# MADISON COUNTY MASS TRANSIT DISTRICT REPORT AND FINANCIAL STATEMENTS JUNE 30, 2021

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ALTON EDWARDSVILLE BELLEVILLE HIGHLAND
JERSEYVILLE COLUMBIA CARROLLTON

#### INDEPENDENT AUDITOR'S REPORT

October 19, 2021

Board of Trustees Madison County Mass Transit District Madison County, Illinois

#### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the blended component unit, and each major fund of Madison County Mass Transit District, as of and for the year ended June 30, 2021, 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 of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Agency for Community Transit, a blended component unit, which statements reflect total assets constituting 19 percent of combined total assets at June 30, 2021. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Agency for Community Transit, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.



An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

#### **Opinions**

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the blended component unit, and each major fund of Madison County Mass Transit District as of June 30, 2021, and its proprietary fund type as of December 31, 2020, 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.

#### **Emphasis of Matter**

The present level of service of the District is dependent upon the District's ability to obtain operating assistance as described in Note 4. While resources exist to meet present obligations, revenues derived from services are not adequate to meet the expenses of continued service without such operating assistance.

#### Other Matters

#### Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 8 through 12 and 35 through 37 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The supplementary information contained in the schedule of expenses by function-proprietary fund type is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The schedule of expenses by function-proprietary fund type 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. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, based on our audit, the procedures performed as described above, and the report of other auditors and the schedule of expenses by function-proprietary fund type 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 October 19, 2021, on our consideration of Madison County Mass 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 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 District'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 in considering the District's internal control over financial reporting and compliance.

Edwardsville, IL



ALTON EDWARDSVILLE BELLEVILLE HIGHLAND JERSEYVILLE COLUMBIA CARROLLTON

# 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

October 19, 2021

Board of Trustees Madison County Mass Transit District Madison County, Illinois

We have audited, 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, the financial statements of the governmental activities, the business-type activities, the blended component unit, and each major fund of Madison County Mass Transit District as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Madison County Mass Transit District's basic financial statements, and have issued our report thereon dated October 19, 2021. Our report includes a reference to the other auditors who audited the financial statements of Agency for Community Transit, as described in our report on Madison County Mass Transit District's financial statements. The financial statements of Agency for Community Transit were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or compliance and other matters associated with Agency for Community Transit.

#### **Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Madison County Mass Transit District's internal control over financial reporting (internal control) a basis for designing 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 Madison County Mass Transit District's internal control. Accordingly, we do not express an opinion on the effectiveness of Madison County Mass Transit 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 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.

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 Madison County Mass 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 financial statements. 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 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.

Edwardsville, IL



ALTON EDWARDSVILLE BELLEVILLE HIGHLAND JERSEYVILLE COLUMBIA CARROLLTON

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

October 19, 2021

Board of Trustees Madison County Mass Transit District Madison County, Illinois

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

We have audited Madison County Mass 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 Madison County Mass Transit District's major federal programs for the year ended June 30, 2021. Madison County Mass 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 federal statutes, regulations, contracts, and the terms and conditions of its federal awards applicable to its federal programs.

#### Auditor's Responsibility

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

#### Opinion on Each Major Federal Program

In our opinion, Madison County Mass 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 June 30, 2021.

#### Report on Internal Control Over Compliance

Management of Madison County Mass 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 Madison County Mass Transit District'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 Madison County Mass 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.

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

Edwardsville, IL

The following discussion and analysis of the Madison County Mass Transit District's financial performance provides an overview of the District's financial activities for the fiscal year ended June 30, 2021, compared to the financial activities for the year ended June 30, 2020. Please review it in conjunction with the District's financial statements and accompanying notes.

#### **OVERVIEW OF THE FINANCIAL STATEMENTS**

The accompanying financial statements contain two funds, the General Fund and the Business-Type Activities Fund. Both funds are considered to be Major Funds. The General Fund, which is classified as a Governmental Fund, contains the financial activity of the Madison County Mass Transit District (the District). The Business-Type Activities Fund, which is classified as a Proprietary Fund, contains the financial activity of the Agency for Community Transit (the Agency). The Agency is a not-for-profit entity with a December 31 fiscal year end. It is a blended component unit of the District. Further information regarding the Agency can be found in their separately-issued audited financial statements for the year ended December 31, 2020.

Reimbursements from the District to the Agency are reported in the accompanying financial statements as Transfers to Other Funds. Additional information concerning the combining of the General and Business-Type Activities funds as well as other accounting policies is contained in the accompanying notes to the financial statements.

#### **FINANCIAL HIGHLIGHTS**

During the year ended June 30, 2021, several bike trail projects were under development and construction, including Formosa West, the IT Beltline Trail, the Schoolhouse Trail-Pleasant Ridge Park Connector, Silver Creek Trail, and Nickel Plate Trail improvements. Significant progress was made on the construction of the Eastgate Park & Ride lot. Design services were well under way for construction of a new administration building to be located on the existing premises at Chain of Rocks Road. Other expenditures included a heavy duty vehicle lift project, and the purchase of a bus that was leased to the City of Highland. Additional analysis of capital project expenditures is included on page 10 of this report.

The COVID-19 pandemic impacted the District's operations beginning in March 2020, and this pandemic is ongoing as of the date of this report. In response to this pandemic, the FTA awarded the District a Federal CARES Act grant in the amount of \$12,531,431 to help offset operating expenses, capital projects expenses, and preventive maintenance expenses over the next several fiscal years. Additional information is included on Note 7 of this report, on page 33.

<u>Net Position</u>: The District's net position reflects the difference between assets, what the District owns, and liabilities, what the District owes. During the year ended June 30, 2021, the District's combined net position increased \$3,795,253. Overall, the District continues to be in solid financial condition.

The following table summarizes the combined net position of the District and the Agency for the years ended June 30, 2021 and June 30, 2020:

#### Condensed Combined Statement of Financial Position

		Increase
6/30/2021	6/30/2020	(Decrease)
\$81,191,207	\$73,030,102	\$8,161,105
9,757,317	7,151,170	2,606,147
2,294,096	2,205,811	88,285
64,700,685	71,591,425	(6,890,740)
\$157,943,305	\$153,978,508	\$3,964,797
***************************************		
\$3,638,610	\$2,988,341	\$650,269
3,013,843	3,282,396	(268,553)
428,341	640,513	(212,172)
\$7,080,794	\$6,911,250	\$169,544
extranel super books and the super s		
\$64,700,685	\$71,591,425	(\$6,890,740)
25,164,370	17,841,400	7,322,970
60,997,456	57,634,433	3,363,023
\$150,862,511	\$147,067,258	\$3,795,253
	\$81,191,207 9,757,317 2,294,096 64,700,685 \$157,943,305 \$3,638,610 3,013,843 428,341 \$7,080,794 \$64,700,685 25,164,370 60,997,456	\$81,191,207 \$73,030,102 9,757,317 7,151,170 2,294,096 2,205,811 64,700,685 71,591,425 \$157,943,305 \$153,978,508 \$3,638,610 \$2,988,341 3,013,843 3,282,396 428,341 640,513 \$7,080,794 \$6,911,250 \$64,700,685 \$71,591,425 25,164,370 17,841,400 60,997,456 57,634,433

<u>Cash and Investments:</u> Increases in sales tax revenues and CARES Act funding to offset operating expenses are the primary reasons for this increase during the year ended June 30, 2021.

<u>Receivables:</u> The increase in receivables is primarily due to amounts owed to the District for IDOT Operating Assistance as well as from FTA for the reimbursement of expenses related to the COVID-19 pandemic as of June 30, 2021.

<u>Fixed Assets, Net:</u> The main reason for the decrease in net fixed assets was the full year's depreciation expense during the year ended June 30, 2021 related to the thirty-foot bus fixed route fleet and a fourteen-passenger bus demand response fleet that were purchased during the year ended June 30, 2020. Additional analysis of capital projects expenditures is included on page 10 of this report.

<u>Net Position, Restricted for Local Match:</u> The increase in assigned fund balance is largely due to increased amounts assigned for various bikeways projects and the purchase of a 40-foot bus vehicle fleet, when the new capital budget was approved for the year ended June 30, 2021.

<u>Net Position, Unrestricted:</u> The increase in unrestricted net position is mostly due to more revenues than expenditures in the current fiscal year.

<u>Investment in Fixed Assets:</u> The District's investment in fixed assets reports the land, buildings, improvements, vehicles and equipment utilized in the District's operations. The depreciation assessed to these assets spreads their cost over their estimated useful lives. Additional information regarding the fixed assets is included in Note 5.

The changes in net fixed assets in the General Fund during the years ended June 30, 2021 and June 30, 2020 are summarized as follows.

