

LEWISTON-AUBURN TRANSIT COMMITTEE

Financial Report

**For the Years Ended
September 30, 2013 and 2012**

LEWISTON-AUBURN TRANSIT COMMITTEE
Financial Report
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Independent Auditor's Report

Board of Directors
Lewiston-Auburn Transit Committee

Report on Financial Statements

We have audited the accompanying financial statements of the Lewiston-Auburn Transit Committee as of and for the years then ended September 30, 2013 and 2012, and the related notes to the financial statements, which collectively comprise the Lewiston-Auburn Transit Committee's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audits. We conducted our audits 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 of 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 controls. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Lewiston-Auburn Transit Committee as of September 30, 2013 and 2012, and the respective changes in financial position and cash flows thereof for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We 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 audits were conducted for the purpose of forming opinions on the financial statements that collectively comprise the Lewiston-Auburn Transit Committee's basic financial statements. The Schedule of Budget to Actual is presented for the purpose of additional analysis and is not a required part of the basic financial statements.

The Schedule of Budget to Actual 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 financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Board of Directors

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Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated April 7, 2014 on our consideration of the Lewiston-Auburn Transit Committee's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Lewiston-Auburn Transit Committee's internal control over financial reporting and compliance.

A handwritten signature in cursive script, reading "Ramona Weston Ouellette".

April 7, 2014

South Portland, Maine

LEWISTON-AUBURN TRANSIT COMMITTEE
Management's Discussion and Analysis
Fiscal Year Ended 2013

The Lewiston-Auburn Transit Committee (LATC) was formed under an inter-local agreement between the Cities of Lewiston and Auburn in order to provide mass transit services ("citylink") for and between the two cities. The committee receives funding from federal, state, and municipal sources. Staffing and administrative services are provided by the Androscoggin Valley Council of Governments under a Contract for Services.

This Management's Discussion and Analysis (MD&A) serves as an introduction to the audited financial statements and notes. The MD&A is LATC Management's analysis of its financial condition and performance. It is presented to give the reader more insight on LATC's finances.

The LATC's basic financial statements include the following:

- Statements of Net Position
- Statements of Revenues, Expenses, and Changes in Net Position
- Statements of Cash Flows
- Notes to the Financial Statements

Financial Highlights

LATC's net position of \$1,503,246 showed a decrease of \$165,419 from 2012 as a result of depreciation.

Net investment in capital assets decreased by \$217,768 as a result of depreciation.

Unrestricted net position increased by \$52,349 as a result of an operating surplus.

Cash and equivalents decreased by \$18,860 as a result of an increase in time to collect on outstanding receivables.

Grants and accounts receivable increased by \$86,935 as a result of a delay in the approval of Federal Grant funds.

Buses and other equipment increased by \$3,016 as a result of a computer purchase.

Accounts payable increased by \$15,726 due to delays in grant funding necessary to pay such expenses.

Grant revenues increased by approximately \$4,938 as a result of an increase in the cost of operating the bus system during year. Fixed route ADA expenses increased by \$72,839 during the year.

Municipal contributions increased by \$55,434 as a result of an increase in Saturday service.

Fixed route fare box revenues increased by \$14,268 as a result of an increase in ridership.

Fuel expenses increased by \$8,022 as a result of additional fuel usage related to additional services provided.

Expenses associated with the operation of the Lewiston Bus Station decreased by \$1,577 as a result of a decrease in maintenance and supplies.

Administrative expenses decreased by \$3,201 as a result of a decrease in advertising and marketing as well as a decrease in audit fees.

Total non-operating revenues increased by \$141,746 because of a loss on the disposition of three buses in 2012.

The change in net position (net income) showed a loss of \$165,419 as compared to a loss of \$393,468 in fiscal year 2012. Last year's loss was a result of depreciation and the loss on the disposition of three buses. This year's loss was the result of depreciation.

