



Yuma County Intergovernmental Public Transportation Authority

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REVISED

NOTICE AND AGENDA OF THE REGULAR MEETING THE BOARD OF DIRECTORS OF THE YUMA COUNTY INTERGOVERNMENTAL PUBLIC TRANSPORTATION AUTHORITY

Pursuant to A.R.S. §38-431.02, notice is hereby given to the members of the Board of Directors of the Yuma County Intergovernmental Public Transportation Authority (“YCIPTA”) and to the general public that the Board of Directors will hold a meeting on:

MONDAY, February 28, 2022 – 1:30 PM
Yuma County Department of Development Services – Aldrich Hall
2351 West 26th Street -- Yuma, AZ, 85364

Unless otherwise noted, meetings held at the above location are open to the public.

The Board of Directors may vote to go into executive session during the noticed meeting concerning any of the agenda items mentioned below. If authorized by the requisite vote of the Directors, the executive session will be held immediately after the vote and will not be open to the public. The executive session, if held, will be at the same meeting location set forth above. The discussion may relate to confidential matters permitted pursuant to A.R.S. §§ 38-431.03(A)(1)-(7). The Chairman or other presiding officer shall instruct the persons present at the executive session regarding the confidentiality requirements of the Open Meeting Laws.

Pursuant to the Americans with Disabilities Act, reasonable accommodation requests may be made by contacting the Transit Director at 928-539-7076, ext 101 (TTY/TDD - Arizona Relay Service 711). Requests should be made as early as possible to allow time to arrange the accommodation.

The agenda for the meeting is as follows:

CALL TO ORDER

PLEDGE OF ALLEGIANCE

CALL TO PUBLIC: The public is invited to speak on any item or any area of concern that is within the jurisdiction of the YCIPTA Board of Directors. The Board is prohibited by the Arizona Open Meeting Law from discussing, considering or acting on items raised during the call to the public, but may direct the staff to place an item on a future agenda. Individuals are limited to a five-minute presentation.

Yuma County Intergovernmental Public Transportation Authority Board Of Directors
Jerry Cabrera - Chairman - City of Somerton, Ralph Velez – Vice Chairman - City of San Luis,
Jay Simonton Sec/Treas– City of Yuma, Richard Marsh – Town of Wellton,
Brian Golding, Sr.-Quechan Tribe, Eric Holland – Cocopah Tribe, Susan Thorpe – Yuma County,
Susan M. Zambrano - Arizona Western College, Dr. Michael Sabath - Northern Arizona University

Shelly Kreger, Transit Director

CONSENT CALENDAR: The following items listed under the Consent Calendar will be considered as a group and acted upon by one motion with no separate discussion, unless a board member so requests. In that event, the item will be removed for separate discussion and action.

1. Adopt the January 31, 2022 regular session minutes. Action required. Pg.4

DISCUSSION & ACTION ITEMS:

1. Welcome new YCIPTA Board Member Eric Holland, Planning Director, Cocopah Indian Tribe. No action required.
2. Discussion and or action regarding term renewal for Brian Goulding, Sr. Action required. Pg. 11
3. Discussion and or action regarding the appointment of members to the By-Laws Subcommittee. Action required. Pg. 23
4. Discussion and or action regarding the FY2020 Single Audit and Annual Comprehensive Financial Report (ACFR). Heinfeld & Meech will be presenting. Action required. Pg. 24
5. Discussion and or action regarding YCIPTA Shelter and Bus Stop permit status report. No action required.
6. Discussion and or Action regarding the timeline for new Operations and Maintenance Facility. No action required. NO UPDATES

PROGRESS REPORTS:

1. Operations Manager Report/Maintenance Update– Oliver Cromwell, General Manager – RATP Dev. *No action required.* Pg. 129
2. Transit Director Report – Shelly Kreger, YCIPTA Transit Director. *No action is required.* Pg. 134
3. Transit Ridership – Carol Perez, Transit Operations Manager. *No action is required.* Pg. 144
4. Financial Report – Chona Medel, YCIPTA Financial Services Operations Manager. *No action is required.* Pg. 146

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Susan M. Zambrano - Arizona Western College, Dr. Michael Sabath - Northern Arizona University

Shelly Kreger, Transit Director

Upon vote of the Directors, the Chairman recesses the Regular Session and convenes Executive Session.

EXECUTIVE SESSION:

1. Discussion regarding Financial Sustainability.
This matter is brought in executive session pursuant to A.R.S. § 38-431.03(A)(3) & (4).
2. Discussion regarding Transit Directors Annual Performance Review and related matters pursuant to A.R.S. § 38-431.03(A)(1)

Chairman adjourns Executive Session and reconvenes Regular Session.

7. Discussion and or action regarding Financial Sustainability. Action may be required.
8. Discussion and or action regarding Transit Directors Annual Performance Review. Action may be required.

SCHEDULE NEXT MEETING DATE AND IDENTIFY AGENDA ITEMS:

March 28th, 2022

ADJOURNMENT

Yuma County Intergovernmental Public Transportation Authority Board Of Directors
Jerry Cabrera - Chairman - City of Somerton, Ralph Velez – Vice Chairman - City of San Luis,
Jay Simonton Sec/Treas– City of Yuma, Richard Marsh – Town of Wellton,
Brian Golding, Sr.-Quechan Tribe, Eric Holland – Cocopah Tribe, Susan Thorpe – Yuma County,
Susan M. Zambrano - Arizona Western College, Dr. Michael Sabath - Northern Arizona University

Shelly Kreger, Transit Director

The Yuma County Intergovernmental Public Transportation Authority (YCIPTA) met in Regular Board Meeting session on Monday, January 31, 2022 at Yuma County Department of Development Services, Aldrich Hall; 2351 West 26th Street, Yuma, AZ 85364. The Chair, Dr. Michael Sabath called the meeting to order at 1:30 P.M.

Members Present:

Jerry Cabrera/City of Somerton/Chair
Ralph Velez/City of San Luis/Vice Chair
Jay Simonton/City of Yuma/Secretary/Treasurer
Susan Thorpe/Yuma County
Susanna M. Zambrano/Arizona Western College
Richard Marsh/Town of Wellton
Brian Golding, Sr./Quechan Tribe
Dr. Michael Sabath/Northern Arizona University

Members Absent:

Fernando Mezquita/Cocopah Tribe

Others Present:

Shelly Kreger/YCIPTA/Transit Director
Carol Perez/YCIPTA/Transit Operations Manager
Chona Medel/YCIPTA/Financial Services Operations Manager
Anabel Teran/RATP Dev/Operations Manager
Gilberto Villegas/Yuma County/Chief Financial officer

The Pledge of Allegiance was led by Mr. Velez.

CALL TO PUBLIC:

No comments were made. No action required; no action taken.

CONSENT CALENDAR:

No. 1: Adopt the December 13, 2021 regular session minutes. Action required.

Motion (Cabrera/Simonton): To approve item as presented.

Voice Vote: Motion Carries, (7-0) with Mr. Marsh abstaining and Mr. Mezquita being excused.

DISCUSSION & ACTION ITEMS:

No. 1: Welcome new YCIPTA Board Member Richard Marsh, Town of Welton. No action required.

The Board welcomed Mr. Marsh. No action taken.

No. 2: Discussion and or action regarding the Election of Chairperson, Vice- Chairperson and Secretary/Treasurer. Action required

Dr. Sabath stated that the presiding Vice-Chairperson moves into the Chairperson position and the Secretary/Treasurer moves to the Vice-Chairperson position and then a new Secretary/Treasurer is elected.

Ms. Thorpe inquired if it was a practice and not part of the bylaws. Ms. Thorpe had inquired when the practice had started.

Ms. Kreger stated that the practice has been in place since she has been Transit Director.

Ms. Thorpe stated that she would like chair, vice chair and treasurer to be based on representation, population and/or dues and that the topic should be a future agenda item. Ms. Thorpe further stated that perhaps the topic could be discussed by financial sustainability committee and come back to the Board with a recommendation.

Mr. Simonton inquired if Ms. Thorpe wanted to table the item.

Ms. Thorpe stated that she wanted to discuss the topic for a future agenda.

Dr. Sabath stated that the board needed to elect a treasurer if Ms. Thorpe was not opposed to it and the composition of the executive committee could be brought up on a future agenda.

Mr. Velez inquired if there was a bylaws committee.

Ms. Kreger stated that the last time a change was made to the bylaws the Board instructed legal provide the verbiage; it was not done by a committee.

Ms. Zambrano wanted clarification as to whether Ms. Thorpe meant management of the board in the financial sense of presiding over the meetings.

Ms. Thorpe clarified and stated it was a combination of the two.

Ms. Zambrano stated that members should have equal access to the meetings.

Mr. Golding stated that he was not opposed to further discussion on the subject but wanted to note that YCIPTA does have a by laws committee but currently no members were noted on the website.

Ms. Thorpe inquired as to how many committees were listed.

Mr. Golding stated that there was a personnel committee, bylaws committee, financial review and the transit operations and planning subcommittee.

Ms. Thorpe stated that since personnel subcommittee has the Chair, she would definitely like to revisit how that position is made eligible.

Motion (Thorpe/Cabrera): To elect Mr. Simonton as Secretary and Treasurer.

Voice Vote: Motion Carries, (8-0) with Mr. Mezquita being excused.

Motion (Zambrano/Golding): To approve Mr. Cabrera as Chair, Mr. Velez as Vice Chair and Mr. Simonton as Sectary and Treasurer.

Voice Vote: Motion Carries, (8-0) with Mr. Mezquita being excused.

Dr. Sabath handed over the rest of the meeting to Mr. Jerry Cabrera; he chaired over the rest of the meeting.

No. 3: Discussion and or action to adopt Resolution 2022-001, authorizing the Transit Director to file for FTA funding for Fiscal Year 2022-2023. Action required.

Ms. Kreger presented the item as contained in the packet. Ms. Kreger stated that this a requirement by the Federal Transit Administration (FTA) to apply for grants.

Motion (Zambrano/Velez): To approve item as presented.

Voice Vote: Motion Carries, (8-0) with Mr. Mezquita being excused.

No. 4: Public Hearing on the submission of the FTA Section 5311 application to theArizona Department of Transportation and authorize the Transit Director to submit the application. Action Required.

Ms. Kreger presented the item as contained in the packet. Ms. Kreger stated that this a requirement by the Federal Transit Administration (FTA) to apply for grants similar to the previous item.

Motion (Golding/Sabath): To approve item as presented.

Voice Vote: Motion Carries, (8-0) with Mr. Mezquita being excused.

No. 5: Discussion and or action to approve the updated Financial and Grant Management Policies and Procedures. Action required.

Ms. Kreger stated that there was only one issue was how we allocated our time to each of the grants. Ms. Kreger stated that the item was on page 13 of the policy and included the redline document (page 40 of the packet).

Mr. Simonton inquired if the only change was the redlined document.

Ms. Kreger confirmed and stated that this was the procedure but needed to be documented.

Motion (Simonton/Velez): To approve item as presented.

Voice Vote: Motion Carries, (8-0) with Mr. Mezquita being excused.

No. 6: Discussion and or action to appoint a third Board member to the Personnel Subcommittee for Transit Directors Annual Review for 2021. Action required.

Ms. Kreger stated that a position was open to replace Mr. Killman. Ms. Kreger further stated that the committee consisted of the Chairman/Mr. Cabrera and Mr. Golding. Ms. Kreger requested a volunteer.

Ms. Zambrano volunteered.

Ms. Thorpe stated that members that are contributing the most should be appointed to the personnel committee.

Mr. Golding stated that the subcommittee only makes a recommendation and Board acts. Mr. Golding stated that he was not opposed to Ms. Thorpe's recommendation but stated that the fact is, that the full Board takes the action.

Ms. Thorpe stated that she did not think there was ever a time that the Board did not go with the recommendation.

Mr. Golding noted that it was the board choice not to; not because they did not have the opportunity to.

Ms. Kreger stated that review is usually done in December for that calendar year and since Dr. Sabath was the Chair felt that he should be on the committee as well.

Ms. Thorpe stated that perhaps it would make sense to change the date of the review.

Mr. Velez stated that since the review was late it made sense that Dr. Sabath be on the committee.

Motion (Zambrano/Velez): To appoint Ms. Zambrano and Dr. Sabath to the personnel subcommittee.

Voice Vote: Motion Carries, (8-0) with Mr. Mezquita being excused.

No. 7: Discussion and or action regarding the YCIPTA Shelter and Bus Stop Permit status report. No action required.

Ms. Kreger stated that the contractor did good job installing the shelter in front Yuma Regional Medical Center (YRMC) and now working on the stop in front of the food bank.

Ms. Zambrano inquired as to how it is determined that a stop will have a shelter.

Ms. Kreger stated that it was based on ridership. Ms. Kreger further stated that she would be working with Ms. Perez to determine placement of the future shelters. No action taken.

No. 8: Discussion and or Action regarding the timeline for new Operations and Maintenance Facility. No action required.

Ms. Kreger stated that there was no update. Ms. Kreger stated that there was a trailer on the property. Ms. Kreger stated that she requested the windows be boarded up and trailer towed. No action taken.

PROGRESS REPORTS:

No. 1: Operations Manager Report/Maintenance Update– Oliver Cromwell, General Manager – RATP Dev. No action required.

Ms. Teran stated that RATP Dev had a safety award dinner.

Awards were:

- Ms. Berenice Gomez – Driver of the Year
 - Ms. Teran wanted to present her to the Board but she is driving
- Jerome Sullivan – Supervisor of the Year
- Brandy Brookins – Manager of the Year

Ms. Teran also provided an update regarding concerns/complaints brought to the Board by Ms. Mendoza at the previous meeting.

- Lost ID – Ms. Teran stated that generally a free ride is provided for instances like this
- Lost Key – YCAT policy on lost and found items are held for 30 Days. Generally held for longer
- Backpack – PCA for another client grabbed all items and perhaps did not realize they had grabbed the backpack.

Ms. Teran stated it was difficult to follow up since it was so long ago and Ms. Mendoza did not have all the details.

Mr. Cabrera inquired about the status of the Gillig buses.

Ms. Kreger stated that several are off production already. Ms. Kreger further stated that a third-party inspector is going over the vehicles and getting inspection repairs completed.

Ms. Zambrano inquired regarding the “late to fist stop” and inquired as to the industry standard.

Ms. Teran stated that she can provide that information at the next meeting. No action taken.

No. 2: Transit Director Report – Shelly Kreger, YCIPTA Transit Director. No actionis required.

Ms. Kreger provided the report as contained in the member packet.

Ms. Zambrano inquired regarding the “other” category in the delays in the operations report.

Ms. Teran stated that she can provide that information at the next meeting.

Mr. Golding inquired as to what “decline lap belt” meant.

Ms. Perez stated that all vehicles are equipped with an extra security lap belt for wheelchair securement, passengers can decline the belt if they wish.

Mr. Golding inquired regarding the PM defects in the Maintenance report

Ms. Kreger stated that those defects are found during the regularly schedule Preventative Maintenance.

Mr. Golding inquired as to how we know they are being addressed.

Ms. Kreger stated that she was in the process of having a maintenance audit performed. Ms. Kreger further stated that she also reviews work orders in Solutions. No action taken.

No. 3: Transit Ridership – Carol Perez, Transit Operations Manager. No action is required.

Ms. Perez provided the report as contained in the member packet. Ms. Perez also provided 2019 pre-pandemic ridership numbers at around 37,000. No action taken.

No. 4: Financial Report – Chona Medel, YCIPTA Financial Services Operations Manager. No action is required.

Ms. Medel provided the report as contained in the member packet.

Ms. Medel stated that the report Included a payment of just above \$20,000. No action taken.

Upon vote of the Directors, the Chairman recessed the Regular Session and convenes Executive Session.

**Motion (Zambrano/Sabath): To recess the Regular Session and convene Executive Session
Voice Vote: Motion Carries, (8-0) with Mr. Mezquita being excused.**

The Regular Session recessed at 2:10 pm.

EXECUTIVE SESSION:

No. 1: Discussion regarding Financial Sustainability.

This matter is brought in executive session pursuant to A.R.S. § 38-431.03(A)(3) & (4).

Chairman adjourns Executive Session and reconvenes Regular Session.

The Regular Session reconvened at 3:04 pm

REGULAR SESSION:

No. 9: Discussion and or action regarding Financial Sustainability. Action may berequired.

Ms. Thorpe stated that the YCIPTA financial sustainability committee met on January 20th and that meeting consisted of Dr. Sabath, Mr. Cabrera, Mr. Simonton and Ms. Thorpe. Ms. Thorpe stated that during that meeting a number of items were discussed, including one being a recommendation to the board.

Motion (Thorpe/Sabath): To create a scope of work and hire a third party, using YCIPTA's request for proposal (RFP) process, to engage an outside firm to look at performance audit and operational review of the YCIPTA and come back with recommendations. The third party will report on an operational basis to Mr. Cabrera, Mr. Simonton and Ms. Thorpe.

Voice Vote: Motion Carries, (8-0) with Mr. Mezquita being excused.

Motion (Thorpe/Zambrano): To have each member of the Board take for discussion to their governing body the spreadsheet that describes percentages contribution of each entity, what new dues might look like and one-time contributions would be needed to retire the \$1.4 million debt. For the Chair to call another meeting to get feedback of all the agencies at the earliest convenience.

Voice Vote: Motion Carries, (8-0) with Mr. Mezquita being excused.

SCHEDULE NEXT MEETING DATE AND IDENTIFY AGENDA ITEMS:

February 28, 2022

Motion (Sabath/Simonton): To adjourn.

Voice Vote: Motion Carries, (8-0) with Mr. Mezquita being excused.

ADJOURNMENT

There being no further business to come before the Authority, the meeting was adjourned at 3:07 p.m.

YUMA COUNTY INTERGOVERNMENTAL TRANSPORTATION AUTHORITY

Adopted this _____, 2022, Agenda Item _____.

Carol Perez, Board Secretary



Yuma County Intergovernmental Public Transportation Authority

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February 22, 2022

Discussion and Action Item 2

To: Yuma County Intergovernmental Public Transportation Authority
Board of Directors
From: Shelly Kreger, Transit Director
Subject: Discussion and or action regarding Director term renewal for Brian
Goulding, Sr.- Quechan Indian Tribe

Requested Action: Staff recommends that the Yuma County Intergovernmental Public Transportation Authority (YCIPTA) Board of Directors approve term renewal for Brian Goulding, Sr. – Quechan Indian Tribe for five years expiring January 23, 2027

Background and Summary: : Article VI paragraph 4.2 of the amended YCIPTA bylaws state "The initial directors shall serve for terms of two (2), three (3), four (4) and five (5) years, to be determined by lots, with three (3) directors serving initial terms of three (3) years, three (3) directors serving initial terms of four (4) years and one (1) director serving initial terms of five (5) years. Succeeding directors shall serve full five (5) year terms in staggered rotation. Additional directors shall be allocated within this system to ensure an orderly and regular rotation of directors."

Brian Goulding, Sr. term expired in January 23, 2022.

Recommended Motion: Yuma County Intergovernmental Public Transportation Authority (YCIPTA) Board of Directors approves term renewals for Brian Goulding, Sr. for five years, expiring January 23, 2027

Fiscal Impact: None

Legal Counsel Review: N/A

Yuma County Intergovernmental Public Transportation Authority Board Of Directors
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Jay Simonton Sec/Treas– City of Yuma, Richard Marsh – Town of Wellton,
Brian Golding, Sr.-Quechan Tribe, Eric Holland – Cocopah Tribe, Susan Thorpe – Yuma County,
Susan M. Zambrano - Arizona Western College, Dr. Michael Sabath - Northern Arizona University

Shelly Kreger, Transit Director

Attachments: Updated FY2022 Board of Directors list.

For information on this staff report, please contact Shelly Kreger, Transit Director via email at skreger@ycipta.az.gov or call 928-539-7076, extension 101.