#### Summary of Fixed Assets Activity - General Fund

	•		
			Increase
	6/30/2021	6/30/2020	(Decrease)
Fixed Assets in Service, Beginning of the Year	\$154,766,414	\$133,407,173	\$21,359,241
Additions and Adjustments	4,159,843	26,514,320	(22,354,477)
Retirements	(17,675,369)	(5,155,079)	(12,520,290)
Fixed Assets in Service, End of the Year	\$141,250,888	\$154,766,414	(\$13,515,526)
Accumulated Depreciation, Beginning of the			
Year	\$83,200,518	\$80,236,086	\$2,964,432
Additions and Adjustments	8,660,180	8,046,557	613,623
Retirements	(15,211,982)	(5,082,125)	(10,129,857)
Accumulated Depreciation, End of the Year	\$76,648,716	\$83,200,518	(\$6,551,802)
Net Fixed Assets at the End of the Year	\$64,602,172	\$71,565,896	(\$6,963,724)

<u>Capital Projects:</u> Many of the District's fixed assets involve projects which take longer than one year to complete. The revenues and expenditures associated with these projects vary each fiscal year depending upon the status of the project. A summary of the revenues and expenditures associated with the major capital projects in progress in the General Fund during the years ended June 30, 2021 and June 30, 2020 is on the following page.

#### Capital Project Activity - General Fund

	Revenues		Exper	enditures	
	<u>6/30/21</u>	<u>6/30/20</u>	<u>6/30/21</u>	<u>6/30/20</u>	
Transit Centers and Park and Ride					
Facilities	\$1,046,401	\$0	\$1,450,755	\$587,053	
Equipment	328,678	239,339	111,720	9,900	
Vehicles	0	18,419,334	106,747	24,168,572	
Facility Improvements	422,168	0	1,208,996	529,610	
Bikeways	327,606	668,798	1,281,625	1,219,185	
Totals	\$2,124,853	\$19,327,471	\$4,159,843	\$26,514,320	

<u>Statement of Activities/Statement of Revenues, Expenditures and Changes in Fund Balance:</u> The following table summarizes the District's Statement of Activities for the General Fund for the year ended June 30, 2021:

### Condensed Statement of Activities/Statement of Revenues, Expenditures and Changes in Fund Balance – General Fund

<u>6/30/21</u>	6/30/20	<u>Change</u>
\$440,662	\$826,678	(\$386,016)
2,124,853	19,327,471	(17,202,618)
22,891,325	17,811,217	5,080,108
15,913,537	13,589,837	2,323,700
940,130	1,370,762	(430,632)
184,866	471,674	(286,808)
\$42,495,373	\$53,397,639	(\$10,902,266)
\$3,455,858	\$3,304,884	\$150,974
260,074	346,618	(86,544)
1,296,990	1,392,175	(95,185)
2,862,853	25,122,145	(22,259,292)
660,562	650,411	10,151
\$8,536,337	\$30,816,233	(\$22,279,896)
\$24,771,780	\$23,304,477	\$1,467,303
\$9,187,256	(\$723,071)	\$9,910,327
	\$440,662 2,124,853 22,891,325 15,913,537 940,130 184,866 \$42,495,373 \$3,455,858 260,074 1,296,990 2,862,853 660,562 \$8,536,337	\$440,662 \$826,678 2,124,853 19,327,471 22,891,325 17,811,217 15,913,537 13,589,837 940,130 1,370,762 184,866 471,674 \$42,495,373 \$53,397,639 \$3,455,858 \$3,304,884 260,074 346,618 1,296,990 1,392,175 2,862,853 25,122,145 660,562 650,411 \$8,536,337 \$30,816,233 \$24,771,780 \$23,304,477

These Statements measure the District's performance during the year. Significant fluctuations in the District's Statements for the year ended June 30, 2021 include the following:

- General Fund Revenues decreased \$10,902,266
- General Fund Expenditures decreased \$22,279,896

These changes are primarily due to the purchases of the thirty-foot bus fixed route fleet and the fourteen-passenger bus demand response fleet, as well as other capital projects activity during the year ending June 30, 2020.

General Fund Budget: The District's General Fund budget has two components, the Operating Budget and the Capital Budget. The Operating Budget measures the anticipated revenues and expenditures needed to perform the daily business operations of the District. The Capital Budget is used to account for the capital projects that generate the fixed assets of the District. In prior fiscal years, the District adopted multi-year capital budgets. However, for the year ending June 30, 2021, the District adopted a five-year capital plan, and a single year Capital Budget. The Operating and Capital budgets were modified during the year ending June 30, 2021, adding new projects and adjusting the anticipated revenues and costs of current projects. Resolutions were approved by the District's Board as additional projects were developed and related grant revenues were determined to be available.

The detailed comparison of the District's budgeted and actual expenditures is found with Schedule 1 on pages 35 through 37 of the accompanying financial statements.

#### REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of the District's finances for those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Accounting Director, 1 Transit Way, Pontoon Beach, Illinois 62040.

#### MADISON COUNTY MASS TRANSIT DISTRICT STATEMENT OF FINANCIAL POSITION

<u>ASSETS</u>	GOVERNMENTAL ACTIVITIES JUNE 30, 2021	BUSINESS-TYPE ACTIVITIES AGENCY FOR COMMUNITY TRANSIT DECEMBER 31, 2020	TOTAL
Cash	\$ 11.413	\$ 3,737,585	\$ 3,748,998
	*	* * *	
Investments	54,212,209	23,230,000	77,442,209
Accounts Receivable, Net	44,956	57,668	102,624 48,004
Interest Receivable	48,004	-	•
Due from Governmental Agencies	7,230,738	2 277 059	7,230,738
Transfers Due from Other Funds	022.947	2,277,958	2,277,958
Inventory	932,847	222.540	932,847
Prepaid Expenses	928,155	232,549	1,160,704
Other Receivable	97,993	200 545	97,993
Other Assets	•	200,545	200,545
Fixed Assets, Net of Accumulated	(4 (00 150	00.512	(4.700.605
Depreciation TOTAL ASSETS	64,602,172	98,513 \$ 29,834,818	\$ 157,943,305
TOTAL ASSETS	\$ 128,108,487	\$ 29,834,818	\$ 157,943,303
LIABILITIES AND NET POSITION			
LIABILITIES:			
Accounts Payable	\$ 666,313	\$ 300,797	\$ 967,110
Contracts Payable - Retainage	95,531	· •	95,531
Transfers Due to Other Funds	2,575,969		2,575,969
Accrued Wages and Compensated	, ,		
Absences	•	3,013,843	3,013,843
Other Liabilities	₩	428,341	428,341
Total Liabilities	\$ 3,337,813	\$ 3,742,981	\$ 7,080,794
NET POSITION:			
Investment in Fixed Assets	\$ 64,602,172	\$ 98,513	\$ 64,700,685
Restricted For:			
Local Match	25,164,370	-	25,164,370
Unrestricted	35,004,132	25,993,324	60,997,456
Total Net Position	\$ 124,770,674	\$ 26,091,837	\$ 150,862,511
TOTAL LIABILITIES AND			
NET POSITION	\$ 128,108,487	\$ 29,834,818	\$ 157,943,305

# MADISON COUNTY MASS TRANSIT DISTRICT STATEMENT OF ACTIVITIES

D CHANGES IN	3 TOTAL	\$ 12,420,166	\$ (22,865,294)	\$ (10,445,128)	\$ 15,913,537 1,849,585 (2,330,091) (1,192,650) \$ 14,240,381 \$ 3,795,253 147,067,258 \$ 150,862,511
NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION PRIMARY GOVERNMENT	BUSINESS-TYPE ACTIVITIES	٠,	\$ (22,865,294)	\$ (22,865,294)	\$ 857,885 - 23,579,130 \$ 24,437,015 \$ 1,571,721 24,520,116 \$ 26,091,837
NET (EXPEN	GOVERNMENTAL ACTIVITIES	\$ 12,420,166	·	\$ 12,420,166	\$ 15,913,537 991,700 (2,330,091) (24,771,780) \$ (10,196,634) \$ 2,223,532 122,547,142 \$ 122,547,142
SS	OPERATING GRANTS	\$ 22,891,325	· •	\$ 22,891,325	
PROGRAM REVENUES	CAPITAL GRANTS	\$ 2,124,853	<b>∞</b>	\$ 2,124,853	
PR	CHARGES FOR SERVICES	\$ 440,662	\$ 828,727	\$ 1,269,389	
	EXPENSES	\$ 13,036,674	\$ 23,694,021	\$ 36,730,695	82
	FUNCTIONS/PROGRAMS	PRIMARY GOVERNMENT: Governmental Activities: For the Year Ended June 30, 2021 Transportation	Business-Type Activities: For the Year Ended December 31, 2020 Transportation	Total Primary Government	General Revenues and Transfers: Sales Tax Miscellaneous Loss on Disposal of Capital Assets Transfers Total General Revenues and Transfers Change in Net Position Net Position, Beginning of Year Net Position, End of Year

The accompanying notes are an integral part of the financial statements.