LEWISTON-AUBURN TRANSIT COMMITTEE
Management's Discussion and Analysis, Continued

Comparison of Financial Statements for Current and Prior Years

Condensed Statement of Net Position (000 omitted)

	<u>2013</u>	<u>2012</u>	<u>Change</u>
Current Assets	827	759	68
Net Capital Assets	<u>1,337</u>	<u>1,555</u>	<u>(218)</u>
Total Assets	2,164	2,314	(150)
Current Liabilities	<u>661</u>	<u>645</u>	<u>16</u>
Total Liabilities	661	645	16
Net Investment in Capital Assets	1,337	1,555	(218)
Unrestricted Net Position	<u>166</u>	<u>114</u>	<u>52</u>
Total Net Position	\$ 1,503	1,669	(166)

The increase in current assets is a result of an increase in grants and accounts receivable. This is caused by a delay in the approval and processing of Federal grants.

The increase in current liabilities is a result of an increase in accounts payable. This is due to the delays in federal grant funds which are used to pay operational expenses.

Net capital assets and net investment in capital assets decreased because of depreciation.

Unrestricted net position increased as a result of an operating surplus.

Condensed Statement of Revenues, Expenses, and Changes in Net Position (000 omitted)

	<u>2013</u>	<u>2012</u>	<u>Change</u>
Grant revenues	\$ 838	833	5
Municipal contributions	471	415	56
Farebox revenues	229	212	17
Other	<u>52</u>	<u>30</u>	<u>22</u>
Total Revenues	1,590	1,490	100
Fixed route/ADA	1,289	1,217	72
Fuel	199	191	8
Lewiston Bus Station	26	27	(1)
Administration & misc.	<u>22</u>	<u>25</u>	<u>(3)</u>
Total Expenses	1,536	1,460	76
Depreciation	(221)	(283)	62
Non-operating revenues (expenses)	<u>1</u>	<u>(140)</u>	<u>141</u>
Change in Net Position	(166)	(393)	227
Beginning Net Position	<u>1,669</u>	<u>2,062</u>	<u>(393)</u>
Ending Net Position	\$1,503	1,669	(166)

LEWISTON-AUBURN TRANSIT COMMITTEE
Management's Discussion and Analysis, Continued

The LATC receives grant funding from the Federal Transit Administration and the Maine Department of Transportation to support the operation of its "citylink" bus service in Lewiston and Auburn. Federal funding is based on a formula which provides 50% of the operating deficit (operating expenses less fare box revenues) and 80% of the capital and maintenance costs.

The fixed route and ADA service is provided through a three year Maintenance and Operation Contract with Western Maine Transportation Services, Inc. (WMTS). The LATC owns the bus fleet and WMTS provides all of the operating and maintenance functions. In 2013, the LATC requested proposals for the operation and maintenance of the bus service. Western Maine Transportation Services, Inc. was awarded a new contract which expires on September 30, 2016.

The fixed route/ADA expenses and associated Grant revenues increased in 2013 as a result of an increase in Saturday service and budgeted cost increases in the contract with WMTS.

Municipal contributions were increased by \$56,000 in order to help fund the increase in Saturday service.

Farebox revenues increased by \$17,000 as a result of an increase in Saturday ridership.

Other revenues increased by \$22,000 as a result of increased advertising on the buses.

Fuel expenses increased by \$8,000 because of an increase in fuel usage as a result of more Saturday service. Fuel is purchased from the City of Lewiston.

Expenses associated with the Lewiston Bus Station showed little change from 2012.

Administrative and miscellaneous expenses decreased by \$3,000 as a result of a decrease in marketing expenses and supplies.

Depreciation expense decreased because three buses were disposed of in 2012.

Non-operating revenues increased because a loss on disposed buses was realized in 2012.

Overall Financial Position

As with most public transit systems, the LATC is highly dependent on governmental sources of funding to operate the "citylink" bus service. Federal, State, and Municipal funds provided 82% of the LATC's operating revenues in 2013. The remaining 18% is provided by Fare Box, advertising, and miscellaneous revenues. Governmental revenues include approximately 50% from Federal grants, 3% from State funds, and 29% from Municipal and other sources. Because of pressures on property taxes and municipal budgets, continued municipal funding is perhaps the most vulnerable revenue source. However, to date the City Councils of both Lewiston and Auburn have demonstrated continued support for the "citylink" bus system.