Approved for Submission



Shelly Kreger, Transit Director

Yuma County Intergovernmental Public Transportation Authority Board Of Directors

Dr. Michael Sabath – Chairman - Northern Arizona University, Jerry Cabrera – Vice Chairman - City of Somerton,
Ralph Velez – Sec/Treas - City of San Luis, Philip Rodriguez – City of Yuma, Larry Killman – Town of Wellton,
Brian Golding, Sr.-Quechan Tribe, Eric Holland – Cocopah Tribe, Susan Thorpe – Yuma County,
Susan M. Zambrano - Arizona Western College

Shelly Kreger, Transit Director

2021/2022 Yuma County Intergovernmental Public Transportation Authority Board of Directors:

Philip Rodriguez - City of Yuma, term ending 02/28/26

Brian Golding, Sr. - Quechan Indian Tribe, term ending 01/23/22 (1/23/27)

Jerry Cabrera - City of Somerton, term ending 02/28/25

Susan Thorpe - Yuma County, term ending 02/28/23

Michael Sabath - Northern Arizona University, term ending 02/28/24

Susan M. Zambrano – Arizona Western College, term ending 01/25/26

Ralph Velez - City of San Luis, term ending 02/28/23

Larry Killman – Town of Wellton, term ending 02/28/24

Fernando Mezquita - Cocopah Indian Tribe, term ending 02/28/26

ALL TERM RENEWALS ARE NOW AT 5 YEARS AS PER YCIPTA BY-LAWS

**SECOND AMENDED AND RESTATED BYLAWS
OF THE YUMA COUNTY INTERGOVERNMENTAL PUBLIC
TRANSPORTATION AUTHORITY**

**ARTICLE I
PURPOSE AND CONSTRUCTION**

1.1. Coordination of public transportation services, and designing, operating and maintaining a transportation system to meet regional needs are the primary objectives of the Yuma County Intergovernmental Public Transportation Authority (“YCIPTA”). The purpose of these Bylaws is to define the framework of the organization and the roles, responsibilities and expectations of its members.

1.2 YCIPTA was formed under the statutory authority defined in A.R.S. § 28-9101 et seq., and will continue to operate under, the guidelines established thereby. Any conflict between these Bylaws and the authority of A.R.S. § 28-9101 et seq. will be resolved in favor of statute.

1.3 The functions of YCIPTA include, but are not limited to, to the following:

- a. Acquire, develop, and provide for the provision of transit services in a manner that will meet the standards for maximum public use and will be most equitable, expedient, convenient and compatible with the public health, safety and well-being;
- b. Implement specific transit programs selected for implementation by the Board of Directors;
- c. Record and compute transit service use and report the same as required by local, state and federal law;
- d. Insure the cooperation, coordination and pooling of common resources, maximum efficiency and economy in governmental operations with respect to providing transit services;
- e. Inventory, classify and identify problems that may be solved with respect to transit services, though a comprehensive survey and plan involving multi-city and county cooperation;
- f. Facilitate actions and agreements among the governmental units for specific project development with respect to transit services; and
- g. Provide for the adoption of common policies with respect to problems which are common to the various member agencies of YCIPTA with respect to transit services.

**ARTICLE II
NAME AND PRINCIPAL OFFICE**

2.1 The name of the public intergovernmental transportation authority will be the Yuma County Intergovernmental Public Transportation Authority (“YCIPTA”). YCIPTA is a corporate body and political subdivision of the State of Arizona, with all of the power and privileges appurtenant thereto.

2.2 The principal office of YCIPTA shall be at Yuma County Administration, 198 S. Main St., Yuma, Arizona 85364. YCIPTA may have such other offices as the Board of Directors may designate or as the business of YCIPTA may require from time to time.

ARTICLE III MEMBERS

3.1 Initial Members. The initial members of YCIPTA shall be as follows:

Yuma County

City of Yuma

City of Somerton

City of San Luis

Town of Wellton

Yuma Branch Campus of Northern Arizona University

Arizona Western College

3.2 Additional Members. Additional members, up to a maximum total of nine (9) members, may be added by a two-thirds (2/3) majority vote of all of the current Members of the Board of Directors.

3.3 The boundaries of YCIPTA include all of the area within the boundaries of the Cities of Yuma, Somerton, San Luis, and the Town of Wellton, as well as all of the unincorporated areas within Yuma County. The Board may, by a two-thirds (2/3) majority vote of all of the current Members, increase the membership of YCIPTA as provided in Sec. 3.2 to include additional municipalities or entities located in Yuma County authorized for membership in an intergovernmental public transportation authority pursuant to A.R.S. § 28-9102 (“New Member”). The vote to add a New Member shall be taken upon written application of the New Member.

3.4 Membership in YCIPTA is not transferable or assignable.

ARTICLE IV YCIPTA BOARD OF DIRECTORS

4.1 YCIPTA shall be governed by a Board of Directors consisting of nine (9) members (the “Board”). The Board shall be comprised of at least one (1) representative of each Member described in section 3.1. The remaining director positions, if any, shall be apportioned among the Member municipalities according to the population represented by each Member with priority beginning with the Member municipality representing the largest population.

For example, in the event all nine director positions have not been filled after each Member has appointed one representative, the Member municipality representing the largest population would have priority to appoint a second representative, then the Member municipality representing the second largest population would have priority to appoint a second representative, and so forth, until a total of nine director positions have been filled.

In the event that additional members join YCIPTA, the existing Member municipality representing the smallest population and having two directors shall select which one of the directors shall remain as the Member’s appointed representative and the other director position shall be apportioned to the new member entity.

4.2 The initial directors shall serve for terms of two (2), three (3), four (4) and five (5) years, to be determined by lots, with three (3) directors serving initial terms of three (3) years, three (3) directors serving initial terms of four (4) years and one (1) director serving initial terms of five (5) years. Succeeding directors shall serve full five (5) year terms in staggered rotation. Additional directors shall be allocated within this system to ensure an orderly and regular rotation of directors.

4.3 A member agency may remove its appointed director for cause, as determined by the governing body of such member agency. In the event a director is removed by a Member, or by YCIPTA, the Member shall promptly appoint a successor director.

4.4 YCIPTA may remove any director for cause. Cause shall include: (a) Conviction of a felony or misdemeanor involving moral turpitude; (b) Death; (c) Permanent disability (unable to perform duties for 180 consecutive days); or (d) Failure to attend three (3) or more consecutive board meetings within a running year.

4.5 At the first meeting of each calendar year, the Board shall elect a chairperson, a vice chairperson and a secretary-treasurer, who shall serve as the officers of YCIPTA. The chairperson shall be responsible for approving the development of meeting agendas and the conduct of each meeting of the Board. The chairperson shall have such powers, and be subject to such duties as are provided by the law of Arizona, by these Bylaws, or as may be conferred upon him or her by vote or resolution of the Board of Directors. In the absence or disability of the chairperson, the vice-chairperson shall have all the powers, and be subject to all the duties of the chairperson, so long as such absence or disability continues. The vice-chairperson shall have such powers and duties as may from time to time be conferred upon him or her by the Board. In the absence of the chairperson and vice-chairperson, the secretary-treasurer shall assume the responsibilities and duties of the chairperson. The secretary-treasurer shall be responsible for

reviewing YCIPTA's finances and maintaining YCIPTA's minutes and records, as is required by A.R.S. § 38-431, et. seq., and may delegate the day to day provision of these functions to the YCIPTA Transit Director.

4.6 The Board shall have all of the powers set forth in A.R.S. § 28-9122 (the “Statutory Powers”), and those powers necessary to implement the Statutory Powers.

4.7 Voting rights. Each member of the Board will have one equally weighted vote on any decision that is not concerned with program funding. For votes on funding matters, each member of YCIPTA will have one vote, regardless of the respective financial contributions of any individual entity toward program funding. Additional votes on program funding matters will be granted only to those member entities making financial contributions to the particular program being voted upon. In those instances, any entity contributing no less than 35% of funding for a specific program will be entitled to four (4) additional votes, for a total of five (5) votes.

4.8 The Board shall adopt rules (the “Rules and Regulations”) that are proper and necessary to the use, operation and maintenance of its Regional Transportation System, property, facilities and service. The Board shall hold one public hearing within the boundaries of YCIPTA prior to adopting Rules and Regulations and any amendments or additions to such Rules and Regulations.

4.9 The Board will conduct a periodic survey of public transportation needs in YCIPTA’s jurisdiction, and may adopt, with such additions and updates as it deems appropriate, a survey which has been conducted within the last two (2) years for all or part of the area included in YCIPTA (the “Transit Study”).

4.10 Each year, on or before the 31st day of March, the Board will produce and adopt a five-year public transportation program (the “Transportation Program”) that is consistent with the regional transportation plan approved by the Yuma Metropolitan Planning Organization (“YMPO”).

4.11 Directors shall receive no compensation for services as directors but may be reimbursed for any reasonable expenses approved by the Board.

4.12 The powers of the Board shall include, but are not limited to, the following:

- a. Make decisions as to the selection of the transit service contractor, if any, and provide for the maintenance and operation of equipment, facilities and the cost thereof; set fees to be charged for transit services; adopt the annual budget; and determine the ultimate use and disposal of equipment and facilities.
- b. Make decisions on transit service issues which shall be binding on all members.
- c. Approve or deny projects recommended to the Board for appropriate action.
- d. Either directly or indirectly through the transit service contractor, contract for and acquire real or personal property, employ agents and employees; develop, maintain

- and operate site and facilities; and acquire, hold, or dispose of property and incur debts, liabilities or obligations.
- e. Appoint committees composed of public officials, employees and private citizens to proffer non-binding advice to the Board.

ARTICLE V MEETINGS

5.1 All meetings of the Board and all committee meetings shall be open to the public and subject to the Arizona Open Meeting Law defined in A.R.S. § 38-431 et seq. Written notice and a complete meeting packet of each Board meeting shall be mailed or delivered electronically or in person to each director at least five (5) working days prior to the date fixed for such meeting, unless prevented by emergency circumstances.

5.2 Meetings of the Board shall be at least quarterly and held at any place and at such times as designated by the Board. In the absence of any such designation, meetings shall be held at YCIPTA's principal office.

5.3 Meetings shall, to the extent practicable, be governed by Robert's Rules of Order, and any other procedures and limitations as deemed necessary by the Chairperson of the Board.

5.4 A simple majority of the Board in office shall constitute a quorum for the transaction of business. A vote of a majority of the directors present at any meeting in which a quorum is present shall constitute action by the Board, unless a different vote is required by the these Bylaws or Arizona statute.

5.5 Any or all directors may participate in a regular or special meeting by, or conduct the meeting through the use of, any means of communication by which all directors participating may simultaneously hear one another during the meeting. A director participating in a meeting by this means is deemed to be present in person at the meeting.

ARTICLE VI DISSOLUTION AND RESIGNATION

6.1 By an absolute majority vote of all of the directors, the Board may propose at any Public Board meeting that YCIPTA be dissolved, provided that all contractual obligations and debts of YCIPTA are satisfied or transferred to another governmental entity or entities, and provided further that such governmental entity or entities will accept dedication of all the YCIPTA property and assume all of YCIPTA's obligations. A public hearing on the proposed dissolution shall be held not less than fifteen (15) nor more than thirty (30) days after the proposal is made.

6.2 Following the public hearing held pursuant to Section 6.1, the Board shall adopt by resolution a plan of termination to be executed within a stated period of time after it is

adopted. The plan of termination shall include a schedule for transferring the assets and obligations of YCIPTA to a governmental entity or entities named in the Plan.

6.3 The growth of Yuma County's population to more than two hundred thousand persons shall not cause the dissolution of YCIPTA pursuant to A.R.S. § 28-9104(C).

6.4 A member may resign from YCIPTA upon consultation with the Board, in which case the boundaries shall be amended pursuant to section 3.3. Prior to the Resignation of a member pursuant to this Section, the Board must determine how the resignation will impact the Regional Transportation System or the services provided to the remaining Members.

6.5 Resignation shall not relieve the member so resigning of the obligation to pay any dues, assessments or other charges theretofore accrued and unpaid.

6.6 No Member shall have any right to the return or withdrawal of such Member's capital contributions until termination of YCIPTA, unless such withdrawal is consented to by all other Members or otherwise provided for herein. No interest shall be paid on capital contributions made to YCIPTA or returned to its Members.

6.7 No Member shall be individually liable for the obligations of YCIPTA. Except as otherwise provided in these Bylaws, a Member's liability for the obligations of YCIPTA shall be limited to the aggregate amount of the Member's agreed upon contribution to YCIPTA.

ARTICLE VII INSURANCE AND INDEMNIFICATION

7.1 Any member of the Board and any officer of YCIPTA, as a condition of accepting said office, shall be indemnified by YCIPTA against expenses actually and necessarily incurred by him or her in connection with the defense of any action, suit, or proceedings in which he or she is made a party by reason of having been or being a member of the Board or officer of YCIPTA, except for acts or omissions not in good faith or which involve intentional misconduct or knowing violation of law, or for a transaction from which the person derives an improper personal benefit. Such right of indemnification is not to be deemed exclusive and shall not affect any right to which an officer or director may be entitled under the laws of the State of Arizona, these Bylaws, agreements, vote of Members, or otherwise.

7.2 To the extent permitted by law, each Member shall hold harmless and indemnify each other Member from any claim, liability or loss related to any funding, capital contribution, or in any manner whatsoever with regard to the individual participation by that Member to the fullest extent allowed by law, except for that caused by the intentional misconduct or sole negligence of a Member.

7.3 YCIPTA shall have the right to purchase and maintain insurance on behalf of its officers, directors, employees, and other agents, against any liability asserted against or incurred

by any officer, director, employee, or agent in such capacity or arising out of the officer's, director's, employee's, or agents status as such.

**ARTICLE VIII
AMENDMENT**

8.1 Amendments to these Bylaws may be adopted by the Board at any regular or special meeting by a majority vote of the Board, subject to the quorum requirement of section 5.4. Notice of any proposed amendments shall be included in a notice to the Members of the meeting at which the proposed amendment(s) is/are to be considered.

**ARTICLE IX
MISCELLANEOUS**

9.1 This Agreement is subject to termination for conflict of interest, pursuant to the provisions of A.R.S. § 38-511.

9.2 All checks, drafts, notes, bonds, bills of exchange, or other orders, instruments, or obligations for the payment of money shall be in accordance with guidelines established by Yuma County government.

9.3 The fiscal year shall commence on July 1 and end on June 30 and the Board shall adopt a budget prior to June 30.


9.4 The Board shall have the power to receive bequests, donations, grants, and gifts of all kinds of property, in fee simple, and to do all acts necessary to carry out the purposes of such in accordance with the terms of the bequests, donations, grants, or gifts.

9.5 By December 31, an annual report shall be prepared and presented to the Board, Members and interested parties.

9.6 The Transit Director, or his or her designee, shall assist the secretary-treasurer for YCIPTA, and shall cause notice of all meetings of the Board to be given as described in these Bylaws.

**ARTICLE X
ADOPTION AND CERTIFICATION**

10.1 These Bylaws were duly adopted by the Board of Directors of the Yuma County Intergovernmental Public Transportation Authority at a regular meeting originally held on August 22, 2011, amended on May 29, 2012, and the Second Amended and Restated Bylaws are hereby adopted this 23rd day of June, 2014.



ROBERT L. PICKELS, JR., Chairman

ATTEST:



JOHN ANDOH, Board Secretary

**FIRST AMENDMENT TO THE SECOND AMENDED AND RESTATED BYLAWS
OF
THE YUMA COUNTY INTERGOVERNMENTAL PUBLIC TRANSPORTATION
AUTHORITY**

The YUMA COUNTY INTERGOVERNMENTAL PUBLIC TRANSPORTATION AUTHORITY, a corporate body and political subdivision of the State of Arizona (“YCIPTA”), Board of Directors duly noticed and held in Yuma, Arizona, on the 24th day August, 2020, pursuant to the provision of Article VIII of the Bylaws of the YCIPTA, which were initially adopted on August 22, 2011, and subsequently amended and restated on May 29, 2012 and June 23, 2014 (collectively, the “Bylaws”), at which the Board of Directors adopted the following resolutions amending the Bylaws as follows:

RESOLVED, Section 4.5 of Article IV be, and it is hereby, amended solely in the following particulars to read as follows:

The following language shall be added to Section 4.5 between the second and third sentences:

The chairperson of the Board, during his/her term as chairperson, shall serve on the Personnel Subcommittee.

Except as amended herein, the provisions of the Bylaws of the YCIPTA shall remain in full force and effect.

DATED this ____ day of _____, 2020.

YUMA COUNTY INTERGOVERNMENTAL
PUBLIC TRANSPORTATION AUTHORITY

Susanna M. Zambran, Chairman

ATTEST:

Michael Sabath, Secretary



Yuma County Intergovernmental Public Transportation Authority

2715 East 14th Street, Yuma, AZ 85365-1900, Telephone: 928-539-7076
Fax: 928-783-0309, email: info@ycipta.az.gov, Web: www.yciptaz.gov

February 22, 2022

Discussion and Action Item 3

To: Yuma County Intergovernmental Public Transportation Authority
Board of Directors
From: Shelly Kreger, Transit Director
Subject: Discussion and or action regarding the appointment of members to
the By-Laws Subcommittee.

Requested Action: Staff recommends that the Yuma County Intergovernmental Public Transportation Authority (YCIPTA) Board of Directors appoint members to the By-Laws Subcommittee.

Background and Summary: During the January 31, 2022 YCIPTA Board meeting it was discussed that there were no members currently appointed to the By-Laws Subcommittee. The last update to the By-Laws was August 24, 2020 in relation to adding language to Section 4.5 “The chairperson of the Board, during his/her term as chairperson, shall serve on the Personnel Subcommittee.”

Recommended Motion: Yuma County Intergovernmental Public Transportation Authority (YCIPTA) Board of Directors appoint members to the By-Laws Subcommittee.

Fiscal Impact: None

Legal Counsel Review: N/A

Attachments:

For information on this staff report, please contact Shelly Kreger, Transit Director via email at skreger@ycipta.az.gov or call 928-539-7076, extension 101.

Approved for Submission

Shelly Kreger, Transit Director

Yuma County Intergovernmental Public Transportation Authority Board Of Directors
Jerry Cabrera - Chairman - City of Somerton, Ralph Velez – Vice Chairman - City of San Luis,
Jay Simonton Sec/Treas– City of Yuma, Richard Marsh – Town of Wellton,
Brian Golding, Sr.-Quechan Tribe, Eric Holland – Cocopah Tribe, Susan Thorpe – Yuma County,
Susan M. Zambrano - Arizona Western College, Dr. Michael Sabath - Northern Arizona University

Shelly Kreger, Transit Director



Yuma County Intergovernmental Public Transportation Authority

2715 East 14th Street, Yuma, AZ 85365-1900, Telephone: 928-539-7076

Fax: 928-783-0309, email: info@ycipta.az.gov, Web: www.yciptaz.gov

February 22, 2022

Discussion and Action Item 4

To: Yuma County Intergovernmental Public Transportation Authority
Board of Directors
From: Shelly Kreger, Transit Director
Subject: Discussion and or action regarding the FY2020 Single Audit and Annual Comprehensive Financial Report (ACFR).

Requested Action: Staff recommends that the Yuma County Intergovernmental Public Transportation Authority Board of Directors approve the FY2020 Single Audit and Annual Comprehensive Financial Report (ACFR).

Background and Summary: As per A.R.S. §28-9122(A)(6). It is the requirement of the authority to issue an annual report on or before December 1, 2021 containing a full account of its transactions, activities and finances for the preceding fiscal year and other facts and recommendations. The board shall transmit copies of the report to each member municipality, university and county, to the secretary of state, to the Arizona state library, archives and public records and, on request, to any member of the public.

Due to unforeseen circumstances this report was not submitted on time and an audit finding was issued.

The draft FY2020 Single Audit and Annual Comprehensive Financial Report (ACFR) for Fiscal Year 2019/2020 has been prepared in accordance with generally accepted accounting principles to present the results of operations and the financial condition of the Authority as of June 30, 2020, and is hereby submitted for approval by the Board of Directors.

As part of the annual financial reporting process, YCIPTA utilizes the services of an independent public accounting firm, which performs an audit of YCIPTA's financial records. This audit is conducted to ensure that YCIPTA's financial

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Brian Golding, Sr.-Quechan Tribe, Eric Holland – Cocopah Tribe, Susan Thorpe – Yuma County,
Susan M. Zambrano - Arizona Western College, Dr. Michael Sabath - Northern Arizona University

Shelly Kreger, Transit Director

records fairly present, in all material respects, the financial position of YCIPTA and the results of its operations for the fiscal year. Another important purpose of the audit is to assess YCIPTA's accounting principles and internal control structure relative its financial statements.