#### MADISON COUNTY MASS TRANSIT DISTRICT BALANCE SHEET - GOVERNMENTAL FUNDS JUNE 30, 2021

	$\underline{G}$	ENERAL
		<u>FUND</u>
ASSETS:	_	
Cash	\$	11,413
Investments		54,212,209
Accounts Receivable, Net		44,956
Interest Receivable		48,004
Due from Governmental Agencies		7,230,738
Inventory		932,847
Prepaid Expenses		928,155
Other Receivable		97,993
TOTAL ASSETS	\$	63,506,315
LIABILITIES AND FUND BALANCES:		
LIABILITIES AND FUND BALANCES.		
LIABILITIES:		
Accounts Payable	\$	666,313
Contracts Payable - Retainage		95,531
Transfers Due to Other Funds		2,575,969
Total Liabilities	\$	3,337,813
FUND BALANCES:		
Nonspendable		
Inventory	\$	932,847
Prepaid Expense		928,155
Assigned		
Local Match		25,164,370
Unassigned		33,143,130
Total Fund Balances	\$	60,168,502
TOTAL LIABILITIES AND		
FUND BALANCES	\$	63,506,315

## MADISON COUNTY MASS TRANSIT DISTRICT RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF FINANCIAL POSITION JUNE 30, 2021

Total Fund Balances for Governmental Funds

\$ 60,168,502

Total net position reported for governmental activities in the statement of net position is different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. Those assets consist of:

Land \$ 10,411,656

Bikeways, buildings and improvements,
net of \$50,948,012 accumulated depreciation \$ 30,063,265

Vehicles, net of \$20,723,481 accumulated depreciation \$ 23,761,486

Equipment, net of \$4,977,223 accumulated depreciation \$ 365,765

64,602,172

Total Net Position of Governmental Activities

\$ 124,770,674

#### EXHIBIT "E"

**GENERAL** 

#### MADISON COUNTY MASS TRANSIT DISTRICT STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES-GOVERNMENTAL FUNDS FOR THE YEAR ENDED JUNE 30, 2021

	7	JENEKAL
REVENUES:		
Sales Tax	\$	11,627,210
Interest	Ψ	940,130
		16,530,193
Illinois Department of Transportation (IDOT) Operating Assistance		4,286,327
Illinois Department of Transportation (IDOT) Local Sales Tax Reform		
Illinois Department of Transportation (IDOT) New Administration Building		422,168
Rideshare Program		579,387
Lease and Rental Income		20,170
Federal Transit Administration (FTA) Section 5307		1,340,604
Federal CARES Act		5,661,480
Congestion Mitigation Air Quality (CMAQ)		89,628
Fares		440,662
Metro East Park and Recreation District (MEPRD)		392,718
Other Revenues		164,696
Total Revenues	\$	42,495,373
EXPENDITURES:		
Transit Services (Note 1.A.)	\$	3,303,458
Rideshare Program (Note 1.A.)		260,074
Professional and Other Services		246,240
Trustee Expense		13,251
District Office		401,071
Facilities Maintenance		152,400
Transit Centers and Park and Ride Facilities		1,431,590
Equipment		111,720
Vehicles		106,747
		1,212,796
Facility Improvements		1,212,790
Bikeways Takal Farman difference	\$	8,536,337
Total Expenditures	<u> </u>	8,330,337
REVENUES OVER EXPENDITURES	\$	33,959,036
OTHER FINANCING USES:		
Transfers to Other Funds (Note 1.A.)		24,771,780
REVENUES UNDER EXPENDITURES		
AND OTHER FINANCING USES	\$	9,187,256
	Ψ	
FUND BALANCE, BEGINNING OF YEAR		50,981,246
FUND BALANCE, END OF YEAR	\$	60,168,502

The accompanying notes are an integral part of the financial statements.

# MADISON COUNTY MASS TRANSIT DISTRICT RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE OF GOVERNMENTAL FUND TO THE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2021

Net Change in Fund Balance - Total Governmental Fund Amounts reported for governmental activities in the Statement of Activities are different because:	\$ 9,187,256
Governmental funds report capital outlays as expenditures while	
governmental activities report depreciation expense to allocate those	
expenditures over the life of the assets. This is the amount by which depreciation	
exceeded capital outlays in the current period.	(4,500,337)
b	
Governmental funds only report the disposal of assets to the extent proceeds	
are received from the sale. In the Statement of Activities, a gain or loss	
is reported for each disposal. This is the amount of the basis in the fixed assets disposed.	 (2,463,387)
Change in Net Position of Governmental Activities	\$ 2,223,532

## MADISON COUNTY MASS TRANSIT DISTRICT STATEMENT OF FINANCIAL POSITION - PROPRIETARY FUND AGENCY FOR COMMUNITY TRANSIT DECEMBER 31, 2020

		TRANSPORTATION	
	<u>ASSETS</u>		
Cash Investments Accounts Receivable, Net Due from Other Funds Prepaid Insurance Prepaid Expenses Fixed Assets, Net of Accumulated Depreciation Other Assets		\$	3,737,585 23,230,000 57,668 2,277,958 3,207 229,342 98,513 200,545
TOTAL ASSETS		\$	29,834,818
	LIABILITIES		
Accounts Payable Accrued Wages and Compensated Absences Other Liabilities		\$	300,797 3,013,843 428,341
Total Liabilities		\$	3,742,981
	NET ASSETS		
Investment in Fixed Assets Unrestricted		\$	98,513 25,993,324
Total Net Assets (Exhibit "H")		\$	26,091,837
TOTAL LIABILITIES AND NET ASSETS		\$	29,834,818

The accompanying notes are an integral part of the financial statements.

# MADISON COUNTY MASS TRANSIT DISTRICT STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FINANCIAL POSITION - PROPRIETARY FUND AGENCY FOR COMMUNITY TRANSIT FOR THE YEAR ENDED DECEMBER 31, 2020

	TRANSPORTATION		
OPERATING REVENUES: Charges for Services		828,727	
OPERATING EXPENSES: Transportation Program (Schedule "2") Management and General Expense (Schedule "2")	\$	22,724,185 969,836	
Total Operating Expenses		23,694,021	
OPERATING LOSS		(22,865,294)	
NON-OPERATING REVENUES: Interest Income Maintenance Income Radio Tower Repeater Fees Miscellaneous Income COVID Tax Credit Total Non-Operating Revenues	\$	475,607 27,728 21,846 68,881 263,823 857,885	
LOSS BEFORE OPERATING TRANSFERS FROM OTHER FUNDS	\$	(22,007,409)	
TOTAL OPERATING TRANSFERS FROM OTHER FUNDS	<del></del>	23,579,130	
INCREASE IN NET ASSETS	\$	1,571,721	
TOTAL NET ASSETS, BEGINNING OF YEAR	***************************************	24,520,116	
TOTAL NET ASSETS, END OF YEAR		26,091,837	

# MADISON COUNTY MASS TRANSIT DISTRICT STATEMENT OF CASH FLOWS - PROPRIETARY FUND AGENCY FOR COMMUNITY TRANSIT FOR THE YEAR ENDED DECEMBER 31, 2020

CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash Received from Customers	\$	1,054,632
Cash Paid to Employees and Suppliers		(23,777,144)
Interest Received		475,607
Net Cash Used by Operating Activities	\$	(22,246,905)
		* '
CASH FLOWS FROM INVESTING ACTIVITIES:	•	(01.0(0)
Cash Purchase of Fixed Assets	\$	(81,060)
Purchase of Investments		(1,730,000)
Net Cash Used by Investing Activities	\$	(1,811,060)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:		
Cash Received From Other Funds	\$	23,258,599
NET DECREASE IN CASH	\$	(799,366)
CASH, BEGINNING OF YEAR		4,536,951
CASH, BEGINNING OF TEAR		1,330,731
CASH, END OF YEAR	\$	3,737,585
RECONCILIATION OF LOSS BEFORE OPERATING TRANSFERS TO NET CASH FLOWS FROM OPERATING ACTIVITIES:		
LOSS BEFORE OPERATING TRANSFERS	\$	(22,007,409)
ADJUSTMENTS:		
Depreciation		8,076
2 · F····		,
INCREASE (DECREASE) IN:		
Accounts Receivable, Net		107,450
Prepaid Insurance		(850)
Prepaid Expenses		(44,944)
Other Assets		(986)
INCREASE (DECREASE) IN:		
Accounts Payable		172,483
Accrued Wages and Compensated Absences		(268,553)
Other Liabilities		(212,172)
Other Enternities		(212,172)
NET CASH USED BY OPERATING ACTIVITIES	\$	(22,246,905)

#### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Madison County Mass Transit District was established in 1980 under the provision of the local Mass Transit District Act, as amended. The District is to provide transportation to the elderly and disabled, and fixed route transportation to the general public.