The LATC's Unrestricted Net Position increased by approximately \$52,000 in 2013 as a result of an operating surplus. The surplus was a result of fare box and advertising revenues in excess of projections and fuel expenses lower than anticipated.

The maintenance and operation contract with Western Maine Transportation Services provides the LATC with some assurance that operating expenses will be identifiable and controllable over the next several years. However, the contract with Western Maine Transportation Services does not include fuel costs. Because LATC pays for fuel directly, it is responsible for any increase in fuel costs. By the same token, the LATC will benefit from any decreases in fuel costs.

LEWISTON-AUBURN TRANSIT COMMITTEE
Management's Discussion and Analysis, Continued

Fare box revenues have increased because of an increase in ridership. Higher fare box revenues equate to a reduction in the need for governmental subsidies.

Fund Analysis

The LATC's net position is comprised of Net investment in capital assets and unrestricted net position. The LATC currently has no long-term debt as all capital assets have been funded with Federal, State, and Municipal grants. Thus, Net Investment in Capital Assets equals Net Capital Assets.

Although it does not necessarily relate to cash, the unrestricted net position of \$166,015 provides the ability to change or increase "citylink" service in the middle of a fiscal year and helps to cover rising fuel costs without having to request additional local funding from the cities. This occurred in 2012 when fuel costs were budgeted at \$146,000 and actual fuel costs were \$191,000. In addition, this can help to reduce funding increases from the cities (this occurred in FY 2010 and FY 2011). Any erosion of the unrestricted net position will make it difficult to cover deficits in future years. In addition, it is expected that some of the unrestricted net position will provide a portion of the local match required for the construction of a planned new bus station in Auburn. A portion of the unrestricted net position is a result of the sale of the former Main Street, Lewiston bus station.

Operating Budget Variances (000 omitted)

	Budget	Actual	Variance
Grant revenues	\$ 863	838	(25)
Municipal contributions	471	471	-
Fare box revenues	210	229	19
Other	<u>26</u>	<u>52</u>	<u>26</u>
Total Revenues	1,570	1,590	20
Fixed route/ADA	1,289	1,289	-
Fuel	218	199	(19)
Bus station expenses	34	26	(8)
Administration & Misc.	<u>25</u>	<u>22</u>	<u>(3)</u>
Total Operating Expenses	1,566	1,536	(30)
Net budgeted revenue (expense)	\$ 4	54	50

Grant revenues were lower than budgeted because fare box and other revenues exceeded budget, and fuel expenses were lower than budgeted.

Fare box revenues were higher than budgeted because of an increase in Saturday ridership.

Advertising revenues were \$26,000 higher than budgeted because of the overall improvement in the economy and more businesses advertising on the buses.

Other revenue is derived primarily from advertising on the buses and rent received from Greyhound Bus Lines.

Fuel expense was lower than budgeted because the cost per gallon was lower than expected.

Bus station expenses were lower than budgeted because of a savings in utility expenses and repairs.

Administrative and miscellaneous expenses were lower than budgeted because of a decrease in marketing expenses.

LEWISTON-AUBURN TRANSIT COMMITTEE
Management's Discussion and Analysis, Continued

Capital Asset and Long Term Debt Activity

In 2012, three buses were removed from the LATC fleet. The Maine Department of Transportation requested that three Goshen buses, acquired in 2008-09 be transferred to the Sugarloaf Explorer fleet. These buses became expendable because of the acquisition of three Gillig buses in 2011. The depreciated value of the local match expended on the purchase of the Goshens has been reimbursed to the cities of Lewiston and Auburn by Sugarloaf USA. The depreciated value of the Federal dollars expended on the Goshens was shown in the financial statements in 2012. This transaction had no effect on the LATC's cash balance or unrestricted net position.