Financial Impacts: N/A

Budgeted: Yes

Recommended Motion Staff recommends that the Yuma County Intergovernmental Public Transportation Authority Board of Directors approve the FY2020 Single Audit and Annual Comprehensive Financial Report (ACFR).

Legal Counsel Review: N/A

Attachments : FY2020 Single Audit and Annual Comprehensive Financial Report (ACFR).

For information regarding this agenda item, please contact Shelly Kreger via email to: skreger@ycipta.az.gov or call 928-539-7076, extension 101.

Approved for submission:



Shelly Kreger
Transit Director

Yuma County Intergovernmental Public Transportation Authority Board Of Directors
Jerry Cabrera - Chairman - City of Somerton, Ralph Velez – Vice Chairman - City of San Luis,
Jay Simonton Sec/Treas– City of Yuma, Richard Marsh – Town of Wellton,
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Susan M. Zambrano - Arizona Western College, Dr. Michael Sabath - Northern Arizona University

Shelly Kreger, Transit Director

February 8, 2022

To the Honorable Chairman and Members of the Board
Yuma County Intergovernmental Public Transportation Authority (YCIPTA)

We have audited the financial statements of YCIPTA for the year ended June 30, 2020. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our engagement letter provided to you during the planning phase of the audit. Professional standards also require that we communicate to you the following matters related to our audit.

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by YCIPTA are described in Note 1 to the financial statements. No matters have come to our attention that would require us, under professional standards, to inform you about the methods used to account for significant unusual transactions and the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from management's current judgments.

The most sensitive estimates affecting the financial statements are:

- Management's estimate of the useful lives of depreciable capital assets is based on the length of time management estimates those assets will provide some economic benefit in the future.
- Management's estimate of the accrued compensated absences is based on leave rates and YCIPTA policies regarding payment of unused vested leave.
- The assumptions used in the actuarial valuations of the pension plan is based on historical trends and industry standards.

We evaluated the key factors and assumptions used to develop these estimates and determined that they are reasonable in relation to the financial statements taken as a whole.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Audit Adjustments

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. During the course of the audit we did not identify any misstatements which require communication.

In addition, as part of the professional services we provided to YCIPTA, we assisted with the preparation of the financial statements, the notes to financial statements, and the SEFA and related notes as well as the Data Collection Form submission to the Federal Audit Clearinghouse. In providing these services we prepared adjusting journal entries necessary to convert the accounting records to the basis of accounting required by generally accepted accounting principles. Those adjusting journal entries have been provided to management who reviewed and approved those entries and accepted responsibility for them.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain written representations from management, which are included in the management representation letter provided to us at the conclusion of the audit.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to YCIPTA's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants regarding auditing and accounting matters.

Discussions with Management

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management throughout the course of the year. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention as the YCIPTA's auditors.

Compliance with Ethics Requirements Regarding Independence

The engagement team, others in our firm, and as appropriate, our firm, have complied with all relevant ethical requirements regarding independence. Heinfeld, Meech & Co., P.C. continually assesses client relationships to comply with relevant ethical requirements, including independence, integrity, and objectivity, and policies and procedures related to the acceptance and continuance of client relationships and specific engagements. Our firm follows the “Independence Rule” of the AICPA Code of Professional Conduct and the rules of state boards of accountancy and applicable regulatory agencies. It is the policy of the firm that all employees be familiar with and adhere to the independence, integrity, and objectivity rules, regulations, interpretations, and rulings of the AICPA, U.S. Government Accountability Office (GAO), and applicable state boards of accountancy.

Responsibility for Fraud

It is important for both management and the members of the governing body to recognize their role in preventing, deterring, and detecting fraud. One common misconception is that the auditors are responsible for detecting fraud. Auditors are required to plan and perform an audit to obtain reasonable assurance that the financial statements do not include material misstatements caused by fraud. Unfortunately most frauds which occur in an organization do not meet this threshold.

The attached document prepared by the Association of Certified Fraud Examiners (ACFE) is provided as a courtesy to test the effectiveness of the fraud prevention measures of your organization. Some of these steps may already be in place, others may not. Not even the most well-designed internal controls or procedures can prevent and detect all forms of fraud. However, an awareness of fraud related factors, as well as the active involvement by management and the members of the governing body in setting the proper “tone at the top”, increases the likelihood that fraud will be prevented, deterred and detected.

Additional Reports Issued

In addition to the auditor’s report on the financial statements we also issued the Single Audit Reporting Package. This report contains our findings related to the audit.

Other Important Communications Related to the Audit

Attached to this letter are a copy of the signed engagement letter provided to us at the initiation of the audit, and a copy of the management representation letter provided to us at the conclusion of the audit. If there are any questions on the purpose or content of these letters please contact the engagement partner identified in the attached engagement letter.

Restriction on Use

This information is intended solely for the use of the members of the Board of Directors and management of YCIPTA and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Heinfeld Meech & Co. PC

Heinfeld, Meech & Co., P.C.
Scottsdale, Arizona

Fraud Prevention Checklist

The most cost-effective way to limit fraud losses is to prevent fraud from occurring. This checklist is designed to help organizations test the effectiveness of their fraud prevention measures.

1. Is ongoing anti-fraud training provided to all employees of the organization?

- Do employees understand what constitutes fraud?
- Have the costs of fraud to the company and everyone in it — including lost profits, adverse publicity, job loss and decreased morale and productivity — been made clear to employees?
- Do employees know where to seek advice when faced with uncertain ethical decisions, and do they believe that they can speak freely?
- Has a policy of zero-tolerance for fraud been communicated to employees through words and actions?

2. Is an effective fraud reporting mechanism in place?

- Have employees been taught how to communicate concerns about known or potential wrongdoing?
- Is there an anonymous reporting channel available to employees, such as a third-party hotline?
- Do employees trust that they can report suspicious activity anonymously and/or confidentially and without fear of reprisal?
- Has it been made clear to employees that reports of suspicious activity will be promptly and thoroughly evaluated?
- Do reporting policies and mechanisms extend to vendors, customers and other outside parties?

3. To increase employees' perception of detection, are the following proactive measures taken and publicized to employees?

- Is possible fraudulent conduct aggressively sought out, rather than dealt with passively?
- Does the organization send the message that it actively seeks out fraudulent conduct through fraud assessment questioning by auditors?
- Are surprise fraud audits performed in addition to regularly scheduled audits?
- Is continuous auditing software used to detect fraud and, if so, has the use of such software been made known throughout the organization?

- 4. Is the management climate/tone at the top one of honesty and integrity?**
 - Are employees surveyed to determine the extent to which they believe management acts with honesty and integrity?
 - Are performance goals realistic?
 - Have fraud prevention goals been incorporated into the performance measures against which managers are evaluated and which are used to determine performance-related compensation?
 - Has the organization established, implemented and tested a process for oversight of fraud risks by the board of directors or others charged with governance (e.g., the audit committee)?
- 5. Are fraud risk assessments performed to proactively identify and mitigate the company's vulnerabilities to internal and external fraud?**
- 6. Are strong anti-fraud controls in place and operating effectively, including the following?**
 - Proper separation of duties
 - Use of authorizations
 - Physical safeguards
 - Job rotations
 - Mandatory vacations
- 7. Does the internal audit department, if one exists, have adequate resources and authority to operate effectively and without undue influence from senior management?**
- 8. Does the hiring policy include the following (where permitted by law)?**
 - Past employment verification
 - Criminal and civil background checks
 - Credit checks
 - Drug screening
 - Education verification
 - References check
- 9. Are employee support programs in place to assist employees struggling with addictions, mental/ emotional health, family or financial problems?**
- 10. Is an open-door policy in place that allows employees to speak freely about pressures, providing management the opportunity to alleviate such pressures before they become acute?**
- 11. Are anonymous surveys conducted to assess employee morale?**

September 2, 2020

Board of Directors and Management
Yuma County Intergovernmental Public Transportation Authority
2715 E. 14th St.
Yuma, AZ 85365

We are pleased to confirm our understanding of the services we are to provide for Yuma County Intergovernmental Public Transportation Authority (YCIPTA) for the year ended June 30, 2020. We encourage you to read this letter carefully as it includes important information regarding the services we will be providing to the YCIPTA. If there are any questions on the content of the letter, or the services we will be providing, we would welcome the opportunity to meet with you to discuss this information further.

We will audit the statement of net position, statement of revenues, expenses and changes in net position, and the statement of cash flows, including the related notes to the financial statements, which collectively comprise the basic financial statements of Yuma County Intergovernmental Public Transportation Authority as of and for the year ended June 30, 2020. We have also been engaged to report on supplementary information that accompanies the YCIPTA's basic financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America and will provide an opinion on it in relation to the basic financial statements as a whole:

1. Schedule of Expenditures of Federal Awards
2. Combining Schedules for a Comprehensive Annual Financial Report, if any

Accounting standards generally accepted in the United States provide for certain required supplementary information (RSI) to supplement the YCIPTA's basic financial statements. Such information, although not 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. As part of our engagement, we will apply certain limited procedures to YCIPTA's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist 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 will 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. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

1. Management's discussion and analysis
2. Budgetary comparison schedules, if applicable
3. GASB-required pension and other post-employment benefits schedules

The following other information accompanying the basic financial statements will not be subjected to the auditing procedures applied in our audit of the financial statements, and our auditor's report will not provide an opinion or any assurance on that information.

1. Other information included with the audited financial statements such as the transmittal letter and statistical data

Audit Objectives

The objective of our audit is the expression of an opinion as to whether your basic financial statements are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America. We will also report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the basic financial statements taken as a whole. Our responsibility in the expression of an opinion is to plan and perform the audit to obtain reasonable assurance, but not absolute assurance, that the financial statements are free from material misstatements.

An important aspect to our expression of an opinion on the financial statements is understanding the concept of materiality. Our determination of materiality is a matter of professional judgment and is affected by our perception of the financial information needs of users of the financial statements. In this context, it is reasonable for us to assume that users –

1. have a reasonable knowledge of business and economic activities and accounting principles, and a willingness to study the information in the financial statements with reasonable diligence;
2. understand that financial statements are prepared, presented, and audited to levels of materiality;
3. recognize the uncertainties inherent in the measurement of amounts based on the use of estimates, judgment, and the consideration of future events; and
4. make reasonable economic decisions on the basis of the information in the financial statements.

The objective of our audit also includes reporting on –

- Internal control over financial reporting and compliance with provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.
- Internal control over compliance related to major programs and an opinion (or disclaimer of opinion) on compliance with federal statutes, regulations, and the terms and conditions of federal awards that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

The *Government Auditing Standards* report on internal control over financial reporting and on compliance and other matters will include a paragraph that states that (1) the purpose of the report is solely to describe the scope of 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, and (2) the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The Uniform Guidance report on internal control over compliance will include a paragraph that states that the purpose of the report on internal control over compliance is solely to describe the scope of testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Both reports will state that the report is not suitable for any other purpose.

Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; and the provisions of the Uniform Guidance, and will include tests of accounting records, a determination of major programs in accordance with the Uniform Guidance, and other procedures we consider necessary to enable us to express such opinions. We will issue written reports upon completion of our Single Audit. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or to issue reports, or may withdraw from this engagement.

Audit Procedures - General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. Our tests will not include a detailed check of all of the YCIPTA's transactions for the period. 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 will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the YCIPTA or to acts by management or employees acting on behalf of the YCIPTA. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to perform specific procedures to detect waste or abuse in the financial statements nor do they expect auditors provide reasonable assurance of detecting waste or abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements or noncompliance may exist and not be detected by us, even though the audit is properly planned and performed in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or major programs. However, we will inform the appropriate level of management of any material errors or any fraudulent financial reporting or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. We will include such matters in the reports required for a Single Audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts. Our procedures may include, as deemed necessary, tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry.

At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; schedule of expenditures of federal awards; federal award programs; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by generally accepted auditing standards.

Audit Procedures - Internal Controls

Our audit will include obtaining an understanding of the YCIPTA and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

As required by the Uniform Guidance, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to the Uniform Guidance.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards, *Government Auditing Standards* and the Uniform Guidance.

Audit Procedures - Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the YCIPTA's compliance with provisions of applicable laws, regulations, contracts, and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

The Uniform Guidance requires that we also plan and perform the audit to obtain reasonable assurance about whether the YCIPTA has complied with federal statutes, regulations and the terms and conditions of federal awards applicable to major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the *OMB Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of the YCIPTA's major programs.

For federal programs that are included in the *OMB Compliance Supplement*, our compliance and internal control procedures will relate to the compliance requirements that the *OMB Compliance Supplement* identifies being subject to audit. The purpose of these procedures will be to express an opinion on the YCIPTA's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance.

Nonaudit Services

As part of the audit, we will assist with preparation of your financial statements, notes to the financial statements, and supplementary information, including the schedule of expenditures of federal awards. You have expressed your intention to use these nonaudit services within the scope of your request for proposal for audit services. These nonaudit services do not constitute an audit and such services will not be conducted in accordance with *Government Auditing Standards*.

Upon engagement of the audit we will utilize the general ledger, accounting records, entity-prepared schedules and other information provided by YCIPTA personnel in order to prepare the necessary year-end adjusting journal entries and to prepare drafts of the financial statements, notes to the financial statements, and the supplementary information. You are responsible for the information provided by YCIPTA and for assuming all management responsibilities related to the financial statements, notes to the financial statements, supplementary information, data collection form, and the nonaudit services we provide. You are also responsible for designing, implementing, and maintaining internal controls over the financial statements process. Prior to their issuance you will be required to acknowledge in the management representation letter that you have reviewed and approved the financial statements and acknowledge that you have accepted responsibility for them. Further, you are required to designate an individual with suitable skill, knowledge, or experience to oversee the nonaudit services we provide; evaluate the adequacy and results of these nonaudit services; and accept responsibility for the nonaudit services.

As YCIPTA's independent auditor, professional standards place specific requirements on our provision of certain nonaudit services. We are strictly prohibited from assuming management responsibilities or making management decisions; therefore, the nonaudit services we provide are limited to those indicated above. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities or making management decisions. Accordingly, to maintain our independence it is imperative that management understand its responsibilities and is capable of fulfilling these responsibilities. If there are any questions or concerns regarding management's responsibilities or ability to fulfill these responsibilities we request that you immediately contact us so that we may assess the circumstance and our continued independence with respect to providing audit services.

Management Responsibilities

Management is responsible for the basic financial statements, schedule of expenditures of federal awards, and all accompanying information as well as all representations contained therein. Management is also responsible for identifying government award programs and understanding and complying with the compliance requirements, including the preparation of the schedule of expenditures of federal awards in accordance with the requirements of the Uniform Guidance.

Management is responsible for (1) designing, implementing, establishing and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including internal controls over federal awards, and for evaluating and monitoring ongoing activities, to help ensure that appropriate goals and objectives are met; (2) following laws and regulations; (3) ensuring that there is reasonable assurance that government programs are administered in compliance with compliance requirements; and (4) ensuring that management is reliable and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles; for the preparation and fair presentation of the financial statements, schedule of expenditures of federal awards, and all accompanying information in conformity with accounting principles generally accepted in the United States of America; and for compliance with applicable laws and regulations (including federal statutes) and the provisions of contracts and grant agreements (including award agreements). Your responsibilities also include identifying significant contractor relationships in which the contractor has responsibility for program compliance and for the accuracy and completeness of that information.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information for which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) access to personnel, accounts, books, records, supporting documentation, and other information as needed to perform an audit under the Uniform Guidance, (3) additional information that we may request for the purpose of the audit, and (4) unrestricted access to persons within the YCIPTA from whom we determine it necessary to obtain audit evidence.

Management's responsibilities include adjusting the financial statements to correct material misstatements and for confirming to us in the representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements of each opinion unit taken as a whole.

Management is also responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud or illegal acts affecting the YCIPTA involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud or illegal acts could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the YCIPTA received in communications from employees, former employees, grantors, regulators, or others. Management is also responsible for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements that we report. In addition, you are responsible for identifying and ensuring that the YCIPTA complies with applicable laws, regulations, contracts, agreements and grants. Additionally, as required by the Uniform Guidance, it is management's responsibility to evaluate and monitor noncompliance with federal statutes, regulations, and the terms and conditions of federal awards; take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings; promptly follow up and take corrective action on reported audit findings; and prepare a summary schedule of prior audit findings and a separate corrective action plan. The summary schedule of prior audit findings should be available for our review prior to issuance of our reports.

Management is responsible for identifying all federal awards received and understanding and complying with the compliance requirements and for preparation of the schedule of expenditures of federal awards (including notes and noncash assistance received) in conformity with the Uniform Guidance. You agree to include our report on the schedule of expenditures of federal awards in any document that contains and indicates that we have reported on the schedule of expenditures of federal awards. You also agree to include the audited financial statements with any presentation of the schedule of expenditures of federal awards that includes our report thereon or make the audited financial statements readily available to intended users of the schedule of expenditures of federal awards no later than the date the schedule of expenditures of federal awards is issued with our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the schedule of expenditures of federal awards in accordance with the Uniform Guidance; (2) you believe the schedule of expenditures of federal awards, including its form and content, is fairly presented in accordance with the Uniform Guidance; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the schedule of expenditures of federal awards.

Management is also responsible for the preparation of the other supplementary information, which we have been engaged to report on, in conformity with accounting principles generally accepted in the United States of America. You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon or to make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon. Your responsibilities include acknowledging to us in a written representation letter that (1) you are responsible for presentation of supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits or studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits or studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

With regard to the electronic dissemination of audited financial statements, including financial statements published electronically on your website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

Planned Scope and Timing of the Audit

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. Our tests will not include a detailed check of all transactions for the period.

Our audit will include obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Material misstatements may result from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity. We will generally communicate our significant findings at the conclusion of the audit. However, some matters could be communicated sooner, particularly if significant difficulties are encountered during the audit where assistance is needed to overcome the difficulties or if the difficulties may lead to a modified opinion. We will also communicate any internal control related matters that are required to be communicated under professional standards.

We expect to begin our audit in September 2020 and conclude audit procedures and date our report in March 2021.

Use of Third-Party Service Providers

We maintain internal policies, procedures, and safeguards to protect the confidentiality of your information. We may, depending on the circumstances, use third-party service providers in providing our professional services. The following service providers may be utilized in the completion of our engagement:

- Capital Confirmation, Inc. – electronic bank and account balance confirmation service
- Wolters Kluwer – web-based application service to transfer files
- Harvest Investments, Ltd. – investment portfolio valuation service

You hereby consent and authorize us to use the above service providers, if deemed necessary, to complete the professional services outlined in this letter.

Engagement Administration, Fees and Other

Jennifer Shields is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them.

At the conclusion of the engagement, we will complete the appropriate sections of the Data Collection Form that summarizes our audit findings. It is management's responsibility to electronically submit the reporting package (including financial statements, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditor's reports, and corrective action plan) along with the Data Collection Form to the Federal Audit Clearinghouse. We will coordinate with you the electronic submission and certification. The Data Collection Form and the reporting package must be submitted within the earlier of 30 calendar days after receipt of the auditor's reports or nine months after the end of the audit period.

The audit documentation for this engagement is the property of Heinfeld, Meech & Co., P.C., and constitutes confidential information. However, we may be requested to make certain audit documentation available to a cognizant or oversight agency or its designee, a federal agency providing direct or indirect funding, the U.S. Government Accountability Office, or other authorized governmental agency for the purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Heinfeld, Meech & Co., P.C., personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five (5) years after the report release date, or for any additional period requested by a regulator, cognizant agency, oversight agency for audit, or pass-through entity. Upon expiration of the five year period, or any additional period, we will commence the process of destroying the contents of our engagement files. If we are aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

In the event we are required to respond to a subpoena, court order or other legal process for the production of documents and/or testimony relative to information we obtained and/or prepared during the course of this engagement, you agree to compensate us at our hourly rates, for the time we expend in connection with such response, and to reimburse us for all of our out-of-pocket costs incurred in that regard. Any disagreement, controversy, or claim (“dispute”) that may arise from any aspect of our services, including this engagement or any prior engagement, will be submitted to mediation. The parties will engage in the mediation process in good faith once a written request to mediate has been given by any party. Any mediation initiated as a result of this engagement shall be administered by The American Arbitration Association, according to its mediation rules before resorting to litigation. The results of any such mediation shall be binding only upon agreement of each party to be bound. Each party will bear its own costs in the mediation. The fees and expenses of the mediator will be shared equally.