The accounting policies of the District conform to accounting principles generally accepted in the United States of America as applicable to governmental units. The accepted standard setting body for establishing governmental accounting and financial reporting principles is the Governmental Accounting Standards Board (GASB). The following is a summary of the significant accounting policies:

#### A. Reporting Entity

The following criteria have been developed to determine whether related organizations should be included within the financial reporting entity. The criteria, as set forth in GASB No. 14, "The Financial Reporting Entity", as amended by GASB No. 39 "Determining Whether Certain Organizations Are Component Units" is financial accountability. Financial accountability is defined as appointment of a voting majority of a component unit's board and either the ability to impose its will by a primary government or the possibility that a component unit will provide a financial benefit to or impose a financial burden on a primary government. Based on this criteria, the Agency for Community Transit, a not-for-profit entity with a December 31 fiscal year end, qualifies as a component unit.

The financial statements of the Agency for Community Transit (Agency) for year ended December 31, 2020, are reported as a blended component unit, and are presented as a proprietary fund type. The Agency issues separately audited financial statements and they can be obtained from the Agency's office. The following is a brief description of activities and relationship to the District:

The District contracts with the Agency to provide transportation services to the Madison County area and provide administrative services to the District. The Agency provides services exclusively for the District. The Agency's Board of Directors are appointed by the District's Board of Directors.

All transactions and balances between the District and the Agency have been reclassified as transfers to or from other funds. These transfer accounts will not balance at June 30, 2021, due to the different reporting periods of the District and the Agency. In addition, the operating budget of the District does not reflect the reclassification of the transactions and balances.

#### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### B. Fund Accounting

The accounts of the District are organized on the basis of funds. The operation of the funds are accounted for by providing a separate set of self-balancing accounts which comprise its assets, liabilities, fund balances, revenue, and expenditures.

General Fund - The General Fund is the operating fund of the District. It accounts for all financial resources that are not required to be accounted for in another fund.

Proprietary Fund - The Proprietary Fund reports the activity of the component unit. The fund's objective is the determination of change in net assets and cash flows.

#### C. Basis of Accounting

#### Government-Wide Financial Statements

The statement of net position and the statement of activities display information about the District, the primary government, as a whole. These statements distinguish between activities that are governmental and those that are considered business-type activities.

The government-wide statements are prepared using the economic resources measurement focus and the accrual basis of accounting. This is the same approach used in the preparation of the proprietary fund financial statements but differs from the manner in which governmental fund financial statements are prepared. Therefore, governmental fund financial statements include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

The government-wide statement of activities presents a comparison between expenses and program revenues for each segment of the business-type activities of the District and for each governmental activity. Program revenues include charges paid by the recipients of the services offered by the programs and grants and contributions that are restricted to meeting operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues. The comparison of program revenues and expenses identifies the extent to which each program or business segment is self-financing or draws from the general revenues of the District.

#### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### Fund Financial Statements

Fund financial statements report detailed information about the District. The focus of governmental and proprietary fund financial statements is on major funds rather than reporting funds by type. All funds are considered major.

#### Governmental Funds

All governmental funds are accounted for using modified accrual basis of accounting and the current financial resources measurement focus. Under this basis revenues are recognized in the accounting period in which they become measurable and available. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable.

#### Revenue Recognition

The modified accrual basis of accounting is used in the Governmental Fund Type. Revenues are recognized when they become "measurable and available." Measurable means the amount can be determined. Available means collectable within the current period or soon enough thereafter to pay current liabilities.

#### **Expenditure Recognition**

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Most expenditures are measurable and are recorded when the related fund liability is incurred. However, principal and interest on long-term debt, which has not matured, are recognized when paid. Allocations of costs, such as depreciation and amortization, are not recognized in the governmental funds.

#### **Proprietary Funds**

All proprietary funds are accounted for using the accrual basis of accounting. The economic resource focus determines costs as a means of maintaining capital investment and management control. Their revenues are recognized when they are earned and their expenses are recognized when they are incurred. Allocations of costs, such as depreciation, are recorded in proprietary funds.

#### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### D. Investments

Investments are carried at cost, which approximates market.

#### E. Inventory

Inventory consists of bus parts, fuel and lubricants and is valued at cost. Cost is determined by the first-in, first-out method.

#### F. Fixed Assets and Depreciation

The accounting and reporting treatment applied to the fixed assets associated with a fund are determined by its measurement focus. General fixed assets are long-lived assets of the District as a whole with a cost of \$5,000 or greater. When purchased, such assets are recorded as expenditures in the governmental fund. The valuation basis for general fixed assets is historical cost. Historical cost is the amount paid by the District for the asset. The District pays only the local portion of some bikeway projects. The local portion is the historical cost. Where historical cost is not available, estimated historical cost is based on replacement cost. Donated fixed assets are reported at their fair market value as of the date received.

Fixed assets in the proprietary fund are capitalized in the fund in which they are utilized. The valuation basis for proprietary fund fixed assets are the same as those used for the general fixed assets.

Depreciation of fixed assets is computed and recorded by the straight-line method. Estimated useful lives of the various classes of depreciable fixed assets are as follows:

Buildings and Improvements 15 to 25 years
Vehicles 4 to 12 years
Equipment 3 to 10 years

#### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

G. Equity Classifications

#### **Government-Wide Statements**

Equity is classified as net position and displayed in three components:

- a. Invested in capital assets, net of related debt Amount of capital assets, net of accumulated depreciation, less outstanding balances of any bonds, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted Amount of net position that is subject to restrictions that are imposed by 1) external groups, such as creditors, grantors, contributors or laws and regulations of other governments or 2) law through constitutional provisions or enabling legislation.
- c. Unrestricted Net position that is neither classified as restricted nor as invested in capital assets, net of related debt.

#### **Fund Statements**

Governmental fund equity is classified as fund balance. In accordance with Governmental Accounting Standards Board Statement No. 54 – Fund Balance Reporting and Governmental Fund Type Definitions, the District classifies governmental fund balance as follows:

- a. Nonspendable Includes fund balance amounts that cannot be spent either because they are not in spendable form or because legal or contractual requirements require them to be maintained intact.
- b. Restricted Consists of fund balances with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or, 2) law through constitutional provisions of enabling legislation. As of June 30, 2021, the District does not have restricted funds.

#### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

- c. Committed Includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision-making authority. Fund balance amounts are committed through a formal resolution of the District board. This formal action must occur prior to the end of the fiscal year, but the amount of the commitment, which will be subject to the constraints, may be determined in the subsequent fiscal year. Any changes to the constraints imposed require the same formal action of the District board that originally created the commitment. As of June 30, 2021, the District does not have committed funds.
- d. Assigned—Includes spendable fund balance amounts that are intended to be used for specific purposes that are not considered restricted or committed. Fund balance may be assigned through the following: 1) The District board may take action to assign amounts for a specific purpose or, 2) all remaining positive spendable amounts in governmental funds, other than the general fund, that are neither restricted nor committed. Assignments may take place after the end of the fiscal year.
- e. Unassigned Includes residual positive fund balance within the general fund which has not been classified within the other above-mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed or assigned for those specific purposes.

Unless specifically identified, expenditures act to reduce restricted balances first, then committed balances, next assigned balances, and finally to reduce unassigned balances. Expenditures for a specifically identified purpose will act to reduce the specific classification of fund balance that is identified.

The District has a formal minimum fund balance policy to maintain cash and investment balances at a level sufficient to pay for not less than nine months of operating expenditures and not less than 5% of the audited Net Fixed Assets at the end of the prior fiscal year. These minimum balances are included in unassigned fund balance.

The District also has a formal minimum fund balance policy to maintain cash and investments at a level sufficient to pay for not less than twelve months of the capital reserve amount. This minimum fund balance is included in assigned fund balance.

#### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### H. Estimates

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

#### I. Functional Allocation of Expenses

The costs of providing the various programs and other activities of the Proprietary Fund have been summarized on a functional basis in the schedule of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

#### NOTE 2. CASH AND INVESTMENTS

Cash consists of cash on hand and cash in checking accounts. Investments consist of cash in high yield money market accounts, certificates of deposit, and a pooled investment account.

	<u>CARRYING</u> AMOUNT		F	<u>BANK</u> BALANCE
Cash:	=		-	211111011
General Fund	\$	11,413	\$	53,770
Proprietary Fund		3,737,585		4,019,890
Total	\$	3,748,998	\$	4,073,660
Non-Pooled Investments: General Fund Proprietary Fund	\$	49,675,574 23,230,000	\$	49,675,574 23,230,000
Pooled Investments:				
General Fund		4,536,635		4,536,635
Total	\$	77,442,209	\$	77,442,209

#### NOTE 2. <u>CASH AND INVESTMENTS (CONT'D)</u>

The District is authorized to invest in any type of security allowed for in Illinois statutes regarding the investment of public funds.

#### A. Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the District manages its exposure to interest rate risk is by purchasing shorter term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

Information about the sensitivity of the fair values of the District's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the District's investments by maturity.

