxton, Maine  
July 6, 2016

CASCO BAY TRANSIT DISTRICT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
SUMMARY OF AUDITORS' RESULTS  
FOR THE YEAR ENDED MARCH 31, 2016

Section I - Summary of Auditor's Results

*Financial Statements*

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

Any audit findings disclosed that are required to be reported  
in accordance with 2 CFR Section 200.516(a)? \_\_\_\_\_yes        X   no

Identification of major programs:

<u>CFDA Numbers</u>	<u>Name of Federal Program or Cluster</u>
20.507	Federal Transit Formula Grants
20.509	Formula Grants for Other than Urbanized 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



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ACCOUNTANTS' REVIEW REPORT ON SCHEDULE OF EXPENDITURES OF  
DEPARTMENT AGREEMENTS

Board of Directors  
Casco Bay Island Transit District  
Portland, Maine

We have reviewed the accompanying schedule of expenditures of department agreements for the Casco Bay Island Transit District as of and for the year ended March 31, 2016 in accordance with standards for accounting and review services established by the American Institute of Certified Public Accountants and the Maine Uniform Accounting and Auditing Practices for Community Agencies(MAAP).

Our review was limited to presenting in the form prescribed by the Department of Transportation under Maine Uniform Accounting and Auditing Practices for Community Agencies (MAAP) information that is the representation of the management of the Casco Bay Island Transit District. We have reviewed the schedule of expenditures of department agreements and we have performed procedures to obtain limited assurance that there are no material modifications that should be made to the schedule of expenditures of department agreements. We believe that the results of our procedures provide reasonable basis for our report.

The schedule of expenditures of department agreements are presented in accordance with the requirements of MAAP, and are not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America.

This report is intended solely for the information and use of the management of the Casco Bay Island Transit District and is not intended to be and should not be used by anyone other than these specified parties.

*RHR Smith & Company*

Buxton, Maine  
July 6, 2016



CASCO BAY TRANSIT DISTRICT

SCHEDULE OF EXPENDITURES OF DEPARTMENT AGREEMENTS  
FOR THE YEAR ENDED MARCH 31, 2016

Department Office	Agreement Number	Agreement Amount	Agreement Period	Agreement Service	Agreement Status	Federal Expenses	State Expenses	Total Department Expenses	Local Share Expenses	Total Agreement/Match Expenses
DOT:										
OPT	CSN 34830	\$ 5,000	7/1/15-6/30/16	RTAP	Interim	\$ 4,003	\$ -	\$ 4,003	\$ -	\$ 4,003
	CSN 33310	\$ 5,000	7/1/14-6/30/15	RTAP	FINAL	-	-	-	-	-
	CSN 33362	\$ 68,444	7/1/15-6/30/16	Operating	FINAL	-	68,444	68,444	-	68,444
	CSN 33666	\$274,877	7/1/14-6/30/15	Admin/Operating	FINAL	10,084	-	10,084	10,084	20,168
	CSN 34712	\$274,877	7/1/15-6/30/16	Admin/Operating	Interim	265,687	-	265,687	209,529	475,216
TOTAL						<u>\$279,774</u>	<u>\$ 68,444</u>	<u>\$ 348,218</u>	<u>\$219,613</u>	<u>\$ 567,831</u>

NOTES:

Disclosures:

Is your Agency required to have a Federal Uniform Guidance Audit? YES  X  NO \_\_\_\_\_.



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ACCOUNTANTS' COMPILATION REPORT  
ON AGREEMENT SETTLEMENT FORMS

Board of Directors  
Casco Bay Island Transit District  
Portland, Maine

We have compiled the accompanying Agreement Settlement Forms of Casco Bay Island Transit District as of March 31, 2016 and for the year then ended, in accordance with Statements for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

*RHR Smith & Company*

Buxton, Maine  
July 6, 2016

AGREEMENT SETTLEMENT FORM (ASF)

**Community Agency:** Casco Bay Island Transit District  
**Fiscal Year End:** March 31, 2016  
**CFDA#:** 20.509  
**Project Name/No:** Admin/Operating  
**CSN#:** CSN 33666  
**PIN#:** 14887.1/016303.1/02078800/020790.00  
**Agreement Period:** 7/1/14-6/30/15