The nature of our services makes it difficult, with the passage of time, to gather and present evidence that fully and fairly establishes the facts underlying any dispute that may arise between us. The parties agree that, notwithstanding any statute or law of limitations that might otherwise apply to a dispute, including one arising out of this agreement or the services performed under this agreement, for breach of contract or fiduciary duty, tort, fraud, misrepresentation or any other cause of action or remedy, any action or legal proceeding by you against us must be commenced within twenty-four (24) months (“limitation period”) after the date when we deliver our final audit report under this agreement to you, regardless of whether we do other services for you relating to the audit report, or you shall be forever barred from commencing a lawsuit or obtaining any legal or equitable relief or recovery. The limitation period applies and begins to run even if you have not suffered any damage or loss, or have not become aware of the existence or possible existence of a dispute.

Professional standards prohibit auditors from agreeing to indemnify attest clients for damages, losses or costs arising from lawsuits, claims or settlements that relate, directly or indirectly, to the client's acts. As such, professional standards will prevail for indemnification clauses included in audit contracts. In addition, we are unable to obtain waivers on our professional liability insurance policy for certain provisions, including indemnification provisions, provisions requiring the firm to name YCIPTA as an additional insured party, and a waiver of subrogation rights.

Professional standards require us to be independent with respect to you in the performance of these services. Any discussion that you have with our personnel regarding potential employment with you could impair our independence with respect to this engagement. Therefore, we request that you inform us prior to any such discussions so that we can implement appropriate safeguards to maintain our independence and objectivity. Further, any employment offers to any staff members working on this engagement without our prior knowledge may require substantial additional procedures to ensure our independence. You will be responsible for any additional costs incurred to perform these procedures.

Our fee for these services will be \$25,000 with an additional \$2,000 for CAFR preparation assistance. We exercised care in estimating the fee and believe it accurately indicates the scope of the work. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation.

Our fees are based on anticipated cooperation from your personnel, timely receipt of information, and the assumption that unexpected circumstances will not be encountered during the audit, including factors beyond our control, such as new accounting pronouncements or legal requirements, additional consultation, and assistance in correcting errors in your financial records. We will plan the engagement based on the assumption that your personnel will prepare and provide us with the items listed in our request for audit information, including preparing requested schedules, retrieving supporting documents, and preparing confirmations. If, for whatever reason, your personnel are unavailable to provide the necessary assistance in a timely manner, it may substantially increase the work we have to do to complete the engagement within the established deadlines, resulting in an increase in fees over our original fee estimate. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs. Additional fees incurred will be billed at the following hourly rates: Partner - \$275; Manager - \$201; Senior - \$159; Staff - \$111.

If any term or provision of this agreement is determined to be invalid or unenforceable, such term or provision will be deemed stricken, and all other terms and provisions will remain in full force and effect.

Government Auditing Standards require that we provide you with a copy of our most recent external peer review report and any letter of comment, and any subsequent peer review reports and letters of comment received during the period of the contract. Our 2018 peer review report accompanies this letter.

We appreciate the opportunity to be of service to Yuma County Intergovernmental Public Transportation Authority and believe that this letter accurately summarizes the significant terms of our engagement. Please feel free to contact us at any time if you have questions or concerns. If you have any questions regarding this letter, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,

Heinfeld Meech & Co. PC

Heinfeld, Meech & Co., P.C.
Phoenix, Arizona

cc: Shelly Kreger, Transit Director

RESPONSE

Please indicate the name of the individual responsible for overseeing the nonaudit services of preparing the year-end adjusting journal entries and the preparation of the financial statements:

Name: Chona Medel

This letter correctly sets forth the understanding of Yuma County Intergovernmental Public Transportation Authority.

Printed Name: Shelly Kreger

Title: Transit Director

Signature: 

Date: 09/29/2020

Grant Bennett Associates

A PROFESSIONAL CORPORATION

Report on the Firm's System of Quality Control

August 16, 2018

To the Shareholders of Heinfeld, Meech & Co., P. C. and the Peer Review Committee of the California Society of CPAs

We have reviewed the system of quality control for the accounting and auditing practice of Heinfeld, Meech & Co., P. C. (the firm) in effect for the year ended May 31, 2018. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review.

Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*, including compliance audits under the Single Audit Act and an audit of an employee benefit plan.

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Heinfeld, Meech & Co., P. C. in effect for the year ended May 31, 2018, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Heinfeld, Meech & Co., P. C. has received a peer review rating of *pass*.



GRANT BENNETT ASSOCIATES
A PROFESSIONAL CORPORATION
Certified Public Accountants



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Yuma County Intergovernmental Public Transportation Authority

2715 East 14th Street, Yuma, AZ 85365-1900, Telephone: 928-539-7076
Fax: 928-783-0309, email: info@ycipta.az.gov, Web: www.yciptaz.gov

Heinfeld, Meech & Co., P.C.
1365 N. Scottsdale Road, Suite 300
Scottsdale, AZ 85257

This representation letter is provided in connection with your audit of the financial statements of Yuma County Intergovernmental Public Transportation Authority (YCIPTA) as of June 30, 2020, and the related notes to the financial statements, for the purpose of expressing an opinion as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of the date of our signature, the following representations made to you during your audit.

Financial Statements

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP and for preparation of the supplementary information in accordance with the applicable criteria.
2. The financial statements referred to above are fairly presented in conformity with U.S. GAAP and include all properly classified funds and other financial information of the primary government and all component units required by generally accepted accounting principles to be included in the financial reporting entity.

Yuma County Intergovernmental Public Transportation Authority Board Of Directors

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3. We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
4. We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
5. Significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable.
6. Related party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with U.S. GAAP.
7. Adjustments or disclosures have been made for all events, including instances of noncompliance, subsequent to the date of the financial statements that would require adjustment to or disclosure in the financial statements or in the schedule of findings and questioned costs.
8. The effects of all known actual or possible litigation, claims, and assessments have been evaluated, and if necessary, have been accounted for and disclosed in accordance with U.S. GAAP.
9. Guarantees, whether written or oral, under which the YCIPTA is contingently liable, if any, have been properly recorded or disclosed.

Information Provided

10. We have provided you with:
 - a. Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters and all audit or relevant monitoring reports, if any, received from funding sources.
 - b. Additional information that you have requested from us for the purpose of the audit.
 - c. Unrestricted access to persons within the YCIPTA from whom you determined it necessary to obtain audit evidence.
 - d. Minutes of the meetings of the Board of Directors or summaries of actions of recent meetings for which minutes have not yet been prepared.

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Shelly Kreger, Transit Director

11. All material transactions have been recorded in the accounting records and are reflected in the financial statements and the schedule of expenditures of federal awards.
12. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
13. We have no knowledge of any fraud or suspected fraud that affects the YCIPTA and involves:
 - Management,
 - Employees who have significant roles in internal control, or
 - Others where the fraud could have a material effect on the financial statements.
14. We have no knowledge of any allegations of fraud or suspected fraud affecting the YCIPTA's financial statements communicated by employees, former employees, grantors, regulators, or others.
15. We have no knowledge of any instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or abuse, whose effects should be considered when preparing financial statements.
16. We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.
17. We have disclosed to you the identity of the YCIPTA's related parties and all the related party relationships and transactions of which we are aware.

Government-specific

18. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
19. If applicable, we have taken timely and appropriate steps to remedy fraud, noncompliance with provisions of laws, regulations, contracts, and grant agreements, or abuse that you have reported to us.
20. We have a process to track the status of audit findings and recommendations.
21. We have identified and communicated to you any previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
22. We have provided our views on reported findings, conclusions, and recommendations, as well as our planned corrective actions, for the report.

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Shelly Kreger, Transit Director

23. The YCIPTA has no plans or intentions that may materially affect the carrying value or classification of assets, liabilities, deferred outflows/inflows of resources, and fund balance or net position.
24. We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts, and legal and contractual provisions for reporting specific activities in separate funds.
25. We have identified and disclosed to you all instances that have occurred or are likely to have occurred, of fraud and noncompliance with provisions of laws and regulations that we believe have a material effect on the financial statements or other financial data significant to the audit objectives, and any other instances that warrant the attention of those charged with governance.
26. We have identified and disclosed to you all instances, which have occurred or are likely to have occurred, of noncompliance with provisions of contracts and grant agreements that we believe have a material effect on the determination of financial statement amounts or other financial data significant to the audit objectives.
27. We have identified and disclosed to you all instances that have occurred or are likely to have occurred, of abuse that could be quantitatively or qualitatively material to the financial statements or other financial data significant to the audit objectives.
28. There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.
29. In addition to your audit, you assisted with preparation of the financial statements, notes to the financial statements, the schedule of expenditures of federal awards, and the data collection form. We acknowledge our responsibility as it relates to those nonaudit services, including that
 - we assume all management responsibilities;
 - oversee the nonaudit services by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, or experience;
 - evaluate the adequacy and results of the nonaudit services performed;
 - and accept responsibility for the results of the nonaudit services.
30. We have reviewed, approved, and accepted responsibility for the financial statements, notes to the financial statements, the schedule of expenditures of federal awards, and the data collection form on which you have assisted with the preparation.

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Shelly Kreger, Transit Director

31. The YCIPTA has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
32. The YCIPTA has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
33. We have followed all applicable laws and regulations in adopting, approving, and amending budgets.
34. If applicable, the financial statements include all component units, appropriately present majority equity interest in legally separate organizations and joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations.
35. The financial statements properly classify all funds and activities in accordance with U.S. GAAP.
36. Components of net position (net investment in capital assets; restricted; and unrestricted) are properly classified and, if applicable, approved.
37. If applicable, provisions for uncollectible receivables have been properly identified and recorded.
38. All payroll information and the individual employment data have been properly submitted to the state retirement system, and the employer contributions have been properly submitted to the retirement system.
39. Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
40. Special and extraordinary items, if any, are appropriately classified and reported.
41. Deposits and investment securities are properly classified as to risk and are properly disclosed.
42. Capital assets are properly capitalized, reported, and, if applicable, depreciated or amortized.
43. We have appropriately disclosed the YCIPTA's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and have determined that net position is properly recognized under the policy.

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Shelly Kreger, Transit Director

44. We have disclosed to you all significant estimates and material concentrations known to management that are required to be disclosed. Significant estimates are estimates at the balance sheet date that could change materially within the next year. Concentrations refer to volumes of business, revenues, available sources of supply, or markets or geographic areas for which events could occur that would significantly disrupt normal finances within the next year.
45. We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.
46. With respect to the supplementary information presented, such as the schedule of expenditures of federal awards.
 - a. We acknowledge our responsibility for presenting the supplementary information in accordance with accounting principles generally accepted in the United States of America, and we believe the supplementary information, including its form and content, is fairly presented in accordance with accounting principles generally accepted in the United States of America. The methods of measurement and presentation of the supplementary information have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.
 - b. If the supplementary information is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the supplementary information no later than the date we issue the supplementary information and the auditor's report thereon.
47. With respect to federal award programs:
 - a. We are responsible for understanding and complying with and have complied with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), including requirements relating to preparation of the schedule of expenditures of federal awards (SEFA).
 - b. We acknowledge our responsibility for presenting the schedule of expenditures of federal awards in accordance with the requirements of the Uniform Guidance, and we believe the SEFA, including its form and content, is fairly presented in accordance with the Uniform Guidance. The methods of measurement or presentation of the SEFA have not changed from those used in the prior period and we have disclosed to you any significant assumptions and interpretations underlying the measurement or presentation of the SEFA.

Yuma County Intergovernmental Public Transportation Authority Board Of Directors
Dr. Michael Sabath – Chairman - Northern Arizona University, Jerry Cabrera – Vice Chairman - City of Somerton, Ralph Velez – Sec/Treas - City of San Luis, Jay Simonton – City of Yuma, Larry Killman – Town of Wellton, Brian Golding, Sr.-Quechan Tribe, Fernando Mezquita – Cocopah Tribe, Susan Thorpe – Yuma County, Susan M. Zambrano - Arizona Western College

Shelly Kreger, Transit Director

- c. If the SEFA is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the SEFA no later than the date we issue the SEFA and the auditor's report thereon.
- d. We have identified and disclosed to you all of our government programs and related activities subject to the Uniform Guidance compliance audit, and have included in the SEFA, expenditures made during the audit period for all awards provided by federal agencies in the form of federal awards, federal cost-reimbursement contracts, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, insurance, food commodities, direct appropriations, and other direct assistance.
- e. We are responsible for understanding and complying with, and have complied with, the requirements of federal statutes, regulations, and the terms and conditions of federal awards related to each of our federal programs and have identified and disclosed to you the requirements of federal statutes, regulations, and the terms and conditions of federal awards that are considered to have a direct and material effect on each major program.
- f. We are responsible for establishing and maintaining, and have established and maintained, effective internal control over compliance for federal programs that provides reasonable assurance that we are managing our federal awards in compliance with federal statutes, regulations, and the terms and conditions of federal awards that could have a material effect on our federal programs. We believe the internal control system is adequate and is functioning as intended.
- g. We have made available to you all federal awards (including amendments, if any) and any other correspondence with federal agencies or pass-through entities relevant to federal programs and related activities.
- h. We have received no requests from a federal agency to audit one or more specific programs as a major program.
- i. We have complied with the direct and material compliance requirements (except for noncompliance disclosed to you), including when applicable, those set forth in the *OMB Compliance Supplement*, relating to federal awards and have identified and disclosed to you all amounts questioned and all known noncompliance with the direct and material compliance requirements of federal awards, if any.
- j. We have disclosed any communications from federal awarding agencies and pass-through entities concerning possible noncompliance with the direct and material compliance requirements, including communications received from the end of the period covered by the compliance audit to the date of the auditor's report.

Yuma County Intergovernmental Public Transportation Authority Board Of Directors

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Shelly Kreger, Transit Director

- k. We have disclosed to you the findings received and related corrective actions taken for previous audits, attestation engagements, and internal or external monitoring that directly relate to the objectives of the compliance audit, including findings received and corrective actions taken from the end of the period covered by the compliance audit to the date of the auditor's report.
- l. Amounts claimed or used for matching were determined in accordance with relevant guidelines in OMB's Uniform Guidance (2 CFR Part 200, Subpart E).
- m. We have disclosed to you our interpretation of compliance requirements that may have varying interpretations.
- n. We have made available to you all documentation related to compliance with the direct and material compliance requirements, including information related to federal program financial reports and claims for advances and reimbursements.
- o. We have disclosed to you the nature of any subsequent events that provide additional evidence about conditions that existed at the end of the reporting period affecting noncompliance during the reporting period.
- p. There are no such known instances of noncompliance with direct and material compliance requirements that occurred subsequent to the period covered by the auditor's report.
- q. No changes have been made in internal control over compliance or other factors that might significantly affect internal control, including any corrective action we have taken regarding significant deficiencies or material weaknesses in internal control over compliance, subsequent to the period covered by the auditor's report.
- r. Federal program financial reports and claims for advances and reimbursements are supported by the books and records from which the financial statements have been prepared.
- s. The copies of federal program financial reports provided you are true copies of the reports submitted, or electronically transmitted, to the respective federal agency or pass-through entity, as applicable.
- t. If applicable, we have monitored subrecipients to determine that they have expended subawards in compliance with federal statutes, regulations, and the terms and conditions of the subaward and have met the other pass-through entity requirements of the Uniform Guidance.

Yuma County Intergovernmental Public Transportation Authority Board Of Directors
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Shelly Kreger, Transit Director

- u. If applicable, we have issued management decisions for audit findings that relate to federal awards made to subrecipients and such management decisions have been issued within six months of acceptance of the audit report by the Federal Audit Clearinghouse. Additionally, we have followed-up ensuring that the subrecipient has taken timely and appropriate action on all deficiencies detected through audits, on-site reviews, and other means that pertain to the federal award provided to the subrecipient.
- v. If applicable, we have considered the results of subrecipient audits and have made any necessary adjustments to our books and records.
- w. We have charged costs to federal awards in accordance with applicable cost principles.
- x. We are responsible for and have accurately prepared the summary schedule of prior audit findings to include all findings required to be included by the Uniform Guidance, and we have provided you with all information on the status of the follow-up on prior audit findings by federal awarding agencies and pass-through entities, including all management decisions. We are responsible for and have ensured the reporting package does not contain protected personally identifiable information
- y. We are responsible for and have accurately prepared the auditee section of the Data Collection Form as required by the Uniform Guidance.
- z. We are responsible for taking corrective action on each audit finding of the compliance audit and have developed a corrective action plan that meets the requirements of the Uniform Guidance.
- aa. If applicable, we have disclosed to you all contracts or other agreements with service organizations, and we have disclosed to you all communications from the service organizations relating to noncompliance at the service organizations.

We have reviewed the drafts of the financial statements and related notes and believe the amounts are properly presented based on the books and records of YCIPTA. We hereby take responsibility for the financial statements and authorize Heinfeld, Meech & Co., P.C. to issue the reports in final form.

Yuma County Intergovernmental Public Transportation Authority Board Of Directors
 Dr. Michael Sabath – Chairman - Northern Arizona University, Jerry Cabrera – Vice Chairman - City of Somerton, Ralph Velez – Sec/Treas - City of San Luis, Jay Simonton – City of Yuma, Larry Killman – Town of Wellton, Brian Golding, Sr.-Quechan Tribe, Fernando Mezquita – Cocopah Tribe, Susan Thorpe – Yuma County, Susan M. Zambrano - Arizona Western College

Shelly Kreger, Transit Director

We understand that at the conclusion of the audit Heinfeld, Meech & Co, P.C. will submit to the Board of Directors a communication to those charged with governance that will include a copy of this representation letter and a copy of the engagement letter.



Shelly Kreger, Transit Director
Yuma County Intergovernmental
Public Transportation Authority

02/03/2022

Date

Chona Medel

Chona Medel, Financial Services Operations Manager
Yuma County Intergovernmental
Public Transportation Authority

02/03/2022

Date

Yuma County Intergovernmental Public Transportation Authority Board Of Directors
Dr. Michael Sabath – Chairman - Northern Arizona University, Jerry Cabrera – Vice Chairman - City of Somerton, Ralph Velez – Sec/Treas - City of San Luis, Jay Simonton – City of Yuma, Larry Killman – Town of Wellton, Brian Golding, Sr.-Quechan Tribe, Fernando Mezquita – Cocopah Tribe, Susan Thorpe – Yuma County, Susan M. Zambrano - Arizona Western College

Shelly Kreger, Transit Director

YCIPTA



Yuma County Intergovernmental Public Transportation Authority Yuma, Arizona Annual Comprehensive Financial Report For Fiscal Year Ending June 30, 2020

Prepared by YCIPTA Financial Department

YUMA COUNTY INTERGOVERNMENTAL PUBLIC TRANSPORTATION AUTHORITY
Annual Comprehensive Financial Report
Year Ended June 30, 2020
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INTRODUCTORY SECTION

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INTRODUCTORY SECTION



Yuma County Intergovernmental Public Transportation Authority

2715 East 14th Street, Yuma, AZ 85365-1900, Telephone: 928-539-7076
Fax: 928-783-0309, email: info@ycipta.az.gov, Web: www.ycipta.az.gov

February 3, 2022

Honorable Chairman and Members of the Board
Yuma County Intergovernmental Public Transportation Authority
Yuma, Arizona, 85365

Honorable Members,

In accordance with state and local statutes, the Yuma County Intergovernmental Public Transportation Authority (YCIPTA) hereby submits the Annual Comprehensive Financial Report for the year ending June 30, 2020. Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Heinfeld, Meech & Co., P.C., Certified Public Accountants, have issued an unmodified (“clean”) opinion on YCIPTA’s financial statements for the year ended June 30, 2020.

Management’s discussion and analysis (MD&A) immediately follows the independent auditor’s report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complement this letter of transmittal and should be read in conjunction with it.

Yuma County Intergovernmental Public Transportation Authority Board Of Directors

Larry Killman – Chairperson – Town of Wellton, Susan M. Zambrano – Vice Chairperson - Arizona Western College, Dr. Michael Sabath – Secretary/Treasurer. - Northern Arizona University, Greg Wilkinson – City of Yuma, Brian Golding, Sr.-Quechan Tribe, Ralph Velez - City of San Luis, Paul Soto – Cocopah Tribe, Ian McGaughey - City of Somerton, Susan Thorpe – Yuma County

Shelly Kreger, Transit Director

PROFILE OF THE YUMA COUNTY INTERGOVERNMENTAL PUBLIC TRANSPORTATION AUTHORITY

Under Arizona Revised Statutes - Title 28 Transportation, an intergovernmental public transportation authority (IPTA) may be organized in any county in Arizona with a population of 200,000 persons or less.