#### Remaining Maturity

	12 months						
	Total or less 1-5 years						
State Investment Pool	\$	4,536,635	\$	4,536,635	\$ -		
Certificates of Deposit		68,097,000		45,197,000	22,900,000		
Money Market Accounts		4,808,574		4,808,574	-		
Total	\$	77,442,209	\$	54,542,209	\$ 22,900,000		

#### B. Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The District invests in a state investment pool. The investment pool earned Standard and Poor's highest rating of AAAm.

#### C. Custodial Credit Risk

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

#### NOTE 2. CASH AND INVESTMENTS (CONT'D)

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The District's deposit policy states that all funds on deposit in excess of federal depository insurance must be secured by collateral held at an independent third party in the name of the District. As of June 30, 2021, the District's General Fund cash and non-pool investments are \$49,686,982. All of the General Fund's cash and non-pooled investments and the Proprietary Fund's cash balance were fully insured and collateralized.

The District's investment in the state investment pool is fully collateralized. The District maintains a separate investment account representing a proportionate share of the pool assets and its respective collateral; therefore no collateral is identified with each individual participant's account. The balance in the District's state investment pool as of June 30, 2021 was \$4,536,635.

#### NOTE 3. <u>DUE FROM GOVERNMENTAL AGENCIES</u>

The amount due from governmental agencies of \$7,230,738 represents sales tax collections from the Illinois Department of Revenue (IDOR), sales tax and grant payments from the Illinois Department of Transportation (IDOT), grant payments from the Missouri Department of Transportation (MoDOT), the Federal Transit Administration (FTA), and the Metro East Park and Recreation District (MEPRD).

The following details the amount due from governmental agencies:

IDOR:	Sales Tax			\$	3,226,775
IDOT:	Operating Assistance	\$	1,192,507		
	Commuter Initiative		48,436		
	Rideshare Program		28,506		
	Capital Grants		179,630		
		***************************************	·	•	1,449,079
MoDOT	: Rideshare Program				133,826
FTA:	Operating Grants				1,933,398
FTA:	Capital Grants				392,190
MEPRD	: Capital Grants				95,470
				\$	7,230,738

#### NOTE 4. STATE AND FEDERAL PROGRAMS

#### Operating Assistance:

During 1989, legislation passed which allowed state sales tax monies to go to the District for reimbursement of eligible operating expenditures in providing transportation services.

An annual contract is signed with the Illinois Department of Transportation (IDOT) which states the requirements necessary to receive such funds. Reimbursements requested for eligible expenditures incurred during the year ended June 30, 2021, were \$16,530,193.

#### Rideshare Program:

The District has agreements with the Illinois Department of Transportation (IDOT) and the Missouri Department of Transportation (MoDOT) for the purpose of increasing vehicle occupancy and decreasing vehicle miles traveled in the St. Louis Metropolitan Region. This program is funded by Congestion Mitigation and Air Quality (CMAQ). The District has entered into agreements for reimbursement of 100% of the eligible expenses incurred during the year.

The amount requested for reimbursement under the agreements for the year ended June 30, 2021, was \$579,387.

#### Bikeway Projects:

The District has agreements with the Metro East Park and Recreation District (MEPRD) to reimburse costs associated with a variety of bikeways. The amount reimbursed under these agreements for the year ended June 30, 2021 was \$392,718.

#### Federal and State Grants:

The District received monies from the Federal Transit Administration (FTA) and Illinois Department of Transportation (IDOT) through various grants. The FTA and IDOT grants were entered into for the construction of transit facilities and purchases of vehicles, equipment, COVID-19 response supplies, and other items. The District is reimbursed for 80% - 100% of the original grant amount from FTA or IDOT, as a pass-through from FTA, with the remaining amount being reimbursed by IDOT or funded by the District. The amount requested from FTA and IDOT for the fiscal year ended June 30, 2021 was \$8,093,267 and \$19,532,328, respectively. The following details the funds requested to the District by FTA for the year ended June 30, 2021:

Section 5307	\$ 1,340,604
CMAQ	669,015
Federal CARES Act	5,661,480
Capital Grants	422,168
	\$ 8,093,267

#### NOTE 5. FIXED ASSETS

A summary of the Fixed Assets for the governmental activities is as follows:

Final Acade was being down that		BALANCE JNE 30, 2020	<u>Al</u>	DDITIONS	RE	TIREMENTS	BALANCE JUNE 30, 2021
Fixed Assets, not being depreciated:	Φ.	0.000.660	•	500 000	Φ.		A 10 111 676
Land		9,888,663	\$	522,993	\$	-	\$ 10,411,656
Subtotal		9,888,663		522,993		-	\$ 10,411,656
Fixed Assets, being depreciated: Buildings							
and Improvements	\$	78,307,325	\$	3,418,383	\$	714,431	\$ 81,011,277
Vehicles		60,426,660		106,748		16,048,441	44,484,967
Equipment		6,143,766		111,719		912,497	5,342,988
Subtotal	\$	144,877,751	\$	3,636,850	\$	17,675,369	\$130,839,232
Accumulated Depreciation: Buildings and							
Improvements	\$	47,841,422	¢	3,447,325	\$	340,735	\$ 50,948,012
Vehicles	Ψ	29,769,723	Φ	4,912,508	Φ	13,958,750	20,723,481
		, .				, ,	
Equipment		5,589,373		300,347		912,497	4,977,223
Subtotal	_\$	83,200,518	\$	8,660,180		15,211,982	\$ 76,648,716
Net Fixed Assets	_\$_	71,565,896		(4,500,337)	\$_	2,463,387	\$ 64,602,172

Depreciation in the amount of \$8,660,180 was charged to the Transportation Governmental Activity.

A summary of Fixed Assets for the business-type activities is as follows:

Transit and Service Vehicles	\$ 150,195
Leasehold Improvements	5,779
Furniture, Fixtures, and Equipment	447,423
	\$ 603,397
Less, Accumulated Depreciation	(504,884)
Net Fixed Assets	\$ 98,513

Depreciation in the amount of \$8,076 was charged to the Transportation Business-Type Activity.

During the year ended June 30, 2021, the District sold a fleet of 30-foot heavy-duty buses that were purchased between 2010 and 2012. Federal Transit Administration Circular 5010.1D assigns a useful life of 10 years or an accumulation of at least 350,000 miles to this type of fleet. Each of the vehicles in this fleet accumulated over 350,000 miles prior to being sold, and prior to reaching the 10-year useful life. Each of the vehicles in this fleet had a positive net basis at the time of disposition, resulting in a net loss of (\$1,885,900), which is included on Page 14, Exhibit B, Loss on Disposal of Capital Assets of (\$2,330,091).

#### NOTE 6. RETIREMENT PLAN

The Agency contributes to three Retirement Plans for the benefit of employees.

The Agency administers a deferred compensation plan under Section 403(b) of the Internal Revenue Code. The plan is open to all non-union employees. Participant deferrals between 2.5% and 5% of income are matched 2 for 1 by the Agency if eligibility requirements are met. The Agency contributed \$475,819 and \$496,834 to the plan for the years ended December 31, 2020 and 2019, respectively.

Agency union employees are able to participate in a union sponsored defined contribution plan under Section 401(k) of the Internal Revenue Code. The plan is open to all union employees. Participant deferrals between 1% and 5% of wages are matched 1 for 1 by the Agency if eligibility requirements are met. The Agency contributed \$184,409 and \$191,365 to the plan for the years ended December 31, 2020 and 2019, respectively.

In 2006, the Agency began making contributions to a 457(f) deferred compensation arrangement. Funds are retained in a separate bank account until the benefits are vested and the monies are withdrawn. The balance in the account, including interest, is \$200,545 and \$199,559 as of December 31, 2020 and 2019, respectively. This amount is also being recorded as a liability in the Agency's statement of financial position.

#### NOTE 7. RISK MANAGEMENT/CONTINGENCIES

The District is exposed to various risks of loss related to limited torts; theft of, damage to and destruction of assets; errors and omissions for which the District carries commercial insurance. There have been no significant reductions in coverage from the prior year and settlements have not exceeded coverage in the past three fiscal years.

The District, at times, is a defendant in various lawsuits. Although the outcomes of these lawsuits are not presently determinable, in the opinion of the District's management the resolution of these matters will not have a material adverse effect on the financial condition of the District.

On March 11, 2020, the World Health Organization declared the outbreak of coronavirus (COVID-19) a pandemic. The resulting restrictions on travel and quarantines imposed have had a negative impact on the U.S. economy and business activity globally. The full impact of the COVID-19 outbreak continues to evolve as of October 19, 2021.

As such, it is uncertain as to the full magnitude that the pandemic will have on the District's financial condition, operations, and workforce. Given the daily evolution of the COVID-19 outbreak and the global response to curb its spread, the District is not able to estimate the future effect of the COVID-19 outbreak on its results of operations or financial condition.