	Operating	Admin	Capital	Total
<b>Gross Expenditures</b>	<u>\$ 680,328.00</u>	<u>\$ 93,596.00</u>	<u>\$ -</u>	<u>\$ 773,924.00</u>
Less:				
Contra-Expenditures			\$ -	\$ -
Operating Revenue	<u>\$ 280,328.00</u>		<u>\$ -</u>	<u>\$ 280,328.00</u>
Excess Unrestricted Fed			<u>\$ -</u>	<u>\$ -</u>
<b>Total Deductions</b>	<u>\$ 280,328.00</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 280,328.00</u>
<b>Net Expenditures/Deficit</b>	<u>\$ 400,000.00</u>	<u>\$ 93,596.00</u>	<u>\$ -</u>	<u>\$ 493,596.00</u>
<b><u>Federal Share</u></b>				
Maximum %	<u>50.0%</u>	<u>80.0%</u>	<u>0%</u>	
Amount Paid	<u>\$ 200,000.00</u>	<u>\$ 74,877</u>	<u>\$ -</u>	<u>\$ 274,877.00</u>
Maximum Amount	<u>\$ 200,000.00</u>	<u>\$ 74,877</u>	<u>\$ -</u>	<u>\$ 274,877.00</u>
<b>Over (Under) Maximum</b>	<u>\$ -</u>	<u>\$ (0.20)</u>	<u>\$ -</u>	<u>\$ (0.20)</u>
<b><u>State Share</u></b>				
Maximum %	<u>0.0%</u>	<u>0.0%</u>	<u>0%</u>	
Amount Paid	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Maximum Amount	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Over (Under) Maximum</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b><u>Local Share</u></b>				
Minimum %	<u>50.0%</u>	<u>20.0%</u>	<u>0%</u>	
Amount Paid	<u>\$ 200,000.00</u>	<u>\$ 18,719</u>	<u>\$ -</u>	<u>\$ 218,719.00</u>
Minimum Amount	<u>\$ 200,000.00</u>	<u>\$ 18,719</u>	<u>\$ -</u>	<u>\$ 218,719.00</u>
<b>Over (Under) Minimum</b>	<u>\$ -</u>	<u>\$ 0.20</u>	<u>\$ -</u>	<u>\$ 0.20</u>
<b><u>Summary:</u></b>				
Federal Over Paid	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
State Over Paid	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total Over Paid	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

AGREEMENT SETTLEMENT FORM (ASF)

**Community Agency:** Casco Bay Island Transit District  
**Fiscal Year End:** March 31, 2016  
**CFDA#:** 20.509  
**Project Name/No:** Admin  
**CSN#:** 33310  
**PIN#:** 17834/19537  
**Agreement Period:** 7/1/4-6/30/15

	Operating	Admin	Capital	Total
<b>Gross Expenditures</b>	\$ -	\$ 5,000.00	\$ -	\$ 5,000.00
Less:				
Contra-Expenditures	-	-	\$ -	\$ -
Operating Revenue	\$ -	-	\$ -	\$ -
Excess Unrestricted Fed	-	-	\$ -	\$ -
<b>Total Deductions</b>	\$ -	\$ -	\$ -	\$ -
<b>Net Expenditures/Deficit</b>	\$ -	\$ 5,000.00	\$ -	\$ 5,000.00
<b><u>Federal Share</u></b>				
Maximum %	0.0%	100.0%	0%	
Amount Paid	\$ -	\$ 5,000	\$ -	\$ 5,000.00
Maximum Amount	\$ -	\$ 5,000	\$ -	\$ 5,000.00
<b>Over (Under) Maximum</b>	\$ -	\$ -	\$ -	\$ -
<b><u>State Share</u></b>				
Maximum %	0.0%	0.0%	0%	
Amount Paid	\$ -	\$ -	\$ -	\$ -
Maximum Amount	\$ -	\$ -	\$ -	\$ -
<b>Over (Under) Maximum</b>	\$ -	\$ -	\$ -	\$ -
<b><u>Local Share</u></b>				
Minimum %	50.0%	0.0%	0%	
Amount Paid	\$ -	\$ -	\$ -	\$ -
Minimum Amount	\$ -	\$ -	\$ -	\$ -
<b>Over (Under) Minimum</b>	\$ -	\$ -	\$ -	\$ -
<b><u>Summary:</u></b>				
Federal Over Paid	\$ -	\$ -	\$ -	\$ -
State Over Paid	\$ -	\$ -	\$ -	\$ -
Total Over Paid	\$ -	\$ -	\$ -	\$ -

AGREEMENT SETTLEMENT FORM (ASF)

**Community Agency:** Casco Bay Island Transit District  
**Fiscal Year End:** March 31, 2016  
**Project Name/Grant No:** Operating  
**CSN#:** 34712  
**PIN#:** 20796  
**Agreement Period:** 7/1/15-6/30/16

**State Participating Share**

Max Authorized Amount	\$	68,444.00
State Share Paid	\$	68,444.00
<b>State Over (Under) Paid</b>	<b>\$</b>	<b>-</b>

State funds from MDOT cannot exceed the amount authorized, and in no event exceed 50% of the eligible deficit.