In 2013, the LATC acquired no major capital assets.

The LATC currently has no long-term debt.

Other Significant Events

The LATC has received the approval for a \$247,500 Federal grant to fund the construction of a new bus station in Auburn. The recently completed Fixed Route Study recommends that the Auburn bus station be located on Spring Street, near Hannaford's supermarket. The committee is currently discussing the details of the bus station with City of Auburn and Hannaford staff. On November 19, 2012, the Auburn City Council approved the expenditure of up to \$250,000 to match the Federal grant. This will allow the LATC to build a larger facility. It is anticipated that the facility will be constructed in calendar year 2014.

Contacting the LATC's Financial Management

This financial report is designed to provide the readers with a general overview of the LATC's finances and to show the LATC's accountability for the money it receives. If you have any questions about this report or need additional information, contact Greg Whitney at 207-783-9186 or at Gwhitney@avcog.org.

LEWISTON-AUBURN TRANSIT COMMITTEE

**Statements of Net Position
September 30, 2013 and 2012**

	2013	2012
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 65,777	84,708
Cash held by AVCOG	35,954	35,883
Grants and accounts receivable	725,730	638,795
Total current assets	827,461	759,386
Capital assets:		
Buses and other equipment	2,717,418	2,714,402
Building	391,074	391,074
	3,108,492	3,105,476
Less accumulated depreciation	1,771,261	1,550,477
Net capital assets	1,337,231	1,554,999
Total assets	2,164,692	2,314,385
LIABILITIES		
Accounts payable	661,446	645,720
Total liabilities	661,446	645,720
NET POSITION		
Net investment in capital assets	1,337,231	1,554,999
Unrestricted	166,015	113,666
Total net position	\$ 1,503,246	1,668,665

See accompanying notes to financial statements.

LEWISTON-AUBURN TRANSIT COMMITTEE
Statements of Revenues, Expenses and Changes in Net Position
Years ended September 30, 2013 and 2012

	2013	2012
Operating revenues:		
Grants	\$ 837,974	833,036
Municipal contributions	470,992	415,558
Farebox:		
Fixed Route Farebox	196,603	182,335
ADA Farebox	31,872	29,418
Advertising	37,912	15,121
Miscellaneous	13,779	14,032
Total operating revenues	1,589,132	1,489,500
Operating expenses before depreciation:		
Fixed Route/ADA	1,289,300	1,216,461
Fuel	199,148	191,126
Bus Station	25,833	27,410
Administration	21,727	24,928
Total operating expenses before depreciation	1,536,008	1,459,925
Operating income before depreciation	53,124	29,575
Less depreciation	(220,784)	(283,684)
Operating loss after depreciation	(167,660)	(254,109)
Nonoperating revenues (expenses):		
Interest income	627	773
Loss on sale of assets	-	(187,337)
Capital expenses	(12,297)	-
Capital grants	13,911	47,205
Total nonoperating revenues (expenses)	2,241	(139,359)
Change in net position	(165,419)	(393,468)
Net position, beginning of year	1,668,665	2,062,133
Net position, end of year	\$ 1,503,246	1,668,665

See accompanying notes to financial statements.

LEWISTON-AUBURN TRANSIT COMMITTEE

Statements of Cash Flows

Years ended September 30, 2013 and 2012

	2013	2012
Cash flows from operating activities:		
Receipts from customers and other governments	\$ 1,450,435	1,494,936
Payments to suppliers	(1,520,282)	(1,540,868)
Receipts advertising and outside rental	51,691	29,153
Net cash used in operating activities	(18,156)	(16,779)
Cash flow from capital and related financing activities:		
Capital contributions	13,911	47,205
Capital expenses	(15,313)	(56,846)
Net cash used in financing activities	(1,402)	(9,641)
Cash flows from investment activities:		
Interest income	627	773
Net cash provided by investing activities	627	773
Net decrease in cash and equivalents	(18,931)	(25,647)
Cash, beginning of year	84,708	110,355
Cash, end of year	\$ 65,777	84,708
Reconciliation of operating loss to net cash used in operating activities:		
Operating loss	\$ (167,660)	(254,109)
Adjustments to reconcile operating loss to net cash used in operating activities:		
Depreciation	220,784	283,684
Change in operating assets and liabilities:		
(Increase) decrease in grants and accounts receivable	(86,935)	(15,324)
(Increase) decrease in cash held by AVCOG	(71)	49,913
Increase (decrease) in accounts payable	15,726	(80,943)
Net cash used in operating activities	\$ (18,156)	(16,779)

See accompanying notes to financial statements.