#### NOTE 8. SELF-INSURANCE

The Agency has established a limited self-insurance program for the purpose of paying up to \$50,000 per general liability claim. Any claim in excess of the \$50,000 is covered by a supplemental insurance plan. The Agency has incurred claims (net of recoveries) of \$(50,915) and \$182,440 under this program for the years ended December 31, 2020 and 2019, respectively. A self-insurance reserve has been established for claims incurred but not paid of \$125,806 and \$265,746 for the years ended December 31, 2020 and 2019, respectively.

The Agency is required under their limited self-insurance program to fund a separate checking account designated to pay claims. The balance in this account was \$23,713 and \$41,911 for the years ended December 31, 2020 and 2019, respectively.

#### NOTE 9. OPERATING LEASE

The District had entered into a three-year operating lease during fiscal year ended June 30, 2017 for the lease of three vehicles for the Rideshare program. The lease expired in March 2020 with a one year extension through March 2021, with the same terms. The lease agreements required monthly payments of \$992. The amount of expenditures recognized under these lease agreements for the year ended June 30, 2021, was \$7,937.

#### NOTE 10. NET POSITION/FUND BALANCES

#### Local Match

The District passed various resolutions authorizing the submittal of a Transportation Improvement Program. Funding assistance is available through various federal programs which require matching funds for the projects to be submitted. The resolutions have assigned \$25,164,370 of the Fund Balance for these matching funds.

#### NOTE 11. SUBSEQUENT EVENTS

The effect of subsequent events on the financial statements has been evaluated through October 19, 2021, which is the date the financial statements were available to be issued.

# MADISON COUNTY MASS TRANSIT DISTRICT SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES BUDGET AND ACTUAL MAJOR GOVERNMENTAL FUND FOR THE YEAR ENDED JUNE 30, 2021

	GENERAL FUND					
	BUDGET	_				
	<u>ORIGINAL</u>	<u>FINAL</u>	ACTUAL AMOUNTS			
	BUDGET	BUDGET	<b>BUDGETARY BASIS</b>			
REVENUES:						
Sales Tax	\$ 8,370,000	\$ 8,370,000	\$ 11,627,210			
Interest	675,000	675,000	940,130			
Illinois Department of Transportation (IDOT) Operating Assistance	17,300,000	17,300,000	16,530,193			
Illinois Department of Transportation (IDOT) Local Sales Tax Reform	2,340,000	2,340,000	• •			
Rideshare Program	400,000	400,000	·			
Lease and Rental Income	-	-	20,170			
Federal Transit Administration (FTA) Section 5307	15,680,512	15,680,512	1,340,604			
Federal Transit Administration (FTA) Section 5339	16,100,000	16,100,000				
Federal CARES Act Funding	425,000	425,000	5,661,480			
Illinois Department of Transportation (IDOT)	6,000,000	6,000,000	422,168			
Congestion Mitigation Air Quality (CMAQ)	4,499,000	4,499,000	89,628			
Fares	700,000	700,000	440,662			
Metro East Park and Recreation District (MEPRD)	1,760,000	2,060,000	392,718			
Illinois Department of Natural Resources (IDNR)	916,000	916,000	-			
Other Revenues	52,000	52,000	164,696			
Total Revenues	<b>\$</b> 75,217,512 <b>\$</b> 75,517,512 <b>\$</b> 42,495,37					

THIS SCHEDULE CONTINUED ON NEXT PAGE

SEE ACCOMPANYING INDEPENDENT AUDITOR'S REPORT

# MADISON COUNTY MASS TRANSIT DISTRICT SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES BUDGET AND ACTUAL MAJOR GOVERNMENTAL FUND FOR THE YEAR ENDED JUNE 30, 2021

	GENERAL FUND						
		BUDGET AMOUNTS					
	ORIGINAL	FINAL	ACTUAL AMOUNTS				
	BUDGET	BUDGET	BUDGETARY BASIS				
EXPENDITURES:							
Transit Services (Note 1.A.)	\$ 26,883,000	\$ 26,883,000	\$ 3,303,458				
Rideshare Program (Note 1.A.)	500,000	1,026,000	260,074				
Professional and Other Services	276,000	300,000	246,240				
Administrative Contract (Note 1.A.)	500,000	500,000	•				
Trustee Expense	30,000	, 30,000	13,251				
District Office	476,000	476,000	401,071				
Facilities Maintenance	828,000	828,000	152,400				
Transit Centers and Park and Ride Facilities	5,746,000	5,746,000	1,431,590				
Equipment	2,481,900	2,481,900	111,720				
Vehicles	31,806,582	31,806,582	106,747				
Facility Improvements	13,742,000	13,801,400	1,212,796				
Bikeways	14,190,000	14,190,000	1,296,990				
Miscellaneous	3,000,000	2,450,000	-				
Total Expenditures	\$ 100,459,482	\$ 100,518,882	\$ 8,536,337				
REVENUES OVER (UNDER) EXPENDITURES	\$ (25,241,970)	\$ (25,001,370)	\$ 33,959,036				
OTHER FINANCING USES: Transfers to Other Funds (Note 1.A.)			24,771,780				
REVENUES OVER EXPENDITURES AND OTHER FINANCING USES			\$ 9,187,256				
FUND BALANCE, BEGINNING OF YEAR			50,981,246				
FUND BALANCE, END OF YEAR			\$ 60,168,502				

SEE ACCOMPANYING INDEPENDENT AUDITOR'S REPORT

# MADISON COUNTY MASS TRANSIT DISTRICT NOTES TO SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL JUNE 30, 2021

#### NOTE 1 - BUDGET AND BUDGETARY ACCOUNTING

The fiscal year 2021 operating and capital budgets were approved by the District Board of Trustees at the June 22, 2020 board meeting.

The Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Major Governmental Fund presents a comparison of budgetary data to actual results.

## MADISON COUNTY MASS TRANSIT DISTRICT SCHEDULE OF EXPENSES BY FUNCTION - PROPRIETARY FUND AGENCY FOR COMMUNITY TRANSIT FOR THE YEAR ENDED DECEMBER 31, 2020

		PROGRAM SERVICES		PPORTING ERVICES	3	
TRANSPORTATION EXPENSES:	TRAN	NSPORTATION		IAGEMENT BENERAL		TOTAL
Gas, Oil and Lubricants	\$	103,359	\$	827	\$	104,186
Vehicle Insurance Payments and Recoveries	Ð	(27,701)	Ð	027	Φ	(27,701)
Licenses and Permits		8,248		154		8,402
Vehicle Maintenance		1,068,827		1,562		1,070,389
Rideshare		707,302		1,502		707,302
	-		<u> </u>	2.542	<u> </u>	
Total Transportation Expenses	\$	1,860,035	\$	2,543	\$	1,862,578
SALARIES AND RELATED EXPENSES:						
Salaries	\$	14,539,535	\$	269,335	\$	14,808,870
Employee Benefits		3,770,561		82,129		3,852,690
Payroll Taxes		1,056,439		41,452		1,097,891
Personnel		131,071		14,895		145,966
Total Salaries and Related Expenses	\$	19,497,606	\$	407,811	\$	19,905,417
OTHER EXPENSES:						
Advertising	\$	18,744	\$	112	\$	18,856
Conferences, Meetings and Dues		11,685		2,591		14,276
Depreciation		3,535		4,541		8,076
Miscellaneous		20,509		20,141		40,650
Facilities, Office and Insurance		1,240,427		325,166		1,565,593
Professional, Consultant and Other		66,321		206,931		273,252
Radio Tower		5,323		-		5,323
Total Other Expenses	\$	1,366,544	\$	559,482	\$	1,926,026
TOTAL EXPENSES (Exhibit "H")	\$	22,724,185	\$	969,836	\$	23,694,021