YCIPTA is an IPTA formed on December 13, 2010 by the Yuma County Board of Supervisors to administer, plan, operate and maintain public transit services throughout Yuma County. YCIPTA members include Yuma County, the cities of Yuma, San Luis, Somerton, Town of Wellton, Arizona Western College /Northern Arizona University, and the Cocopah and Quechan Indian Tribes. On September 21, 2010, the Town of Wellton and City of Somerton passed a resolution petitioning the Yuma County Board of Supervisors to form the IPTA.

On October 3 and 20, 2010, respectively, the Cities of San Luis and Yuma passed resolutions asking Yuma County to form the IPTA. On December 6, 2010, Northern Arizona University petitioned Yuma County to join the IPTA. On December 13, 2010, the Yuma County Board of Supervisors held a public hearing and approved the formation of the IPTA. On January 24, 2011, YCIPTA held its first Board of Directors meeting.

On August 16, 2011, Arizona Western College petitioned YCIPTA to become the seventh member agency of the IPTA and was approved by the YCIPTA Board of Directors on August 28, 2011. On October 17, 2011, Cocopah Indian Tribe petitioned YCIPTA to become the eighth member agency of the IPTA and was approved by the YCIPTA Board of Directors on October 28, 2011.

On April 12, 2012, Quechan Indian Tribe petitioned YCIPTA to become the ninth member agency of the IPTA and was approved by the YCIPTA Board of Directors on April 23, 2012. A resolution was passed by the Yuma Metropolitan Planning Organization (YMPO) Executive Board on August 11, 2011 with the intent of transitioning transit operations to YCIPTA in the future. The YMPO Executive Director and YCIPTA Transit Director signed a transfer of services and assets agreement on June 26, 2012, and, as of July 1, 2012, YMPO transferred the ownership and operation of the transit system to YCIPTA.

YCIPTA provides transit service under the YCAT brand, including fixed route, vanpool and YCAT OnCall demand-response bus service throughout Yuma County including the cities of Yuma, San Luis, and Somerton, the Town of Wellton, the Cocopah Indian Reservation, and the Fort Yuma-Quechan Indian Reservation, including the Census-Designated Place (CDP) of Winterhaven across the Colorado River in eastern Imperial County, California. YCAT also serves the unincorporated communities of Gadsden, Fortuna Foothills and Ligurta.

The YCIPTA Board of Directors sets overall policy and direction for the transit system. Nine (9) Board Members represent Yuma County, each municipality, the local community college district, a university and the two Indian tribes. Each member entity receives one vote on the Board of Directors. When financial contributions are discussed, the Board of Directors opted for a weighted voting structure to ensure that members that pay more into the system have fair representation.

In January 2012, YCAT routes were substantially restructured. This restructuring has been successful in nearly doubling YCAT ridership by the end of 2012.

With the Yuma Regional Transit Study completed by Arizona Department of Transportation (ADOT) and Yuma County, Five Year Short Range Transit Plan completed by ADOT, YCIPTA and YMPO, the formation of YCIPTA, the addition of funding from Arizona Western College, Northern Arizona University, Quechan Indian Tribe and the restoration of funding from the City of Yuma, YCAT is looking to the future for stability and the opportunity to continue to improve services within southwestern Yuma and eastern Imperial Counties. YCIPTA is a focused transportation authority with one goal - to operate transit services efficiently and effectively. New innovations such as a future transit tax, a new maintenance and operations facility and the development of the Yuma Multimodal Transit Center will help grow public transit to new heights in the next several years.

Both demand-response and fixed-route service is administered and funded by YCIPTA and its member agencies, and operated by a private contractor. YCAT Vanpool is operated by Enterprise Leasing of Phoenix, LLC and they own the vans used for this program. YCAT OnCall is operated by the same private contractor as the fixed route service. YCIPTA owns all vehicles for fixed-route and demand response service and leases the East 14th Street maintenance facility.

YCAT's success has also prompted local Native American tribes—the Quechan Tribe of the Fort Yuma Indian Reservation, and the Cocopah Indian Tribe, respectively—to fund and contract with YCIPTA to provide shuttles tailored to tribal needs which are also open to the general public.

Services to the Fortuna Foothills area east of the City of Yuma along I-8, and on Yellow Route 95 from the Mexican border at San Luis, via Somerton and the City of Yuma are continued to run service in order to reduce crowding and improve system on-time performance. Turquoise Route 10 has continued to run to provide intercity service three days per week between Yuma, Fort Yuma Indian Reservation, Winterhaven and El Centro, California.

A Transit Director manages YCIPTA. Support staff includes Two Office Clerks, One Office Specialists, Transit Operations Manager, and Financial Services Operations Manager. YCIPTA has agreements with Yuma County for financial services and Treasurer.

In addition to fixed route bus and ADA paratransit service, YCIPTA also sponsors and administers the YCAT Vanpool Program. YCAT Vanpool provides branded vehicles to groups of 7-15 commuters qualifying for the service. Vans must originate, terminate or travel through Yuma County to be eligible for up to a \$300 per month subsidy per vanpool; the vehicles must be branded as YCAT Vanpool through Enterprise Leasing Company of Phoenix, LLC. The vehicles and subsidies are available on a first come, first served basis. As of June 30, 2020, there are 35 vehicles in the vanpool.

When the COVID-19 pandemic first appeared in Yuma County in March of 2020 ridership came to an abrupt halt as the virus started spreading through the community. YCAT joined transit agencies around the country where transit existed for essential trips only. To ensure the safety of our staff and riders the transit service reduced to modified Saturday schedule, fare free, rear door entry as well as reduced seating capacity on all vehicles. In addition adherence to the Federal Mask Mandate, sanitization, health screenings for staff and Public Health Emergency Leave to all employees.

Motto

See Where It Takes You!

The Mission of YCIPTA describes the main functions of YCIPTA and its role within the Yuma County community. The Mission gives the overall “charge” and purpose of the organization.

All YCIPTA activities relate to one or more aspects of the mission statement:

Mission Statement

The Yuma County Intergovernmental Public Transportation Authority is committed to providing Yuma County with clean, affordable, reliable, efficient and safe public transportation services that aid in economic development, enhance the quality of life and ensures mobility and independence for our community.

Vision Statement

The Yuma County Intergovernmental Public Transportation Authority provides a cost effective public transportation system that improves the environment, air quality and the quality of life for our residents and visitors in the region.

ECONOMIC CONDITION AND OUTLOOK

The Yuma County Intergovernmental Public Transportation Authority's service area centers in Yuma, county seat of Yuma County. Yuma County's population as of the 2020 U.S. Census was 208,994. There are three incorporated cities and one incorporated town in the County. Together these four make up 68% of the County's population.

Primary industry in Yuma County is agriculture, military and tourism. Undisputedly, agriculture is the number one industry for Yuma County. Agriculture produces an estimated \$3.4 billion a year into the Yuma economy. This is due to our rich soil (sediments deposited by the Colorado River over millions of years), progressive farmers (who explore and utilize the latest theories and technology in their fields), sufficient labor (highly skilled and motivated work force) and senior rights to irrigation water.

Lettuce is the largest winter crop in Yuma, but there are over 175 different crops grown in the Yuma area year-round. The list includes alfalfa, Bermuda grass seed, cotton, dates, lemons, melons and wheat. Desert Durum accounts for 95% of wheat grown in Yuma County, and about two-thirds of that is exported to Italy for use in making premium pastas.

The United States Military has been in Yuma for over 150 years. Today, it is the second largest industry in Yuma County as we are home to the Yuma Proving Ground and the Marine Corps Air Station – Yuma.

The U.S. Army first came to the area in 1851, and established Fort Yuma on Indian Hill. The installation overlooked the Yuma Crossing, the aptly named low spot in the Colorado River, and it allowed for the establishment of the town site of what would later become Yuma. In 1864 the Army put up the Quartermaster Depot along the river. From here the Army oversaw the distribution of supplies to soldiers in the West.

MCAS has the F-35, and Yuma Proving Ground is also having the opening of the U.S. Army John F. Kennedy Special Warfare Center and School. The purpose of this facility will allow special forces troops to train for air operations requiring free falls from airplanes. The facility opened in January of 2014 and, at 75 feet tall, is the largest in the world.

Tourism is the third biggest industry in Yuma County. . Due to the COVID-19 pandemic there was a \$200 million decrease in direct travel spending from 2019 amount of \$667 million. That income created 5, 300 jobs, generated \$160.5 million in earnings and \$40.4 million in additional taxes.

At the peak of our winter visitor season, February, it is estimated we have about 76,000 visitors. February is the peak of the season as many places on the continent are experiencing some of their coldest temperatures. The City of Yuma's year-round population is about 96,349. Adding another 76,000 is a big seasonal influx of people to the community.

On Interstate 8, more than 9 million vehicles per year (24,657 per day) pass through Yuma. At San Luis, another 2.6 million autos and 46,000 commercial vehicles cross annually. Shoppers from Mexico contribute approximately \$3.5 billion annually to Yuma County. Yuma's annual sales continually show healthy increases compared to other parts of Arizona and the nation.

Yuma County is one of the original four counties designated by the First Territorial Legislature. Much of Yuma County is desert land surrounded by rugged mountains. The valley regions, however, contain an abundance of arable land, which is irrigated with Colorado River water. These valley areas have some of the most fertile soils in the world, having received silt and mineral deposits from Colorado and Gila River floods until the rivers were tamed by an intricate series of dams and canals. Yuma County is bordered by California on the West and Mexico on the South. Living close to the Mexican border offers a great opportunity to experience multi-cultural and international business opportunities.

The Greater Yuma Economic Development Council states that Yuma County has a labor force of 83,387 people, with an unemployment rate of 12.4%.

A recent study, titled "Yuma County, Arizona: Growing Business At The Border," locates Yuma strategically in the Desert Pacific Region. This market area reaches Las Vegas to the North, Albuquerque and El Paso to the East, Mazatlán to the South and takes in the entire Baja peninsula North to Los Angeles, California.

MAJOR INITIATIVES

- Assisted City of Yuma with RAISE Grant submittal to try and obtain funding for the Hotel Del Sol Multi Model Transit Center.
- RFP for Strategic Plan
- Procured six 40ft and two 35ft Gillig buses with CARES funding, estimated delivery February 2022
- Procured three smaller cutaways with STP and 5311 funding
- Conducted fleet inspection
- Purchased 18-acre parcel for future maintenance and operations facility.
- Continued partnerships with Portable, Practical, Educational Preparation, Inc., AZTEC High School, Western Arizona Council of Governments, Yuma Union High School District, Yuma County Department of Economic Security, Yuma Private Industry Council (YPIC), Arizona Western College (AWC), Northern Arizona University (NAU) and University of Arizona (UofA), Imperial County Transportation Commission (ICTC), Quechan Indian Tribe, Cocopah Indian Tribe, and all other member entities.

ACKNOWLEDGMENTS

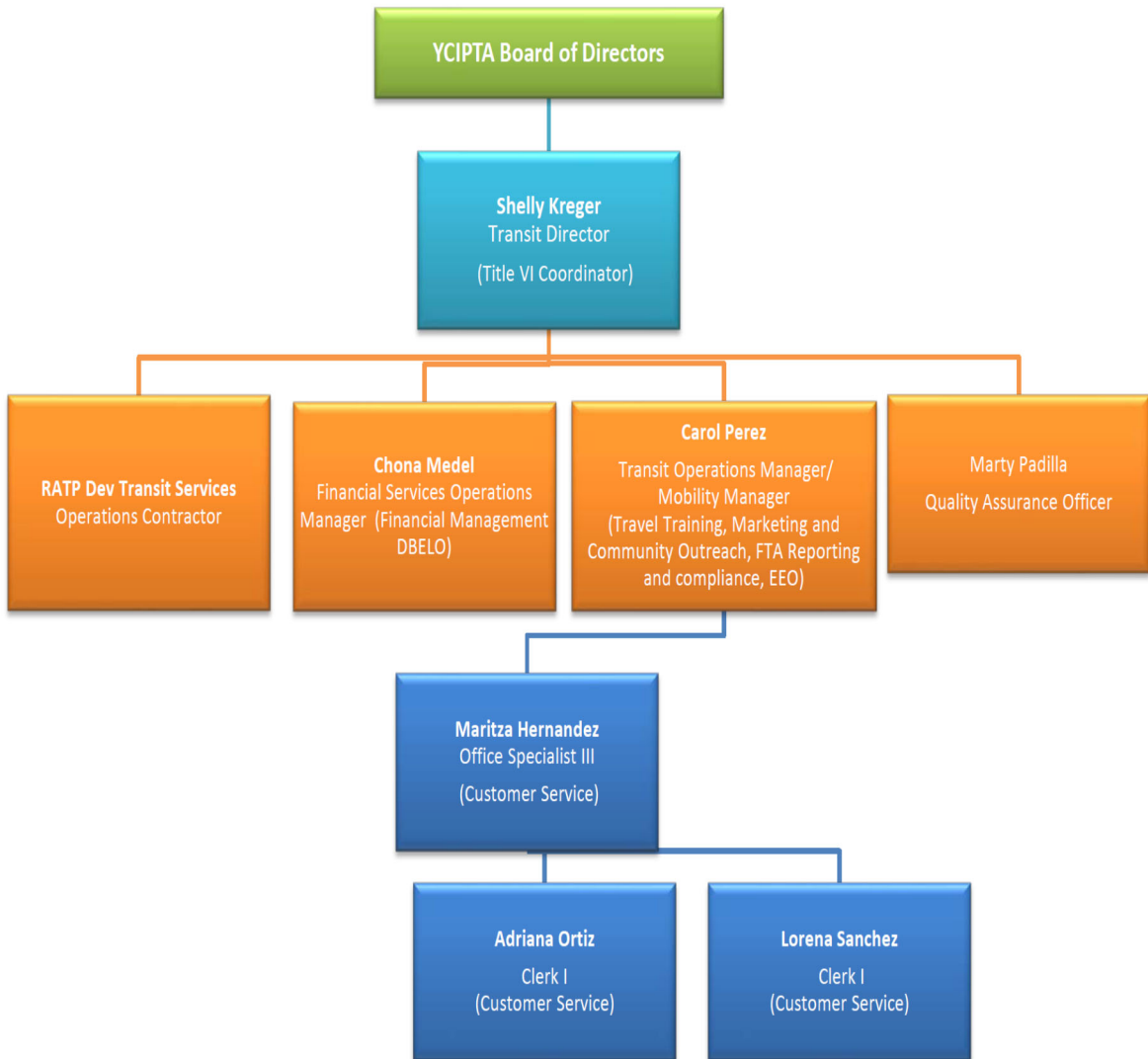
I extend my thanks and appreciation for the cooperation and assistance provided by the members of the Yuma County Intergovernmental Public Transportation's Board of Directors for their interest and support in conducting the financial operations of YCIPTA in a responsible and progressive manner. Special recognition is also due to YCIPTA's administrative staff especially Chona Medel, Financial Services Operations Manager, Carol Perez, Operations Manager, Maritza Hernandez, Office Specialist III, Lorena Sanchez, Office Clerk 1, and Adriana Ortiz, Clerk I. It is their combined effort that enabled the timely issuance of this report and continued provision of a quality transportation service product.

Sincerely,



Shelly Kreger
Transit Director

Yuma County Intergovernmental Public Transportation Authority Organization Chart



YCIPTA Board of Directors

Name	Board Position	Representing Jurisdiction	Position
Larry Killman	Chairman	Town of Wellton	Town Manager
Susan Zambrano	Vice Chair	Arizona Western College	
Dr. Michael Sabath	Treasurer/ Secretary	Northern Arizona University	Yuma Associate Vice President/Campus Executive Officer
Ian Mc Gaughey	Member	City of Somerton	City Administrator
Phillip Rodriguez	Member	City of Yuma	City Administrator
Brian Golding Sr.	Member	Quechan Indian Tribe	Director of Economic Development
Susan Thorpe	Member	Yuma County	County Administrator
Paul Soto	Member	Cocopah Tribe	Planning Director
Ralph Velez	Member	City of San Luis	

YCIPTA Staff

Shelly Kreger, Transit Director

Chona Medel, Financial Services Operations Manager

Carol Perez, Transit Operations Manager

Marty Padilla, Quality Assurance Officer

Maritza Hernandez, Office Specialist III

Adriana Ortiz, Clerk I

Lorena Sanchez, Clerk I

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FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Yuma County Intergovernmental Public Transportation Authority

Report on the Financial Statements

We have audited the accompanying financial statements of Yuma County Intergovernmental Public Transportation Authority (YCIPTA), as of and for the year ended June 30, 2020, and the related notes to the 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 an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Yuma County Intergovernmental Public Transportation Authority, as of June 30, 2020, and the change in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and net pension liability information, as listed in the table of contents, be presented to supplement the financial statements. Such information, although not a part of the financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the 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 financial statements, and other knowledge we obtained during our audit of the 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 an opinion on the financial statements. The Introductory Section and Statistical Section are presented for purposes of additional analysis and are not a required part of the financial statements.

The Introductory Section and Statistical Section have not been subjected to the auditing procedures applied in the audit of the financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 3, 2022, on our consideration of Yuma County Intergovernmental Public Transportation Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 Yuma County Intergovernmental Public Transportation Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Yuma County Intergovernmental Public Transportation Authority's internal control over financial reporting and compliance.

Heinfeld Meech & Co. PC

Heinfeld, Meech & Co., P.C.
Scottsdale, Arizona
February 3, 2022

YUMA COUNTY INTERGOVERNMENTAL PUBLIC TRANSPORTATION AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR YEAR ENDING JUNE 30, 2020

The following discussion and analysis of the financial performance of the Yuma County Intergovernmental Public Transportation Authority (YCIPTA) is intended to provide an overview of YCIPTA's financial activities for the fiscal year ended June 30, 2020.

FINANCIAL HIGHLIGHTS

- Net position, as reported in the statement of net position, totaled \$3.2 million as of June 30, 2020. Total net position decreased by \$418,357, which is attributable to a decrease in federal revenue during the fiscal year.
- For the year ended June 30, 2020, the combined fare box recovery ratio (the measure of the ability to recover operating costs through fare revenue) for YCIPTA was 6%. This calculation is only fare collection and does not include funds received for local match.
- Fixed Route ridership decreased by 9%, or by approximately 46,834 riders, this year. Overall operating revenues decreased by \$92,291 (22%) during the year. Operating expenses increased by \$441,382 (9%) during the year.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to YCIPTA's financial statements. YCIPTA's financial statements comprise two components: 1) financial statements and, 2) notes to the financial statements. This report also contains required supplementary information in addition to the financial statements themselves.

Financial statements. The financial statements are designed to provide readers with a broad view of YCIPTA's finances, in a manner similar to private-sector business.

The *statement of net position* presents information on all of YCIPTA's assets, liabilities, and deferred outflows and inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of YCIPTA is improving or deteriorating.

The *statement of revenues, expenses and changes in net position* presents information showing how the net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g. earned but unused vacation leave).

The *statement of cash flows* present information showing the sources and uses of cash related to operating activities, noncapital financing activities, capital and related financing activities and investing activities. In addition, the statement provides information about significant non-cash investing, capital and financing activities.

YUMA COUNTY INTERGOVERNMENTAL PUBLIC TRANSPORTATION AUTHORITY
 MANAGEMENT'S DISCUSSION AND ANALYSIS
 FOR YEAR ENDING JUNE 30, 2020

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Since YCIPTA's primary function is to provide transportation services to Yuma County citizens and recover costs through Federal Transit Administration (FTA) grants and passenger fares, the financial statements include only business-type activities.

Notes to basic financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the financial statements.

FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of an entity's financial position. In the case of YCIPTA, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$3.2 million at the close of the most recent fiscal year.

The largest portion of YCIPTA's net position reflect the investment in capital assets, net of related debt. Most of the investment in capital assets is comprised of buses, vans, and other vehicles totaling \$6.0 million. Other investment in capital assets includes furniture and equipment, leasehold improvements, and infrastructure, totaling \$1.5 million.