LEWISTON-AUBURN TRANSIT COMMITTEE
Notes to Financial Statements

NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization - The Lewiston-Auburn Transit Committee (LATC) is a governmental entity created through an inter-local agreement between the Cities of Auburn and Lewiston pursuant to Chapter 203 of Title 30 of the Maine State Statutes. Revenues are generated from federal and state funding as well as support, as needed, from the Cities of Auburn and Lewiston.

The Committee was created to establish, maintain and implement a short and long-range bus transit development program, and to apply for, receive and administer federal and state grants-in-aid for mass transit on behalf of the Cities of Lewiston and Auburn to provide adequate and efficient mass transit for the Lewiston-Auburn area.

Measurement Focus, Basis of Accounting and Financial Statement Presentation - The Committee's financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all the eligibility requirements imposed by the provider have been met.

The Committee distinguishes operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the principal ongoing operations of the Committee. The principal operating revenues of the Committee are grants, municipal contributions, and advertising. Operating expenses include the cost of contractual services, fuel, bus station expenses and administrative expenses. Depreciation is also considered an operating expense, although it is not budgeted for by the Committee. All revenues and expenses not meeting this determination are reported as nonoperating revenues and expenses.

Economic Dependency - The Committee is economically dependent upon grants and contracts with the U.S. Department of Transportation, and subsidies from the Cities of Lewiston and Auburn.

Income Taxes - As an administrative agency of the Cities of Lewiston and Auburn, LATC is exempt from federal and state income tax.

Cash and Cash Equivalents - Cash and cash equivalents include amounts in demand deposit accounts (checking) and amounts held by Androscoggin Valley Council of Governments (AVCOG). For the purposes of the statements of cash flows, cash included the demand deposits, but does not include the cash held by AVCOG.

Grants and Accounts Receivable - Grants are received for operations and various capital acquisitions. Grants received prior to obligation or expenditure of funds are recorded as unearned revenue. Grants received after obligation or expenditure of funds are recorded as receivables, all of which are considered collectible, therefore, no allowance for doubtful accounts has been established.

LEWISTON-AUBURN TRANSIT COMMITTEE
Notes to Financial Statements, Continued

NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Capital Assets - Capital assets are recorded at cost. The provision for depreciation has been computed by the use of the straight-line method to amortize the cost of the assets over their estimated useful lives, ranging from 3 to 25 years.

Net Position - Net Position is presented in the following categories:

- *Net investment in capital assets* represents capital assets, net of long-term debt that relates to these assets.
- *Restricted for specific purpose* represents amounts whose use subject to an externally imposed restriction.
- *Unrestricted* represents the remaining balance of net position after the above net position categories have been determined.

Use of 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.

DEPOSITS

The Committee maintains its cash balances at one financial institution located in Auburn, Maine. At September 30, 2013 and 2012, the carrying amounts of the Committee's deposits were \$65,777 and \$84,708 respectively, and the related bank balances were \$67,193 and \$86,093, respectively. At September 30, 2013 and 2012, the Committee's cash balances were covered in their entirety by FDIC insurance.

Interest rate risk - In accordance with its informal investment policy, the maturity date of new investments shall not be further than the time that the Committee reasonably anticipates the funds will be needed. It invests primarily in certificates of deposit and money market accounts collateralized under a public unit deposit pledge agreement with the depository. Any other type of investment must be approved by the Board of Directors.