#### MADISON COUNTY MASS TRANSIT DISTRICT SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2021

EDERAL GRANTOR / PASS-THROUGH GRANTOR / PROGRAM TITLE         FEDERAL NUMBER         ENTITY DENTIFYING NUMBER         FEDERAL EXPENDITURES           US DEPARTMENT OF TRANSPORTATION FEDERAL TRANSIT FORMULA GRANTS:         NUMBER         NUMBER         EXPENDITURES           Direct Programs:         Section 5307 Capital Grant # IL-2018-014-00         20.507         \$ 39,197           Section 5307 Capital Grant # IL-2018-014-00         20.507         193,319           Section 5307 Capital Grant # IL-2021-018-00         20.507         1,782,244           Section 5307 Capital Grant # IL-2021-018-00         20.507         \$ 1,340,605           COVID-19 Federal Transit Formula Grants           Direct Programs:           Section 5307 Capital Grant # IL-2021-018-00         20.507         \$ 5,661,480           Total Federal Transit Formula Grants           Direct Programs:           Section 5307 Capital Grant # IL-2020-035-00         20.507         \$ 7,002,085           Total Federal Transit Formula Grants         \$ 7,002,085           Total Federal Transit Formula Grants           CMAIL Federal Transit Formula Grants           Billinois Department of Transportation:           Rideshare         20.205         CMM-5011(426)         \$ 96,926			PASS-THROUGH		
US DEPARTMENT OF TRANSPORTATION FEDERAL TRANSIT FORMULA GRANTS: Direct Programs: Section 5307 Capital Grant # IL-2021-018-00 ECOVID-19 Federal Transit Formula Grants Direct Programs: Section 5307 Capital Grant # IL-2020-042-00 ECOVID-19 Federal Transit Formula Grants Direct Programs: Section 5307 Capital Grant # IL-2020-035-00  COVID-19 Federal Transit Formula Grants Direct Programs Section 5307 Capital Grant # IL-2020-035-00  COVID-19 Federal Transit Formula Grants Direct Programs Section 5307 Capital Grant # IL-2020-035-00  Total Federal Transit Formula Grants  Direct Programs: Section 5307 Capital Grant # IL-2020-035-00  Total Federal Transit Formula Grants  Direct Programs: Section 5307 Capital Grant # IL-2020-035-00  Total Federal Transit Formula Grants  Direct Programs: Section 5307 Capital Grant # IL-2020-035-00  Total Federal Transit Formula Grants  Direct Programs: Section 5307 Capital Grant # IL-2020-035-00  Total Federal Transit Formula Grants  Total Federal Transit Formula Grants  Total Federal Transit Formula Grants  Total Federal Transit Cluster  Pass-Through Programs From: Illinois Department of Transportation: Rideshare  20.205 CMM-5011(426) \$ 96,926 CMAQ Grant - Commuter Initiative  20.205 I8-1003-5451 89,628  Missouri Department of Highways and Transportation: Rideshare  20.205 CMAQ-5456(616) \$ 482,461  Total Pass-Through Programs  Section 5307 CMAQ-5456(616) \$ 482,461  Total Pass-Through Programs  Section 5307 Capital Grant # IL-2020-035-00  Section 5307 Capital	FEDERAL GRANTOR / PASS-THROUGH	<b>FEDERAL</b>	<u>ENTITY</u>		
S DEPARTMENT OF TRANSPORTATION   FEDERAL TRANSIT FORMULA GRANTS:   Section 5307 Capital Grant # IL-90-X733   20.507   193,319   Section 5307 Capital Grant # IL-2018-014-00   20.507   193,319   Section 5307 Capital Grant # IL-2020-042-00   20.507   1.078,244   Section 5307 Capital Grant # IL-2021-018-00   20.507   29,845   Total Direct Programs   \$ 1,340,605   \$	GRANTOR / PROGRAM TITLE	<u>CFDA</u>	<b>IDENTIFYING</b>	F	<u>EDERAL</u>
Direct Programs:   Section 5307 Capital Grant # IL-90-X733   20.507   193,319   Section 5307 Capital Grant # IL-2018-014-00   20.507   193,319   Section 5307 Capital Grant # IL-2020-042-00   20.507   1,078,244   Section 5307 Capital Grant # IL-2021-018-00   20.507   29,845   Total Direct Programs   \$ 1,340,605   \$ 1,340,		<u>NUMBER</u>	<u>NUMBER</u>	EXP	ENDITURES
Direct Programs:   Section 5307 Capital Grant # IL-2018-014-00   20.507   193,319     Section 5307 Capital Grant # IL-2018-014-00   20.507   193,319     Section 5307 Capital Grant # IL-2020-042-00   20.507   29.845     Section 5307 Capital Grant # IL-2021-018-00   20.507   29.845     Total Direct Programs   \$ 1,340,605     COVID-19 Federal Transit Formula Grants     Direct Programs:   Section 5307 Capital Grant # IL-2020-035-00   20.507   \$ 5,661,480     Total Federal Transit Formula Grants   \$ 7,002,085     Total Federal Transit Cluster   \$ 7,002,085     Total Federal Transit Cluster   \$ 7,002,085     HIGHWAY PLANNING AND CONSTRUCTION:   \$ 96,926     CMAQ Grant - Commuter Initiative   20.205   18-1003-5451   89,628     Missouri Department of Highways and Transportation:   Rideshare   20.205   CMAQ-5456(616)   \$ 482,461     Total Pass-Through Programs   \$ 669,015     Total Highway Planning and Construction   \$ 669,015     Total Highway Planning and Construction   \$ 669,015     Section 5307 Capital Grant # IL-2021-018-00   \$ 96,926     CMAQ Grant - Commuter Initiative   20.205   CMAQ-5456(616)   \$ 482,461     Total Pass-Through Programs   \$ 669,015     Total Highway Planning and Construction   \$ 669,015     Total Highway Planning and Construction   \$ 669,015     Total Highway Planning and Construction   \$ 669,015     Total Pass-Through Programs   \$ 669,015     Total Pass-Through Programs   \$ 669,015     Total Pass-Through Programs   \$ 669,015	US DEPARTMENT OF TRANSPORTATION				
Section 5307 Capital Grant # IL-90-X733   20.507   193,319	FEDERAL TRANSIT FORMULA GRANTS:				
Section 5307 Capital Grant # IL-2018-014-00         20.507         193,319           Section 5307 Capital Grant # IL-2020-042-00         20.507         1,078,244           Section 5307 Capital Grant # IL-2021-018-00         20.507         29,845           Total Direct Programs         \$ 1,340,605           COVID-19 Federal Transit Formula Grants           Direct Programs:           Section 5307 Capital Grant # IL-2020-035-00         20.507         \$ 5,661,480           Total Federal Transit Formula Grants           Total Federal Transit Cluster         \$ 7,002,085           HIGHWAY PLANNING AND CONSTRUCTION:           Pass-Through Programs From:           Illinois Department of Transportation:         \$ 96,926           CMAQ Grant - Commuter Initiative         20.205         CMM-5011(426)         \$ 96,926           CMAQ Grant - Commuter Initiative         20.205         I8-1003-5451         89,628           Missouri Department of Highways and Transportation:           Rideshare         20.205         CMAQ-5456(616)         \$ 482,461           Total Pass-Through Programs         \$ 669,015	Direct Programs:				
Section 5307 Capital Grant # IL-2020-042-00         20.507         1,078,244           Section 5307 Capital Grant # IL-2021-018-00         20.507         29,845           Total Direct Programs         \$ 1,340,605           COVID-19 Federal Transit Formula Grants           Direct Programs:           Section 5307 Capital Grant # IL-2020-035-00         20.507         \$ 5,661,480           Total Federal Transit Formula Grants         \$ 7,002,085           Total Federal Transit Cluster         \$ 7,002,085           HIGHWAY PLANNING AND CONSTRUCTION:           Pass-Through Programs From:           Illinois Department of Transportation:         S 96,926           CMAQ Grant - Commuter Initiative         20.205         CMM-5011(426)         \$ 96,926           CMAQ Grant - Commuter Initiative         20.205         I8-1003-5451         89,628           Missouri Department of Highways and Transportation:           Rideshare         20.205         CMAQ-5456(616)         \$ 482,461           Total Pass-Through Programs         \$ 669,015           Total Highway Planning and Construction         \$ 669,015	Section 5307 Capital Grant # IL-90-X733	20.507		\$	39,197
Section 5307 Capital Grant # IL-2021-018-00         20.507         29,845           Total Direct Programs         \$ 1,340,605           COVID-19 Federal Transit Formula Grants         Section 5307 Capital Grant # IL-2020-035-00         20.507         \$ 5,661,480           Total Federal Transit Formula Grants         \$ 7,002,085           Total Federal Transit Cluster         \$ 7,002,085           HIGHWAY PLANNING AND CONSTRUCTION:         \$ 7,002,085           Pass-Through Programs From:         Illinois Department of Transportation:         \$ 96,926           Rideshare         20.205         CMM-5011(426)         \$ 96,926           CMAQ Grant - Commuter Initiative         20.205         18-1003-5451         89,628           Missouri Department of Highways and Transportation:         Rideshare         20.205         CMAQ-5456(616)         \$ 482,461           Total Pass-Through Programs         \$ 669,015	Section 5307 Capital Grant # IL-2018-014-00	20.507			193,319
Total Direct Programs   \$ 1,340,605	Section 5307 Capital Grant # IL-2020-042-00	20.507			1,078,244
COVID-19 Federal Transit Formula Grants Direct Programs: Section 5307 Capital Grant # IL-2020-035-00 20.507 \$ 5.661,480  Total Federal Transit Formula Grants \$ 7,002,085  Total Federal Transit Cluster \$ 7,002,085  HIGHWAY PLANNING AND CONSTRUCTION:  Pass-Through Programs From: Illinois Department of Transportation: Rideshare 20.205 CMM-5011(426) \$ 96,926 CMAQ Grant - Commuter Initiative 20.205 18-1003-5451 89,628  Missouri Department of Highways and Transportation: Rideshare 20.205 CMAQ-5456(616) \$ 482,461  Total Pass-Through Programs \$ 669,015	Section 5307 Capital Grant # IL-2021-018-00	20.507			29,845
Direct Programs:         Section 5307 Capital Grant # IL-2020-035-00         20.507         \$ 5,661,480           Total Federal Transit Formula Grants         \$ 7,002,085           Total Federal Transit Cluster         \$ 7,002,085           HIGHWAY PLANNING AND CONSTRUCTION:         \$ 7,002,085           Pass-Through Programs From:           Illinois Department of Transportation:         \$ 96,926           CMAQ Grant - Commuter Initiative         20.205         CMM-5011(426)         \$ 96,926           CMAQ Grant - Commuter Initiative         20.205         18-1003-5451         89,628           Missouri Department of Highways and Transportation:         Rideshare         20.205         CMAQ-5456(616)         \$ 482,461           Total Pass-Through Programs         \$ 669,015           Total Highway Planning and Construction         \$ 669,015	Total Direct Programs			\$	1,340,605
Section 5307 Capital Grant # IL-2020-035-00         20.507         \$ 5,661,480           Total Federal Transit Formula Grants         \$ 7,002,085           Total Federal Transit Cluster         \$ 7,002,085           HIGHWAY PLANNING AND CONSTRUCTION:         \$ 7,002,085           Pass-Through Programs From:           Illinois Department of Transportation:         \$ 96,926           CMAQ Grant - Commuter Initiative         20.205         CMM-5011(426)         \$ 96,926           CMAQ Grant - Commuter Initiative         20.205         18-1003-5451         89,628           Missouri Department of Highways and Transportation:         Rideshare         20.205         CMAQ-5456(616)         \$ 482,461           Total Pass-Through Programs         \$ 669,015           Total Highway Planning and Construction         \$ 669,015	COVID-19 Federal Transit Formula Grants				
Total Federal Transit Formula Grants  Total Federal Transit Cluster  Fass-Through Programs From: Illinois Department of Transportation: Rideshare CMAQ Grant - Commuter Initiative  Missouri Department of Highways and Transportation: Rideshare 20.205 CMAQ-5456(616)  Missouri Department of Highways and Transportation: Rideshare 20.205 CMAQ-5456(616)  Total Pass-Through Programs  \$ 669,015  Total Highway Planning and Construction  \$ 669,015	Direct Programs:				
Total Federal Transit Cluster         \$ 7,002,085           HIGHWAY PLANNING AND CONSTRUCTION:           Pass-Through Programs From:           Illinois Department of Transportation:           Rideshare         20.205         CMM-5011(426)         \$ 96,926           CMAQ Grant - Commuter Initiative         20.205         18-1003-5451         89,628           Missouri Department of Highways and Transportation:         Transportation:         \$ 482,461           Total Pass-Through Programs         \$ 669,015           Total Highway Planning and Construction         \$ 669,015	Section 5307 Capital Grant # IL-2020-035-00	20.507			5,661,480
HIGHWAY PLANNING AND CONSTRUCTION:  Pass-Through Programs From: Illinois Department of Transportation: Rideshare 20.205 CMM-5011(426) \$ 96,926 CMAQ Grant - Commuter Initiative 20.205 18-1003-5451 89,628  Missouri Department of Highways and Transportation: Rideshare 20.205 CMAQ-5456(616) \$ 482,461 Total Pass-Through Programs \$ 669,015	Total Federal Transit Formula Grants			\$	7,002,085
Pass-Through Programs From:  Illinois Department of Transportation:  Rideshare 20.205 CMM-5011(426) \$ 96,926  CMAQ Grant - Commuter Initiative 20.205 18-1003-5451 89,628  Missouri Department of Highways and  Transportation:  Rideshare 20.205 CMAQ-5456(616) \$ 482,461  Total Pass-Through Programs \$ 669,015	Total Federal Transit Cluster			\$	7,002,085
Illinois Department of Transportation:   Rideshare   20.205   CMM-5011(426)   \$ 96,926     CMAQ Grant - Commuter Initiative   20.205   18-1003-5451   89,628     Missouri Department of Highways and   Transportation:   Rideshare   20.205   CMAQ-5456(616)   \$ 482,461     Total Pass-Through Programs   \$ 669,015     Total Highway Planning and Construction   \$ 669,015	HIGHWAY PLANNING AND CONSTRUCTION:				
Rideshare       20.205       CMM-5011(426)       \$ 96,926         CMAQ Grant - Commuter Initiative       20.205       18-1003-5451       89,628         Missouri Department of Highways and Transportation:       20.205       CMAQ-5456(616)       \$ 482,461         Total Pass-Through Programs       \$ 669,015         Total Highway Planning and Construction       \$ 669,015	Pass-Through Programs From:				
Rideshare       20.205       CMM-5011(426)       \$ 96,926         CMAQ Grant - Commuter Initiative       20.205       18-1003-5451       89,628         Missouri Department of Highways and Transportation:       20.205       CMAQ-5456(616)       \$ 482,461         Total Pass-Through Programs       \$ 669,015         Total Highway Planning and Construction       \$ 669,015	Illinois Department of Transportation:				
CMAQ Grant - Commuter Initiative 20.205 18-1003-5451 89,628  Missouri Department of Highways and Transportation: Rideshare 20.205 CMAQ-5456(616) \$ 482,461  Total Pass-Through Programs \$ 669,015  Total Highway Planning and Construction \$ 669,015		20.205	CMM-5011(426)	\$	96,926
Missouri Department of Highways and Transportation: Rideshare 20.205 CMAQ-5456(616) \$ 482,461  Total Pass-Through Programs \$ 669,015  Total Highway Planning and Construction \$ 669,015	CMAQ Grant - Commuter Initiative	20.205			· ·
Transportation: Rideshare 20.205 CMAQ-5456(616) \$ 482,461  Total Pass-Through Programs \$ 669,015  Total Highway Planning and Construction \$ 669,015	Committee and the committee an	20.200	10 1000 0 101		0,000
Transportation: Rideshare 20.205 CMAQ-5456(616) \$ 482,461  Total Pass-Through Programs \$ 669,015  Total Highway Planning and Construction \$ 669,015	Missouri Department of Highways and				
Rideshare 20.205 CMAQ-5456(616) \$ 482,461  Total Pass-Through Programs \$ 669,015  Total Highway Planning and Construction \$ 669,015	Transportation:				
Total Pass-Through Programs \$ 669,015  Total Highway Planning and Construction \$ 669,015		20.205	CMAO-5456(616)	\$	482,461
Total Highway Planning and Construction \$ 669,015			` ` '		
	Total Pass-Through Programs			\$	669,015
Total Expenditures of Federal Awards \$ 7,671,100	Total Highway Planning and Construction			\$	669,015
	Total Expenditures of Federal Awards			\$	7,671,100