- The balance in unrestricted net position for the fiscal year ended June 30, 2020 was a deficit of \$1.7 million which was attributable to a decrease in annual revenues and increase in current liabilities. Net investments in capital assets decreased by \$198,570 which is attributable to depreciation expense during the year ending June 30, 2020.

Capital and operating grants were a major portion of the revenue used to fund transit operations for the fiscal year.

	June 30, 2020	June 30, 2019
Current and other assets	\$ 2,144,100	\$ 1,688,893
Capital assets (net)	4,851,944	5,050,514
Total assets	<u>6,996,044</u>	<u>6,739,407</u>
 Deferred Outflows of Resources	 <u>77,764</u>	 <u>120,655</u>
 Long-term Liabilities	 410,228	 429,552
Other Liabilities	3,410,902	2,761,419
Total liabilities	<u>3,821,130</u>	<u>3,190,971</u>
 Deferred Inflows of Resources	 <u>52,728</u>	 <u>50,784</u>
 Net position:		
Net Investments in Capital Assets	4,851,944	5,050,514
Unrestricted	(1,651,994)	(1,432,207)
Total net position	<u>\$ 3,199,950</u>	<u>\$ 3,618,307</u>

YUMA COUNTY INTERGOVERNMENTAL PUBLIC TRANSPORTATION AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR YEAR ENDING JUNE 30, 2020

FINANCIAL ANALYSIS (CONTINUED)

The following are significant current year transactions that had an impact on the change of net position.

- Total net position decreased by \$418,356, which is attributable to a decrease in federal revenue during the fiscal year.

	Fiscal Year Ended June 30, 2020	Fiscal Year Ended June 30, 2019
Revenues:		
Operating revenues:		
Fare box revenues	\$ 326,188	\$ 417,874
Advertising revenues	189	794
Non-operating revenues:		
Federal revenue	3,718,541	5,162,444
Member fees	516,739	516,739
Other non-operating revenue	695,731	844,571
Total revenues	<u>5,257,388</u>	<u>6,942,422</u>
Expenses:		
Operating expenses	5,393,120	4,989,479
Nonoperating expense	282,624	404,781
Total expenses	<u>5,675,744</u>	<u>5,394,260</u>
Increase (decrease) in net position	(418,356)	1,548,162
Net position:		
Beginning of year	<u>3,618,306</u>	<u>2,070,144</u>
End of the year	<u>\$ 3,199,950</u>	<u>\$ 3,618,306</u>

YUMA COUNTY INTERGOVERNMENTAL PUBLIC TRANSPORTATION AUTHORITY
 MANAGEMENT'S DISCUSSION AND ANALYSIS
 FOR YEAR ENDING JUNE 30, 2020

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital assets. YCIPTA's investment in capital assets net of depreciation as of June 30, 2020 amount to \$4.9 million. This investment in capital assets includes leasehold improvements, infrastructure (bus stops), vehicles, and furniture and equipment. Major capital asset events during the current fiscal year included the following:

- YCIPTA purchased an additional \$344,941 of capital assets during the fiscal year ended June 30, 2020.

	CAPITAL ASSETS (Net of depreciation) 2020	CAPITAL ASSETS (Net of depreciation) 2019
Leasehold improvements	\$ 42,176	\$ 44,396
Infrastructure	295,521	313,044
Vehicles	3,870,006	4,166,866
Furniture and equipment	644,241	526,207
Total	<u>\$ 4,851,944</u>	<u>\$ 5,050,513</u>

Additional information on YCIPTA's capital assets can be found in Note 4 to the financial statements.

Long-term debt – As of June 30, 2020, the only long-term debt reported was for pension liability. Additional information on YCIPTA's long term debt can be found in Note 6 to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS

YCIPTA receives 71% of its revenues from the Federal Transit Administration either directly, passed through the Arizona Department of Transportation, or passed through the Quechan Tribe, 10% of its revenues from member organizations, and 13% from contributions of other public entities.

Today, YCAT funding is solely dependent on the ability that its member agencies can contribute. This can result in radical changes to service delivery on a fiscal year-by-fiscal year basis. YCAT today is only able to afford 37,000 revenue vehicle service hours (RVSH) for the fixed route system and 4,000 RVSH for YCAT OnCall. Any growth would require additional contributions from member agencies, which at this time is not available. Fixing America's Surface Transportation (FAST) Act provides \$2.3 million in Federal funding to the Yuma Urbanized Area and requires a local match in order to use this funding. YCIPTA only has enough capacity to provide approximately \$1.5 million in local match funding at this time unless additional eligible local match is found.

YUMA COUNTY INTERGOVERNMENTAL PUBLIC TRANSPORTATION AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR YEAR ENDING JUNE 30, 2020

The most recent estimates reflect the population of Yuma County continuing to grow, 2.1% for calendar year 2020, while the unemployment rate was reported to be 16.5% for the fiscal year 2020. Traditionally Yuma County has a very high rate of unemployment, typically in the range of 16.5% to 29.8% (last 10 years), due to seasonal agricultural requirements in the labor market. The County averages 18.3% unemployment rate (over the last 5 years) which appears to be dropping indication of prosperity within the unincorporated areas of Yuma County. Management observations indicate a moderate but sustained growth in the economic factors for the local Yuma County economy barring any unforeseen actions by outside forces exclusive of the agricultural segments.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of YCIPTA's finances for all those with an interest in the government's finances. If you have questions concerning any of this information provided in this report or need additional financial information, visit our website at www.ycipta.az.gov or direct inquires to Chona Medel, Financial Services Operations Manager, 2715 E. 14th Street., Yuma, AZ 85365.

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BASIC FINANCIAL STATEMENTS

YUMA COUNTY INTERGOVERNEMENTAL PUBLIC TRANSPORTATION AUTHORITY
STATEMENT OF NET POSITION
JUNE 30, 2020

ASSETS

Current Assets:	
Cash and investments	\$ 257,761
Accounts Receivable	1,886,339
Total Current Assets	2,144,100
Property and Equipment:	
Leasehold improvements	75,512
Infrastructure	424,517
Vehicles	5,956,741
Furniture and equipment	1,046,567
Total property and equipment	7,503,337
Less: accumulated depreciation	2,651,393
Total Property and Equipment - Net	4,851,944
TOTAL ASSETS	6,996,044

DEFERRED OUTFLOWS OF RESOURCES

Pension plan items	77,764
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LIABILITIES

Current Liabilities	
Accounts payable	1,057,404
Accrued payroll and related expenses	18,695
Registered Warrants Payable	2,311,263
Compensated absences payable	23,540
Total Current Liabilities	3,410,902
Non Current Liabilities:	
Net pension liability	407,433
Compensated absences payable	2,795
TOTAL LIABILITIES	3,821,130

DEFERRED INFLOWS OF RESOURCES

Pension plan items	52,728
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NET POSITION

Net investments in capital assets	4,851,944
Unrestricted	(1,651,994)
TOTAL NET POSITION	\$ 3,199,950

See accompanying notes to basic financial statements

**YUMA COUNTY INTERGOVERNMENTAL PUBLIC TRANSPORTATION AUTHORITY
STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION
JUNE 30, 2020**

OPERATING REVENUE

Charges for services:	
Farebox revenues	\$ 326,188
Advertising revenues	189
Total Operating Revenue	<u>326,377</u>

OPERATING EXPENSES

Contracted operating services	3,320,541
Non-vehicle repairs	57,717
Vehicles parts and maintenance	65,195
Occupancy	50,400
Other Transit Services	125,294
Administrative and general	784,041
Depreciation	543,511
Fuel costs	338,790
Other operating expenses	107,631
Total Operating Expenses	<u>5,393,120</u>
Operating Income/(Loss)	<u>(5,066,743)</u>

NON-OPERATING REVENUES (EXPENSES)

Grant revenue	
Federal Transit Administration	3,718,541
Member fees	516,739
Contributions From Public Entities	459,985
Investment income	3,231
Greyhound Commissions	7,940
Other revenues	2,408
Pension expense	(60,457)
In-kind revenue	222,167
In-kind expense	(222,167)
Total non-operating revenues (expenses)	<u>4,648,387</u>

Income (loss) before contributions and transfers (418,356)

Change in net position (418,356)

Net position - beginning 3,618,306

Net position - ending \$ 3,199,950

See accompanying notes to basic financial statements

YUMA COUNTY INTERGOVERNEMENTAL PUBLIC TRANSPORTATION AUTHORITY
STATEMENT OF CASH FLOWS
JUNE 30, 2020

CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers and users	\$ 376,225
Payments to vendors, contractors and suppliers	(4,625,960)
Payments to employees	<u>(447,806)</u>
NET CASH PROVIDED/(USED) BY OPERATING ACTIVITIES	<u>(4,697,541)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Public support funds received	<u>5,066,345</u>
NET CASH PROVIDED/(USED) BY NONCAPITAL FINANCING ACTIVITIES	<u>5,066,345</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Acquisitions of property and equipment and other capital expenses	<u>(344,941)</u>
NET CASH PROVIDED/(USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(344,941)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest received on investments	<u>3,231</u>
NET CASH PROVIDED/(USED) BY INVESTING ACTIVITIES	<u>3,231</u>
Net increase in cash and cash equivalents	27,094
Cash and cash equivalents at beginning of year	<u>230,667</u>
Cash and cash equivalents at end of year	<u><u>\$ 257,761</u></u>
 RECONCILIATION OF OPERATING INCOME (LOSS) TO	
NET CASH PROVIDED/(USED) BY OPERATING ACTIVITIES	
Operating income (loss)	\$ (5,066,743)
Adjustments to reconcile operating income (loss) to net cash provided/(used) by operating activities	
Depreciation	543,511
(Increase)/Decrease in:	
Accounts receivable	49,848
Increase/(Decrease) in:	
Accounts payable	(232,059)
Accrued payroll	(2,387)
Other accrued liabilities	(683)
Compensated absences	<u>10,972</u>
NET CASH PROVIDED/(USED) BY OPERATING ACTIVITIES	<u><u>\$ (4,697,541)</u></u>

See accompanying notes to basic financial statements

YUMA COUNTY INTERGOVERNMENTAL PUBLIC TRANSPORTATION AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
FOR YEAR ENDING JUNE 30, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Yuma County Intergovernmental Public Transportation Authority (YCIPTA) have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The more significant of the YCIPTA's accounting policies are described below.

A. Reporting Entity

YCIPTA is a political subdivision of the State of Arizona which was established on December 13, 2010 to manage the operations of the regional public transit system. Prior to the transition of transit operations from Yuma Metropolitan Planning Organization (YMPO) on July 1, 2012, financial activity for YCIPTA was presented on the financial statements of the YMPO.

The membership of the Board of Directors consists of nine members representing Yuma County, the Cities of Yuma, Somerton and San Luis, the Town of Wellton, Northern Arizona University - Yuma, Arizona Western College, Quechan Indian Tribe and the Cocopah Indian Tribe. The Board of Directors acts as policy body to administer, plan, operate and maintain public transit services throughout Yuma County. The Board of Directors also has broad financial responsibilities, including the approval of the annual budget and the establishment of a system of accounting and budgetary controls.

The financial reporting entity consists of a single political subdivision because it has a separately governing body that is appointed by its member agencies, is legally separate, and is fiscally independent of its member agencies.

YUMA COUNTY INTERGOVERNMENTAL PUBLIC TRANSPORTATION AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
FOR YEAR ENDING JUNE 30, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Financial Statements

The Financial Statements (i.e. the statement of net position, the statement of revenues expenses and changes in net position and the statement of cash flows) report information on all of the activities of the primary government.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The Financial Statements are reported using the current economic resources measurement focus and the accrual basis of accounting. Revenues and gains are recorded when earned and expenses and losses 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 eligibility requirements have been met. Interest associated with the current fiscal period is considered to be susceptible to accrual and so has been recognized as revenue of the current fiscal period. Unearned revenues arise when resources are received by YCIPTA before it has legal claim to them, as when grant monies are received prior to meeting all eligibility requirements imposed by the provider.

YCIPTA receives operating revenues primarily from passenger fares and advertising revenues. Non-operating revenues include Federal Transit Administration (FTA) grants, member dues from local cities, towns and tribes, and contributions from other public entities.

YCIPTA operating expenses are primarily contractor costs for operating the transit services along with administrative cost. Non-operating expenses would include Greyhound ticket sales and pension expense.

D. Cash and cash equivalents

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

E. Investment Income

Investment income is composed of interest on bank deposits.

YUMA COUNTY INTERGOVERNMENTAL PUBLIC TRANSPORTATION AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
FOR YEAR ENDING JUNE 30, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. Capital Assets

Capital assets are defined by YCIPTA as assets with an initial, individual cost in excess of \$5,000 and an estimated useful life of more than one year. Such assets are recorded at historical cost, or estimated historical cost if actual historical cost is not available. Donated capital assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Furniture and equipment	3 - 10 years
Leasehold improvements	5 - 30 years
Vehicles	5 years
Infrastructure	30 years

YCIPTA uses the “full-month” convention where a full month’s depreciation is recorded in the month of acquisition, and equal amounts are recorded in each subsequent month over the life of the asset.

G. Outflows/Inflows of Resources

In addition to assets, the statement of financial position may report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of financial position may report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time.

H. Use of Restricted/Unrestricted Resources

When both restricted and unrestricted resources are available for use, it is YCIPTA’s policy to use restricted resources first, then unrestricted resources as they are needed.

YUMA COUNTY INTERGOVERNMENTAL PUBLIC TRANSPORTATION AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
FOR YEAR ENDING JUNE 30, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I. Compensated Absences

All regular full-time employees of YCIPTA are entitled to paid time off for vacation; personal or family illness or injury; medical and dental appointments; personal business; and holidays not observed by YCIPTA. Annual leave begins to accrue immediately on employment according to the following schedule:

0 to 1 year	24 days per year
2 to 3 years	25 days per year
4 to 9 years	28 days per year
10 to 15 years	31 days per year
16 to 20 years	32 days per year
20 and up	33 days per year
Transit Director	33 days per year

Part-time employees accrue a proportional amount of paid time off, depending on whether they are one-quarter time, one-half time, or three-quarters time. Employees who terminate will be paid for unused paid time off up to 400 hours for benefit eligible employees and 200 hours for employees who are not benefit eligible, at the termination of employment and at the employee's current rate of pay.

The current and long-term liabilities, including related benefits, for accumulated vacation and sick leave are reported on the statement of net position.

J. Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

YUMA COUNTY INTERGOVERNMENTAL PUBLIC TRANSPORTATION AUTHORITY
 NOTES TO THE FINANCIAL STATEMENTS
 FOR YEAR ENDING JUNE 30, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. Pensions

For the purposes of measuring the net pension liability, related deferred outflows of resources and deferred inflows of resources and pension expense, information about the pension plan's fiduciary net position and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 2 – CASH AND CASH EQUIVALENTS

Cash – The captions and amounts of cash and investments on the Statement of Net Position consist of the following:

Petty cash	\$350
Cash in bank	<u>\$44,733</u>
Total	<u><u>\$45,083</u></u>

Custodial Credit Risk. For deposits, custodial credit risk is the risk that in the event of a bank failure, YCIPTA's deposits may not be returned to YCIPTA. YCIPTA currently does not have a deposit policy for custodial credit risk. At June 30, 2020, the carrying amount of the YCIPTA's deposits was \$45,083 and the bank balance was \$50,232. The YCIPTA's deposits were entirely covered by Federal depository insurance or by collateral held by the pledging financial institution's trust department or agent but not in Yuma County Intergovernmental Transportation Authority's name.

The Yuma County Treasurer pursues a portfolio management strategy giving highest priority to a) safety of principal; b) sufficient liquidity to meet the needs of the county, its subdivisions and school districts; and then c) return on investments. To accomplish this the Yuma County Treasurer invests with the Arizona State Treasurer.

YUMA COUNTY INTERGOVERNMENTAL PUBLIC TRANSPORTATION AUTHORITY
 NOTES TO THE FINANCIAL STATEMENTS
 FOR YEAR ENDING JUNE 30, 2020

NOTE 2 – CASH AND CASH EQUIVALENTS (CONTINUED)

Investments must be made in accordance with Arizona Revised Statutes ARS 35-323 which specifies a maximum maturity of five years and lists specific eligible investments. Currently, all county funds are pooled and invested to anticipate the cash flow needs for the county.

The Yuma County Treasurer’s pool is an external investment pool with no regulatory oversight. The pool is not required to register (and is not registered) with the Securities and Exchange Commission. The fair value of each participant’s position in the Yuma County Treasury investment pool approximates the value of the participants’ shares in the pool and the participants’ shares are not identified with specific investments. Participants in the pool are not required to categorize the value of shares in accordance with the fair value hierarchy.

At year end YCIPTA’s investments consisted of the following:

	<u>Average Maturities</u>	<u>Fair Value</u>
County Treasurer’s investment pool	261 Days	\$ 212,678
Total		<u>\$ 212,678</u>

NOTE 3 – RECEIVABLES – ACCOUNTS AND INTERGOVERNMENTAL

Accounts receivable consists primarily of amounts due from other governments including amounts relating to grants, member dues, and contributions from public entities. As of June 30, 2020, accounts receivable totaled \$1,886,339, of which receivables from other governments consisted of the following:

Due from federal government	\$ 1,858,388
Due from other entities	27,951
Total Accounts Receivable Due	<u>\$ 1,886,339</u>

Management considers all accounts receivable at June 30, 2020, to be fully collectible; therefore, no allowance for doubtful accounts was recorded.

YUMA COUNTY INTERGOVERNMENTAL PUBLIC TRANSPORTATION AUTHORITY
 NOTES TO THE FINANCIAL STATEMENTS
 FOR YEAR ENDING JUNE 30, 2020

NOTE 4 - CAPITAL ASSETS

A summary of capital asset activity for the fiscal year ended June 30, 2020, follows:

Governmental Activities	Beginning Balance	Increase	Decrease	Ending Balance
Capital assets, not being depreciated:				
Leasehold improvements	\$ 75,512	\$	\$	\$ 75,512
Infrastructure	424,517			424,517
Vehicles	5,791,558	165,183		5,956,741
Furniture and equipment	866,809	179,758		1,046,567
Total capital assets, not being depreciated	7,158,396	344,941		7,503,337
Less accumulated depreciation for:				
Leasehold improvements	(31,116)	(2,220)		(33,336)
Infrastructure	(111,473)	(17,523)		(128,996)
Vehicles	(1,624,692)	(462,043)		(2,086,735)
Furniture and equipment	(340,601)	(61,725)		(402,326)
Total capital assets being depreciated	(2,107,882)	(543,511)		(2,651,393)
Total capital assets, being depreciated, net	\$5,050,514	\$ (198,570)	\$	\$ 4,851,944

Depreciation expense for the fiscal year was \$543,511.

NOTE 5 - OBLIGATIONS UNDER LEASES

YCIPTA leases a bus facility under the provisions of a month-to-month lease agreement classified as an operating lease for accounting purposes. Rental expenses under the terms of the operating lease totaled \$50,400 for the year ended June 30, 2020.

NOTE 6 - CHANGES IN LONG-TERM LIABILITIES

Long-term liability activity for the year ended June 30, 2020 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Net pension liability	\$ 429,552	\$	\$ 22,119	\$ 407,433	\$
Compensated absences payable	15,363	45,008	34,036	26,335	23,540
Total	\$ 444,915	\$ 45,008	\$ 56,155	\$ 433,768	\$ 23,540

YUMA COUNTY INTERGOVERNMENTAL PUBLIC TRANSPORTATION AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
FOR YEAR ENDING JUNE 30, 2020

NOTE 7 - ECONOMIC DEPENDENCY

YCIPTA received 71% percent of its revenues from the Federal Transit Administration either directly, passed through the Arizona Department of Transportation, or passed through Quechan Tribe, 10% percent of its revenues from dues paid by its member organizations, and 13% percent of its revenues in contributions from public entities.

NOTE 8 - RISK MANAGEMENT

The Authority was unable to obtain insurance for workers' health at a cost considered to be economically justifiable. Therefore, the Authority joined the Yuma Area Benefits Consortium, together with other entities in the area. The consortium is a public entity risk pool that accounts for the risk financing of certain benefits and losses, for its four member entities. The Authority pays annual premiums based on actuarial estimates of the amounts needed to pay prior and current year claims. The consortium uses reinsurance agreements to reduce its exposure to large losses.