LEWISTON-AUBURN TRANSIT COMMITTEE
Notes to Financial Statements, Continued

CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2013 was as follows:

	Balance September 30, <u>2012</u>	<u>Increases</u>	<u>Decreases</u>	Balance September 30, <u>2013</u>
Capital assets, being depreciated:				
Buildings	\$ 391,074	-	-	391,074
Buses and other equipment	2,714,402	3,016	-	2,717,418
Total capital assets being depreciated	3,105,476	3,016	-	3,108,492
Less accumulated depreciation for:				
Buildings	171,801	19,555	-	191,356
Buses and other equipment	1,378,676	201,229	-	1,579,905
Total accumulated depreciation	1,550,477	220,784	-	1,771,261
Capital assets, net	\$ 1,554,999	(217,768)	-	1,337,231

GRANT REVENUES

Operating grant revenues recognized by LATC for the years ended September 30, 2013 and 2012 totaled \$837,974 and \$833,036, respectively, and are comprised of the following:

	<u>2013</u>	<u>2012</u>
Federal Fixed Route	\$ 672,143	669,215
Federal ITF/Administration	23,779	25,089
Federal ADA	91,622	90,706
State Fixed Route	50,430	48,026
Total	\$ 837,974	833,036

GRANTOR REVIEW

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

OPERATING LEASES

The Committee leases the land that houses the bus station in Lewiston, Maine under a lease that expires July, 2043. This lease is with the City of Lewiston and calls for a token lease payment of \$1 per year, with a 20 year renewal option.

The Committee collects revenue from the rental of the bus station facility to a private organization. The original rental agreement has expired and the organization is currently a tenant at will. The rental revenue for the years ended September 30, 2013 and 2012 was \$12,144 for each of the two years.

LEWISTON-AUBURN TRANSIT COMMITTEE
Notes to Financial Statements, Continued

MANAGEMENT AGREEMENT

LATC has an agreement with a corporation to provide professional management, staff and other office related costs. Fees are determined based upon estimated amounts and approved in the budget.

FIXED ROUTE AND ADA SERVICE AGREEMENT

The fixed route and ADA service is provided through a five-year maintenance and operations contract with Western Maine Transportation Services (WMTS). In 2008, WMTS was awarded a new contract which expired on September 30, 2013.

LEWISTON-AUBURN TRANSIT COMMITTEE

Schedule of Budget to Actual

Year ended September 30, 2013

	Budget	Actual	Variance positive (negative)
Operating revenues:			
Grants	\$ 862,759	837,974	(24,785)
Municipal contributions	471,096	470,992	(104)
Farebox :			
Fixed Route Farebox	183,000	196,603	13,603
ADA Farebox	27,000	31,872	4,872
Advertising	12,000	37,912	25,912
Interest	500	627	127
Miscellaneous	13,700	13,779	79
Total operating revenues	1,570,055	1,589,759	19,704
Operating expenses before depreciation:			
Fixed route/ADA contracts	1,289,300	1,289,300	-
Fuel	217,500	199,148	18,352
Lewiston Bus Station:			
Janitorial	7,500	7,315	185
Utilities	9,600	6,819	2,781
Insurance	600	629	(29)
Snow removal	7,500	5,075	2,425
Restroom rental	1,350	1,260	90
Repairs and maintenance	6,000	3,167	2,833
Supplies	2,000	1,508	492
Miscellaneous	-	60	(60)
Administration:			
AVCOG - planning and finance	13,000	13,050	(50)
Professional fees	6,850	6,100	750
Marketing	3,000	1,059	1,941
Meetings and conferences	2,000	1,518	482
Total operating expenses before depreciation	1,566,200	1,536,008	30,192
Net budgeted income	3,855	53,751	49,896
Unbudgeted revenue (expense):			
Depreciation	-	(220,784)	(220,784)
Capital expense	-	(12,297)	(12,297)
Capital grant revenues	-	13,911	13,911
Total unbudgeted revenue (expenses)	-	(219,170)	(219,170)
Change in net position	\$ 3,855	(165,419)	(169,274)