## MADISON COUNTY MASS TRANSIT DISTRICT NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS JUNE 30, 2021

#### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### **Basis of Presentation**

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of the District under programs of the federal government for the year ended June 30, 2021. 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). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the District.

#### **Basis of Accounting**

Expenditures reported on the Schedule are reported on the accrual basis of accounting.

Federal awards passed through other governmental agencies are included on the Schedule.

#### NOTE 2. NON CASH AWARDS

None

#### NOTE 3. AMOUNT OF FEDERAL INSURANCE IN EFFECT DURING THE YEAR

None

#### NOTE 4. LOAN OR LOAN GUARANTEES OUTSTANDING AT YEAR END

None

#### NOTE 5. SUBRECIPIENTS

None

#### NOTE 6. INDIRECT COST RATE

Madison County Mass Transit District has not elected to use the 10% de minimis indirect cost rate.

#### MADISON COUNTY MASS TRANSIT DISTRICT SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2021

#### Summary of Audit Results

- 1. The auditor's report expresses an unmodified opinion on whether the financial statements of Madison County Mass Transit District were prepared in accordance with GAAP.
- 2. No significant deficiencies relating to the audit of the financial statements are reported in the 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.
- 3. No instances of noncompliance material to the financial statements of Madison County Mass Transit District were disclosed during the audit.
- 4. No significant deficiencies relating to the audit of the major federal award programs are reported in the Independent Auditor's Report on Compliance For Each Major Program and on Internal Control Over Compliance Required By The Uniform Guidance.
- The auditor's report on compliance for the major federal award programs for Madison County Mass Transit District expresses an unmodified opinion on all major programs.
- 6. There are no findings relative to major federal award programs for Madison County Mass Transit District.
- 7. The programs tested as major programs were:

<u>CFDA Numbers</u> <u>Federal Program Name or Cluster</u> 20.507 & 20.526 <u>Federal Transit Formula Grants Cluster</u>

- 8. The threshold for distinguishing Type A and B programs was \$750,000.
- 9. Madison County Mass Transit District was determined to be a low-risk auditee.

Findings - Financial Statement Audit

None

Findings and Questioned Costs - Major Federal Award Programs Audit

None