YCIPTA is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

YCIPTA carried commercial insurance for all risks of loss, including property and liability, and workers' compensation insurance. Settled claims resulting from these risks are not expected to exceeded commercial insurance coverage.

NOTE 9 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

Plan Description. YCIPTA has been contributing to a cost-sharing multiple-employer defined benefit pension plan; a cost-sharing multiple employers defined benefit health care (OPEB) plan; and a cost-sharing, multiple-employer defined benefit long-term disability (OPEB) plan, all of which are administered by the Arizona State Retirement System (ASRS). The ASRS (through its Retirement Fund) provides retirement (i.e., pension), death, and survivor benefits; the Health Benefit Supplement Fund provides health insurance premium benefits (i.e., a monthly subsidy); and the Long-Term Disability Fund provides long-term disability benefits. Benefits are established by state statute. The System is governed by the Arizona State Retirement System Board according to the provisions of A.R.S. Title 38, Chapter 5, Article 2 and 2.1.

The System issues a comprehensive annual financial report that includes financial statements and required supplementary information. The most recent report is available on its website at www.azasrs.gov.

The ASRS has determined that YCIPTA and its employees qualify to participate in the System.

YUMA COUNTY INTERGOVERNMENTAL PUBLIC TRANSPORTATION AUTHORITY
 NOTES TO THE FINANCIAL STATEMENTS
 FOR YEAR ENDING JUNE 30, 2020

NOTE 9 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

The ASRS OPEB plans are not further disclosed because of their relative insignificance to the Authority’s financial statements.

Benefits Provided. The ASRS provides retirement, health insurance premium supplement, long-term disability, and survivor benefits. State statute establishes benefit terms. Retirement benefits are calculated on the basis of age, average monthly compensation, and service credit as follows:

	Retirement Initial Membership Date:	
	Before July 1, 2011	On or After July 1, 2011
Years of Service and age requirement to receive benefit	Sum of years and age equals 80 10 years age 62 5 years age 50* Any years age 65	30 years age 55 25 years age 60 10 years age 62 5 years age 50* Any years age 65
Final average salary is based on	Highest 36 months of last 120 months	Highest 60 months of last 120 months
Benefit percent per year of service	2.1% to 2.3%	2.1% of 2.3%

*with actuarially reduced benefits

Retirement benefits for members who joined the ASRS prior to September 13, 2013 are subject to automatic cost-of-living adjustments based on excess investment earnings. Members with a membership date on or after September 13, 2013, are not eligible for cost-of-living adjustments. Survivor benefits are payable upon a member’s death. For retired members, the survivor benefits are determined by the retirement benefit options chosen. For all other members, the beneficiary is entitled to the member’s account balance that includes the member’s contributions and employer’s contributions, plus interest earned.

YUMA COUNTY INTERGOVERNMENTAL PUBLIC TRANSPORTATION AUTHORITY
 NOTES TO THE FINANCIAL STATEMENTS
 FOR YEAR ENDING JUNE 30, 2020

NOTE 9 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Contributions. In accordance with state statutes, annual actuarial valuations determine active member and employer contribution requirements. The combined active member and employer contribution rates are expected to finance the costs of benefits employees earn during the year, with an additional amount to finance any unfunded accrued liability. For the current fiscal year, active ASRS members were required by statute to contribute at the actuarially determined rate of 12.11 percent (11.94 percent for retirement and 0.17 percent for long-term disability) of the members’ annual covered payroll and the Authority was required by statute to contribute at the actuarially determined rate of 12.11 percent (11.45 percent for retirement, 0.49 percent for health insurance premium benefit, and 0.17 percent for long-term disability) of the active member’s annual covered payroll. YCIPTA’s contributions to the pension plan for the year ended June 30, 2020 were \$39,058.

Pension Liability. At June 30, 2020, YCIPTA reported a liability of \$407,433 for its proportionate share of the net pension liability of the ASRS. The net pension liability was measured as of June 30, 2019. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of June 30, 2018, to the measurement date of June 30, 2019. YCIPTA’s proportion of the net liability was based on YCIPTA’s actual contributions to the applicable plan relative to the total of all participating employers’ contributions to the plan for the year ended June 30, 2019.

At June 30, 2020, YCIPTA reported the following amounts for its proportionate share of the pension plan net liability. In addition, at June 30, 2019, YCIPTA’s percentage proportion for the plan and the related change from its proportion measured as of June 30, 2018 was:

Net Liability	District % Proportion	Increase (Decrease)
\$ 407,433	0.003	(0.000)

YUMA COUNTY INTERGOVERNMENTAL PUBLIC TRANSPORTATION AUTHORITY
 NOTES TO THE FINANCIAL STATEMENTS
 FOR YEAR ENDING JUNE 30, 2020

NOTE 9 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Pension Expense and Deferred Outflows/Inflows of Resources. Yuma County Intergovernmental Public Transportation Authority had deferred outflows and inflows of resources related to the net pension liability of retirement benefits. Certain changes in the net pension liability are recognized as pension expense over a period of time rather than the year of occurrence. The YCIPTA's pension expense for the year ended June 30, 2020, was \$60,457 and reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 7,360	\$ 77
Changes of assumptions or other inputs	1,722	16,225
Net difference between projected and actual earnings on pension investments		9,158
Changes in proportion and differences between contributions and proportionate share of contributions	29,624	27,268
Contributions subsequent to the measurement date	39,058	
Total	\$ 77,764	\$ 52,728

YUMA COUNTY INTERGOVERNMENTAL PUBLIC TRANSPORTATION AUTHORITY
 NOTES TO THE FINANCIAL STATEMENTS
 FOR YEAR ENDING JUNE 30, 2020

NOTE 9 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Pension Expense and Deferred Outflows/Inflows of Resources (continued). The deferred outflows resources related to pensions resulting from contributions subsequent to the measurement date as reported in the table above will be recognized as a reduction of the net pension liability in the year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30:	
2021	\$ 9,054
2022	(23,770)
2023	(1,759)
2024	2,453

Actuarial Assumptions. The significant actuarial assumptions used to measure the total pension liability are as follows:

Actuarial valuation date	June 30, 2018
Actuarial roll forward date	June 30, 2019
Actuarial cost method	Entry age normal
Investment rate of return	7.5%
Inflation	2.3%
Projected salary increases	2.7-7.2%
Permanent base increases	Included
Mortality rates	2017 SRA Scale U-MP

The actuarial assumptions related to funding were selected on the basis of an experience study which was performed for the five-year period ending June 30, 2016. The ASRS Board adopted the experience study which recommended changes and those changes were effective as of June 30, 2017 actuarial valuation.

YUMA COUNTY INTERGOVERNMENTAL PUBLIC TRANSPORTATION AUTHORITY
 NOTES TO THE FINANCIAL STATEMENTS
 FOR YEAR ENDING JUNE 30, 2020

NOTE 9 – PENSIONS AND OTHER POST EMPLOYMENT BENEFITS (CONTINUED)

Actuarial Assumptions (continued). The long-term expected rate of return on ASRS pension plan investments was determined to be 7.5 percent using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage.

On June 29, 2018, the ASRS Board approved updated strategic asset allocation targets to be effective beginning July 2018. The ASRS' estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Asset Allocation Effective July 1, 2018	Long Term Expected Geometric Real Rate of Return
Equity	50%	6.09%
Credit	20%	5.36%
Interest rate sensitive bonds	10%	1.62%
Real Estate	20%	5.85%
Total	100%	

Discount Rate. The discount rate used to measure the total pension liability was 7.5%. The projections of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates based on the funding policy of the ASRS Board, which establishes the contractually required rate under Arizona statute. Based on those assumptions, the Retirement Fund's fiduciary net position was projected to be available to make all the projected future benefit payments of current members. Therefore, the long term expected rate of return on investments was applied to all periods of projected benefit payments to determine the total pension liability.

YUMA COUNTY INTERGOVERNMENTAL PUBLIC TRANSPORTATION AUTHORITY
 NOTES TO THE FINANCIAL STATEMENTS
 FOR YEAR ENDING JUNE 30, 2020

NOTE 9 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate. The table below presents the net pension liability of the participating employers calculated using the discount rate of 7.5%, as well as what the employers' net pension liability would be if it were calculated using the discount rate that is 1% lower (6.5%) or 1% higher (8.5%) than the current rate at June 30, 2020:

	1% Decrease	Current Discount Rate	1% Increase
Rate	6.5%	7.5%	8.5%
Net liability	\$ 579,871	\$ 407,433	\$ 263,318

Pension Plan Fiduciary Net Position. Detailed information about the pension plan's fiduciary net position is available in the separately issued ASRS financial report. The report is available on the ASRS website at www.azasrs.gov.

NOTE 10 – IN KIND REVENUES AND EXPENSES

YCIPTA is party to various intergovernmental agreements with Yuma County. Under the terms of the agreement, Yuma County is to provide Treasurer and financial services to YCIPTA, including maintaining a public transportation authority fund consisting of all monies received by YCIPTA. In-Kind revenue also consists of Quechan Tribe, Greyhound and City of Yuma In-Kind Contributions for various services. For the year ending June 30, 2020, the value of these services was estimated to be \$1.2 million of which \$222,167 was used.

NOTE 11 – CURRENT LIABILITY

At June 30, 2020 YCIPTA had registered warrants of \$2,311,263 with the Yuma County Treasurer.

YUMA COUNTY INTERGOVERNMENTAL PUBLIC TRANSPORTATION AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
FOR YEAR ENDING JUNE 30, 2020

NOTE 12 – SUBSEQUENT EVENT

In August of 2020, YCIPTA purchased 18.21 acres located at 3300 S. Arizona Ave, Yuma, AZ 85365 for the price of \$380,000. YCIPTA has been leasing its current maintenance and operations facility for over 20 years and is outgrowing this space. The intended use for this property is a future maintenance and operations facility for Yuma Area County Transit (YCAT). It will include offices, maintenance bays, parts room, bus wash and fueling station to name a few. There is not a current start date for this construction project as YCIPTA is looking for local match sources to secure Federal funding.

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REQUIRED SUPPLEMENTARY INFORMATION

**YUMA COUNTY INTERGOVERNMENTAL PUBLIC TRANSPORTATION AUTHORITY
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
ARIZONA STATE RETIREMENT SYSTEM
LAST SIX FISCAL YEARS**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Measurement date	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016
Authority's proportion of the net pension (assets) liability	0.28%	0.31%	0.25%	0.25%
Authority's proportionate share of the net pension (assets) liability	\$ 407,433	\$ 429,552	\$ 392,567	\$ 401,911
Authority's covered payroll	\$ 282,630	\$ 294,706	\$ 245,575	\$ 233,092
Authority's proportionate share of the net pension (assets) liability as a percentage of its covered payroll	144.16%	145.76%	159.86%	172.43%
Plan fiduciary net position as a percentage of the total pension liability	73.24%	73.40%	69.92%	67.06%

**SCHEDULE OF PENSION CONTRIBUTIONS
ARIZONA STATE RETIREMENT SYSTEM
LAST SIX FISCAL YEARS**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Actuarially determined contribution	\$ 39,058	\$ 31,598	\$ 32,123	\$ 26,473
Contributions in relation to the actuarially determined contribution	<u>39,058</u>	<u>31,598</u>	<u>32,123</u>	<u>26,473</u>
Contribution deficiency (excess)	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
Authority's covered payroll	\$ 341,118	\$ 282,630	\$ 294,706	\$ 245,575
Contributions as a percentage of covered payroll	11.45%	11.18%	10.90%	10.78%

NOTE: The pension schedules in the required supplementary information are intended to show information for ten years, and additional information will be displayed as it becomes available.

See accompanying notes to this schedule.

<u>2016</u>	<u>2015</u>
June 30, 2015	June 30, 2014
0.20%	0.19%
\$ 325,962	\$ 282,041
\$ 188,779	\$ 170,710
172.67%	165.22%
68.35%	69.49%

<u>2016</u>	<u>2015</u>
\$ 25,290	\$ 20,558
<u>25,290</u>	<u>20,558</u>
<u>\$</u>	<u>\$</u>
\$ 233,092	\$ 188,779
10.85%	10.89%

YUMA COUNTY INTERGOVERNMENTAL PUBLIC TRANSPORTATION AUTHORITY
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR YEAR ENDING JUNE 30, 2020

NOTE 1 – PENSION PLAN SCHEDULES

Actuarial Assumptions for Valuations Performed. The information presented in the required supplementary schedules was determined as part of the actuarial valuations at the dates indicated, which is the most recent actuarial valuations. The actuarial assumptions used are disclosed in the notes to the financial statements.

Factors that Affect Trends. The Actuarial assumptions related to funding were selected on the basis of an experience study which was performed for the five-year period ending June 30, 2016. The ASRS Board adopted the experience study which recommended changes and those changes were effective as of the June 30, 2017 actuarial valuation.

STATISTICAL SECTION

This part of the Yuma County Intergovernmental Public Transportation Authority's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, notes disclosures, and required supplementary information says about the authority's overall financial health.

<u>INDEX</u>	<u>Page</u>
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Financial Trends	46-49
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These schedules contain trend information to help the reader understand how the authority's financial performance and well-being have changed over time.

Revenue Capacity	50-51
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These schedules contain information to help the reader assess the authority's most significant local revenue consideration, namely ridership and fare box revenue.

Debt Capacity

YCIPTA does not have any outstanding debt so therefore debt capacity information is not presented.

Demographic and Economic Information	52-53
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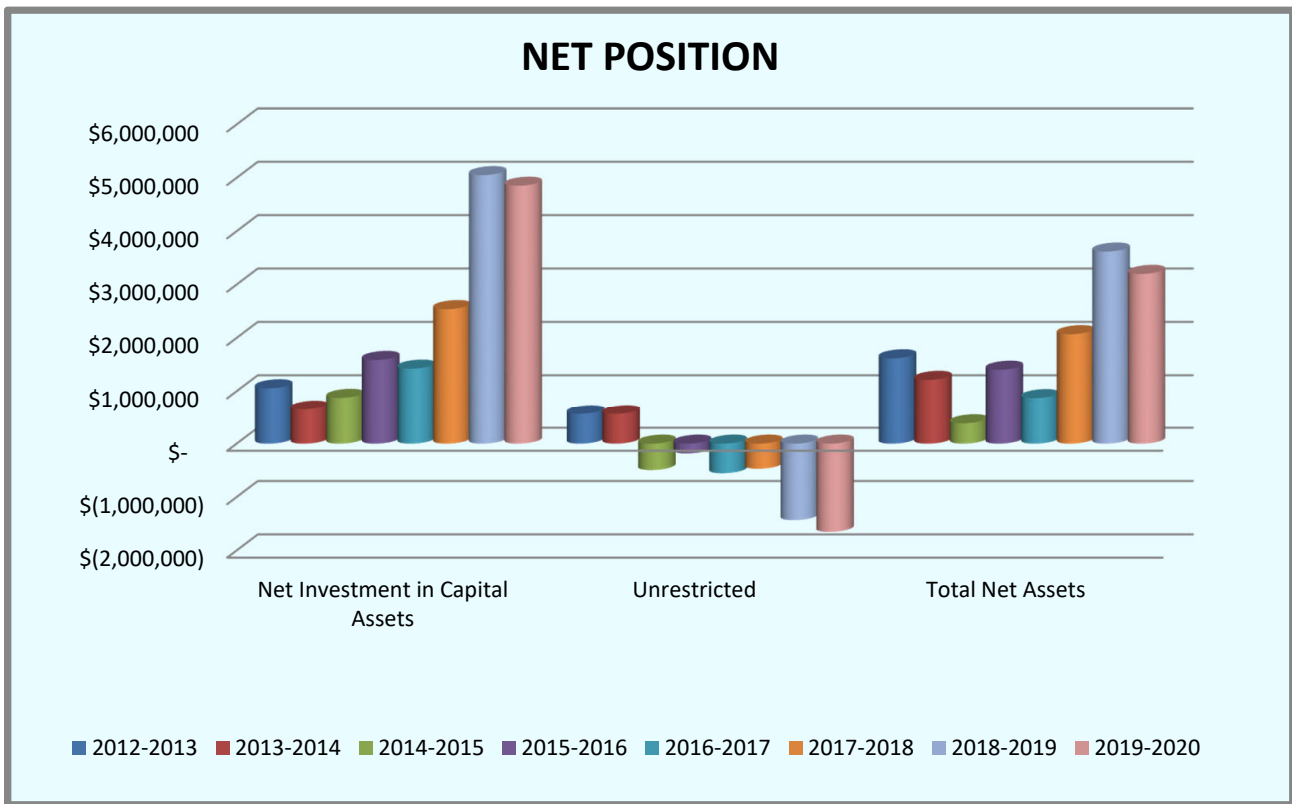
These schedules offer demographic and economic data to help the reader understand the environment within which the authority's financial activities take place.

Operation Information	54-55
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These schedules contain service and infrastructure data to help the reader understand how the information in the authority's financial report relates to the services the authority provides and the activities it performs

**YUMA COUNTY INTERGOVERNEMENTAL PUBLIC TRANSPORTATION AUTHORITY
NET POSITION
LAST EIGHT FISCAL YEARS**

Fiscal Year	Net Investment in		
	Capital Assets	Unrestricted	Total Net Assets
2012-2013	\$ 1,055,241	\$ 562,770	\$ 1,618,011
2013-2014	\$ 650,351	\$ 563,637	\$ 1,213,988
2014-2015	\$ 875,695	\$ (493,787)	\$ 381,908
2015-2016	\$ 1,587,710	\$ (183,652)	\$ 1,404,058
2016-2017	\$ 1,424,242	\$ (553,536)	\$ 870,706
2017-2018	\$ 2,540,226	\$ (470,082)	\$ 2,070,144
2018-2019	\$ 5,050,514	\$ (1,432,207)	\$ 3,618,307
2019-2020	\$ 4,851,944	\$ (1,651,994)	\$ 3,199,950

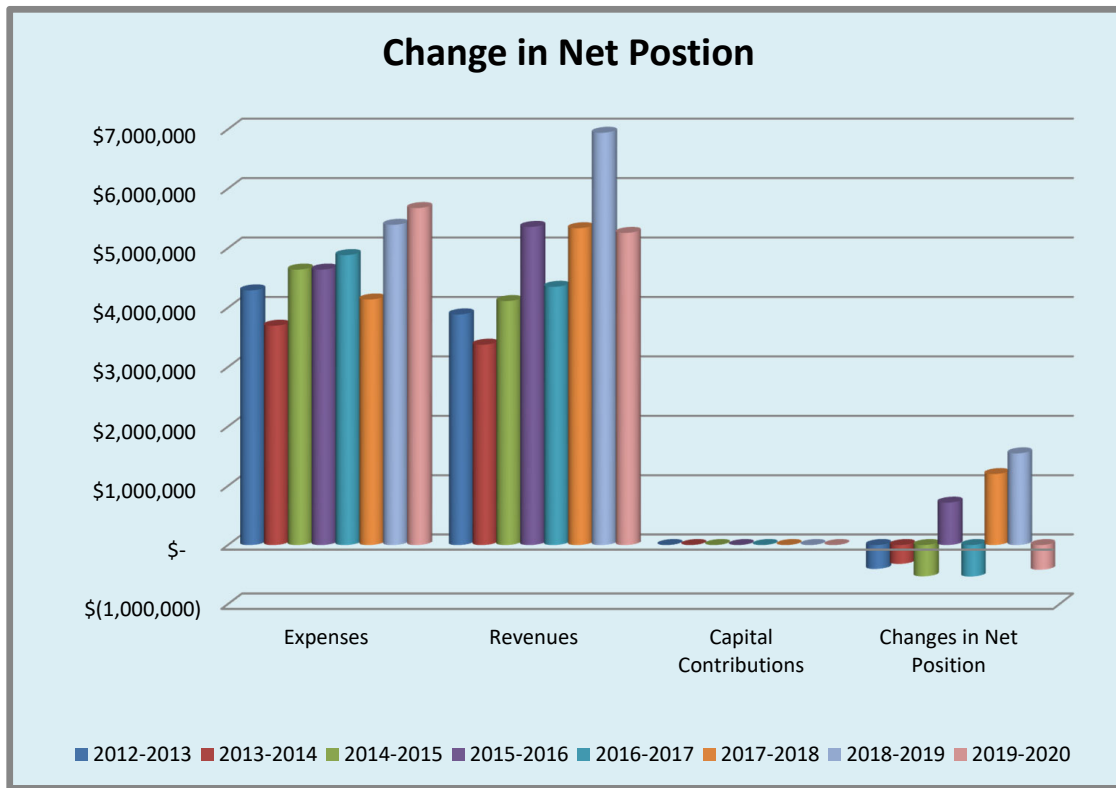


Source: Yuma County Intergovernmental Public Transportation Authority Financial Statements.

Note: Less than ten years of data is presented as the YCIPTA operations began in fiscal year 2013.

**YUMA COUNTY INTERGOVERNMENTAL PUBLIC TRANSPORTATION AUTHORITY
CHANGE IN NET POSITION
LAST EIGHT FISCAL YEARS**

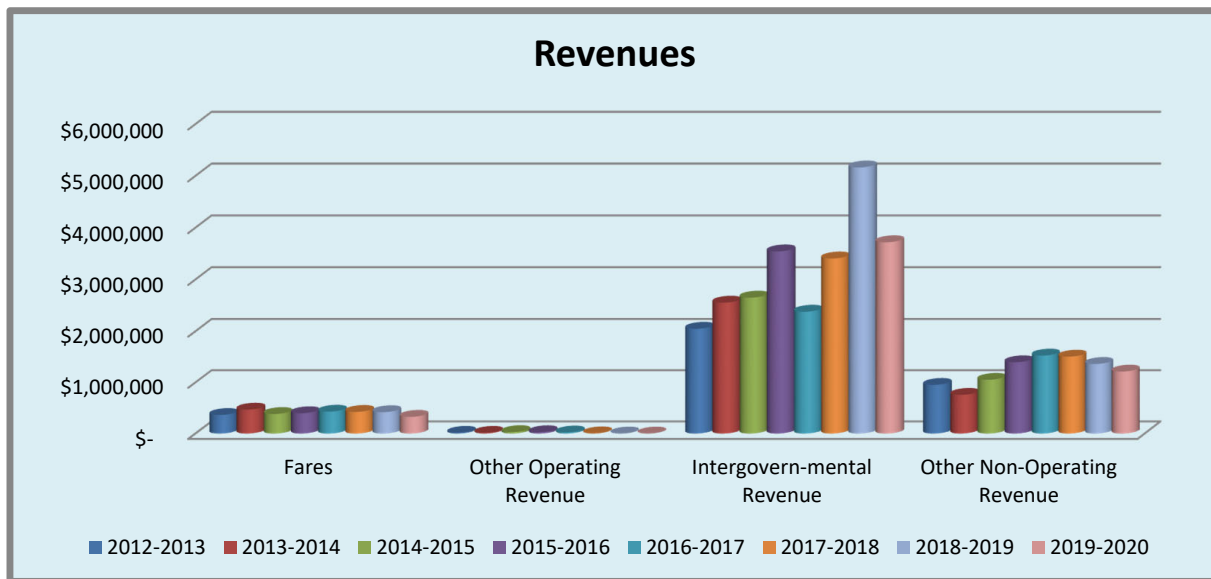
Fiscal Year	Expenses	Revenues	Capital Contributions	Changes in Net Position
2012-2013	\$ 4,290,293	\$ 3,886,270	\$ -	\$ (404,023)
2013-2014	\$ 3,695,987	\$ 3,376,381	\$ -	\$ (319,606)
2014-2015	\$ 4,640,485	\$ 4,110,896	\$ -	\$ (529,589)
2015-2016	\$ 4,640,445	\$ 5,358,547	\$ -	\$ 718,102
2016-2017	\$ 4,884,051	\$ 4,350,699	\$ -	\$ (533,352)
2017-2018	\$ 4,137,303	\$ 5,336,741	\$ -	\$ 1,199,439
2018-2019	\$ 5,394,260	\$ 6,942,422	\$ -	\$ 1,548,162
2019-2020	\$ 5,675,745	\$ 5,257,388	\$ -	\$ (418,357)



Source: Yuma County Intergovernmental Public Transportation Authority Financial Statements.
 Note: Less than ten years of data is presented as the YCIPTA operations began in fiscal year 2013.

**YUMA COUNTY INTERGOVERNMENTAL PUBLIC TRANSPORTATION AUTHORITY
REVENUES
LAST EIGHT FISCAL YEARS**

Fiscal Year	Fares	Other Operating Revenue	Intergovernmental Revenue	Other Non-Operating Revenue	Total Revenue
2012-2013	\$ 362,713	\$ 14,497	\$ 2,047,855	\$ 951,316	\$ 3,376,381
2013-2014	\$ 466,965	\$ 13,570	\$ 2,551,482	\$ 756,359	\$ 3,788,376
2014-2015	\$ 382,255	\$ 28,496	\$ 2,649,376	\$ 1,050,769	\$ 4,110,896
2015-2016	\$ 397,011	\$ 25,996	\$ 3,541,584	\$ 1,393,956	\$ 5,358,547
2016-2017	\$ 427,761	\$ 20,598	\$ 2,377,363	\$ 1,524,977	\$ 4,350,699
2017-2018	\$ 423,467	\$ 3,967	\$ 3,405,036	\$ 1,504,272	\$ 5,336,742
2018-2019	\$ 417,874	\$ 794	\$ 5,162,444	\$ 1,361,309	\$ 6,942,421
2019-2020	\$ 326,188	\$ 189	\$ 3,718,541	\$ 1,212,470	\$ 5,257,388

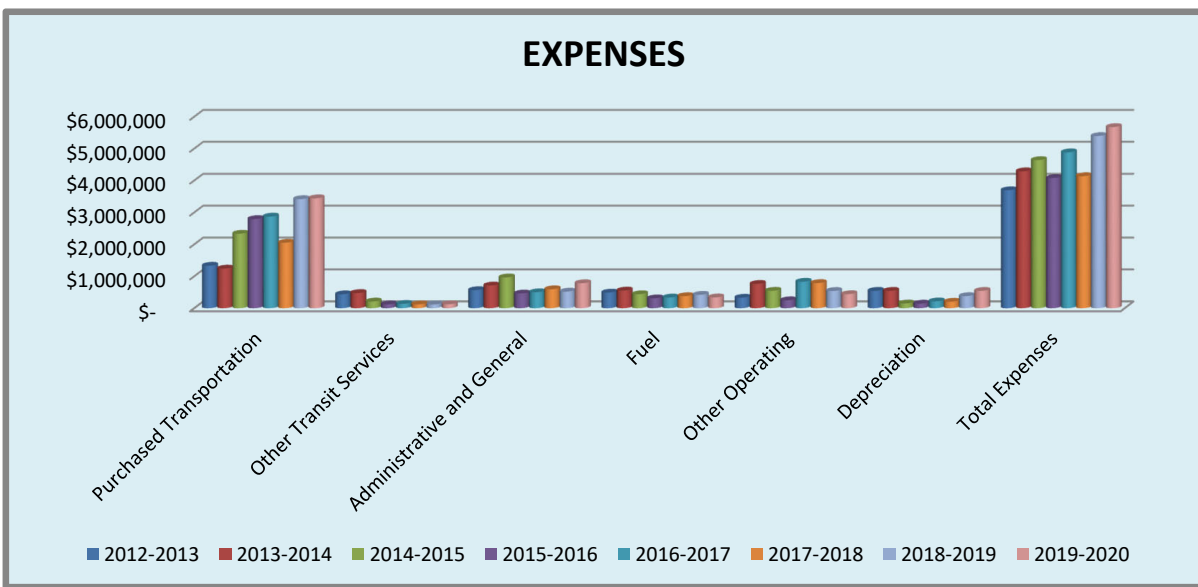


Source: Yuma County Intergovernmental Public Transportation Authority Financial Statements.

Note: Less than ten years of data is presented as the YCIPTA operations began in fiscal year 2013.

**YUMA COUNTY INTERGOVERNEMENTAL PUBLIC TRANSPORTATION AUTHORITY
EXPENSES
LAST EIGHT FISCAL YEARS**

Fiscal Year	Purchased Transportation	Other Transit Services	Administrative and General		Fuel	Other Operating	Depreciation	Total Expenses
2012-2013	\$ 1,331,514	\$ 436,177	\$ 565,800	\$ 489,025	\$ 329,135	\$ 544,336	\$ 3,695,987	
2013-2014	\$ 1,241,939	\$ 476,026	\$ 711,944	\$ 554,080	\$ 762,800	\$ 543,504	\$ 4,290,293	
2014-2015	\$ 2,333,624	\$ 209,943	\$ 964,498	\$ 438,335	\$ 545,933	\$ 148,152	\$ 4,640,485	
2015-2016	\$ 2,792,949	\$ 121,767	\$ 460,973	\$ 309,173	\$ 249,404	\$ 143,907	\$ 4,078,173	
2016-2017	\$ 2,871,253	\$ 136,200	\$ 499,163	\$ 335,283	\$ 828,570	\$ 213,582	\$ 4,884,051	
2017-2018	\$ 2,052,558	\$ 120,900	\$ 593,424	\$ 378,616	\$ 788,679	\$ 203,126	\$ 4,137,303	
2018-2019	\$ 3,418,108	\$ 116,880	\$ 519,996	\$ 419,550	\$ 540,617	\$ 379,109	\$ 5,394,260	
2019-2020	\$ 3,443,453	\$ 125,294	\$ 784,041	\$ 338,790	\$ 440,655	\$ 543,511	\$ 5,675,744	



Source: Yuma County Intergovernmental Public Transportation Authority Financial Statements.
 Note: Less than ten years of data is presented as the YCIPTA operations began in fiscal year 2013.

**YUMA COUNTY INTERGOVERNMENTAL PUBLIC TRANSPORTATION AUTHORITY
COMPARISON OF SYSTEM RIDERSHIP DATA
LAST EIGHT FISCAL YEARS**

Route	2012 - 2013 Ridership	2013 - 2014 Ridership	2014-2015 Ridership	2015-2016 Ridership	2016-2017 Ridership	2017-2018 Ridership	2018-2019 Ridership	2019-2020 Ridership	Increase or (Decrease)
1	37,339	42,581	4,026						
2	47,909	54,418	44,655	44,306	35,059	37,448	33,783	31,608	-6%
3	5,196	11,494	9,066	8,773	8,185	6,428	7,796	6,856	-12%
4	43,165	54,010	64,267	58,639	27,954	47,336	57,815	50,603	-12%
5	11,597	15,532	16,793	17,042	16,609	18,744	17,158	16,752	-2%
6	12,517	8,643	46,107	44,675	44,652	40,635	43,260	38,091	-12%
6A	4,700	14,246							
7	19,886	20,621							
8	1,831	1,738	1,832	3,552	3,115	2,869	3,637	3,071	-16%
8A		94							
9	10,892	14,035	16,248	15,587	12,487	11,825	15,743	10,963	-30%
10	1,026	2,651	5,597	3,070	1,793	1,641	1,884	2,317	23%
13		4,621	202						
95	176,214	214,031	241,263	225,402	230,642	263,088	239,474	216,066	-10%
Other	5,250	3,233	5,467	3,709	3,023	1,327	3,358	1,039	-69%
DAR	3,591	7,323							
YCAT OnCall	3,520	7,209	6,124	7,505	8,680	7,933	8,364	7,471	-11%
YCAT Vanpool	-	53,032	28,372	65,434	74,190	67,622	67,922	68,423	1%
	384,633	529,512	490,019	497,694	466,389	506,896	500,194	453,260	-9%

Source: Yuma County Intergovernmental Public Transportation Authority Annual Performance Report.

Note: Less than ten years of data is presented as the YCIPTA operations began in fiscal year 2013.

**YUMA COUNTY INTERGOVERNEMENTAL PUBLIC TRANSPORTATION AUTHORITY
FARE STRUCTURE**

Description	Basic -Ages 19-64 years old -Youth ages 5-18 years old withouth student ID	Discount -Seniors age 65 & older -Persons with Disabilities -Medicare Card Holders -ADA Certified -Students ages 5-18 years old with school ID	Express -Commuter routes for all fare categories
One Way	\$2.00	\$1.00	\$5.00
One Way (Using Smart Card)	\$1.75	\$0.75	\$4.00
Day YCATPass	\$5.00 (valued at 2.50 trips)	\$2.50 (valued at 2.50 trips)	\$12.50 (valued at 2.50 trips)
Day YCATPass (Using Smart Card)	\$3.50 (valued at 1.75 trips)	\$1.75 (valued at 1.75 trips)	\$10.00 (valued at 2.50 trips)
10-Ride YCATPass (Using Smart Card)	\$17.50 (valued at \$1.75 per ride)	\$7.50 (valued at 75 cents per ride)	\$45.00 (valued at \$4.50 per ride)
10-Day YCATPass	\$35.00 (valued at \$1.75 per ride)	\$17.50 (valued at \$1.75 per ride)	\$100.00 (valued at \$1.75 per ride)
31-Day YCATPass (Using Smart Card)	\$60.00 (value \$1.50 per ride/20 days/2 trips each)	\$30.00 (value \$0.75 per ride/20 days/2 trips each)	\$150.00 (value \$3.75 per ride/20 days/2 trips each)
Route Deviation Fare on Routes 3, 6, 7, 8 & 10 (in El Centro)	\$2.00	\$2.00	N/A

Source: Yuma County Intergovernmental Public Transportation Authority Annual Performance Report.

**YUMA COUNTY INTERGOVERNMENTAL PUBLIC TRANSPORTATION AUTHORITY
DEMOGRAPHIC STATISTICS
YUMA COUNTY TOP TEN CIVILIAN EMPLOYEES**

Employer	Activity	Employees	% of Population
1. Marine Air Corps Station Yuma	Military	4,887	2%
2. U.S Army Proving Grounds (Yuma Proving Ground)	Military	2,336	1%
3. Yuma Regional Medical Center	Health Care	2,325	1%
4. Yuma Elementary District Yuma #1	Education	1,518	1%
5. Yuma County	Government	1,400	1%
6. City of Yuma	Government	1,283	1%
7. Arizona Western College	Education	1,200	1%
8. TRAX International	Government	1,050	1%
9. Yuma Union High School District	Education	962	0%
10. U.S. Border Patrol	Government	1,000	1%

Source: Yuma County Chamber of Commerce

According to the Yuma Marine Corps Air Station, they are the busiest air station in the Marine Corps and the third busiest in the Navel service. The MCAS Air Station currently hosts 100 units form U.S. and NATO forces totaling 14,000 personnel. There are also over 2,000 Yuma County residents who work at the Yuma Proving Ground several hundred military personnel assigned to the Yuma Proving Ground, including about several thousands of annual visitors who stay anywhere from a week up to six months depending on the activity.

Community	2011 Population	Area (square miles)	Population Density (persons/square mile)
Yuma County - including cities	195,751	5,514.00	35.50
City of Yuma	93,064	120.30	773.60
City of San Luis	25,505	32.00	797.00
City of Somerton	12,014	7.30	1,645.00
Town of Wellton*	2,882	2.5*	760.60
Fortuna Foothills	26,265	40.00	656.60
Cocopah Indian Reserve	817	10.00	81.70
Arizona	6,392,017	113,594.00	56.30
Quechan (Fort Yuma) Indian Res., CA**	2,205	68.80	31.90
Winterhaven, CA Census Designated Place	394	0.24	1,655.00

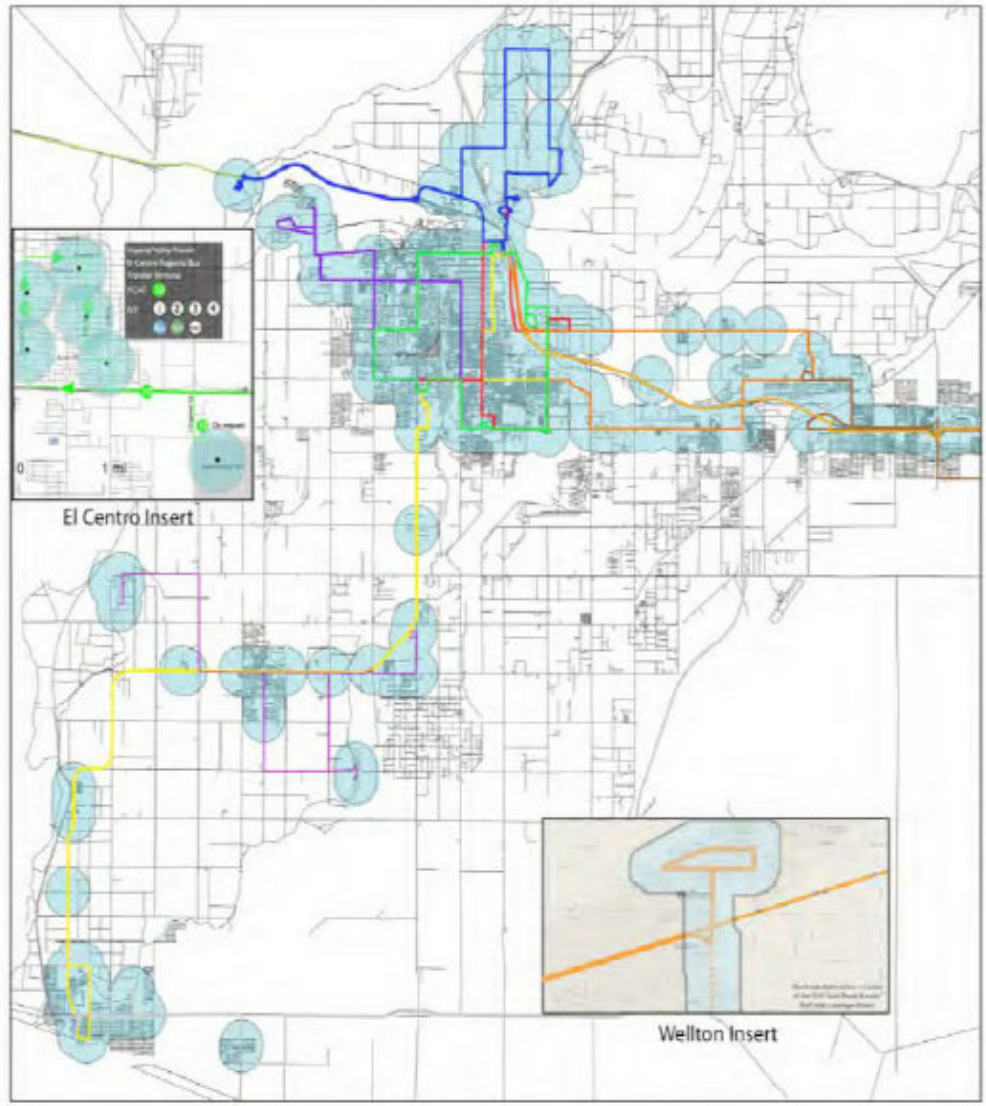
* From Wellton 2003 General Plan, Other data from 2010 Census Quick Facts

**A total of 8 Quechan Tribe members live in Arizona, with 2,197 in Imperial County, CA

**YUMA COUNTY INTERGOVERNEMENTAL PUBLIC TRANSPORTATION AUTHORITY
CAPITAL ASSET STATISTICS
LAST EIGHT YEARS**

	2013	2014	2015	2016	2017	2018	2019	2020
VEHICLES								
NEXTbus Tracking System		24	24	24	24	29	29	29
Admin/Utility Vehicles	5	5	5	5	5	5	6	8
El Dorado EZ Rider	2	24	2	2	2	2		0
New Flyers	4		3	3	3	3	3	3
Dodge Caravan			2	2	2	2	2	2
Amerivan	1	1	1					0
Braunn Entervan	2	2	2	1	1	1	1	1
Chevy Uplander	2	2	2	2	2	2	2	2
Chevy El Dorado	9	9	9	9	9	9	9	9
Ford E350	8	8	8	6	6	6	6	6
Gillig				2	2	2	7	7
El Dorado MST II	5	5	5	5	5	5	2	2
ARBOC Freightliner						4	4	4
Starcraft Allstar CutAway							2	3
INFRASTRUCTURE	33	28	35	35	36	36	36	36

Source: YCIPTA Annual Inventory Listing



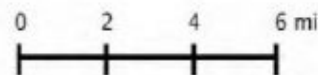
YCAT Existing Network

Network Coverage, August 2013 Yuma Area
Jan 2014, El Centro, Fixed Route Bus Stops only

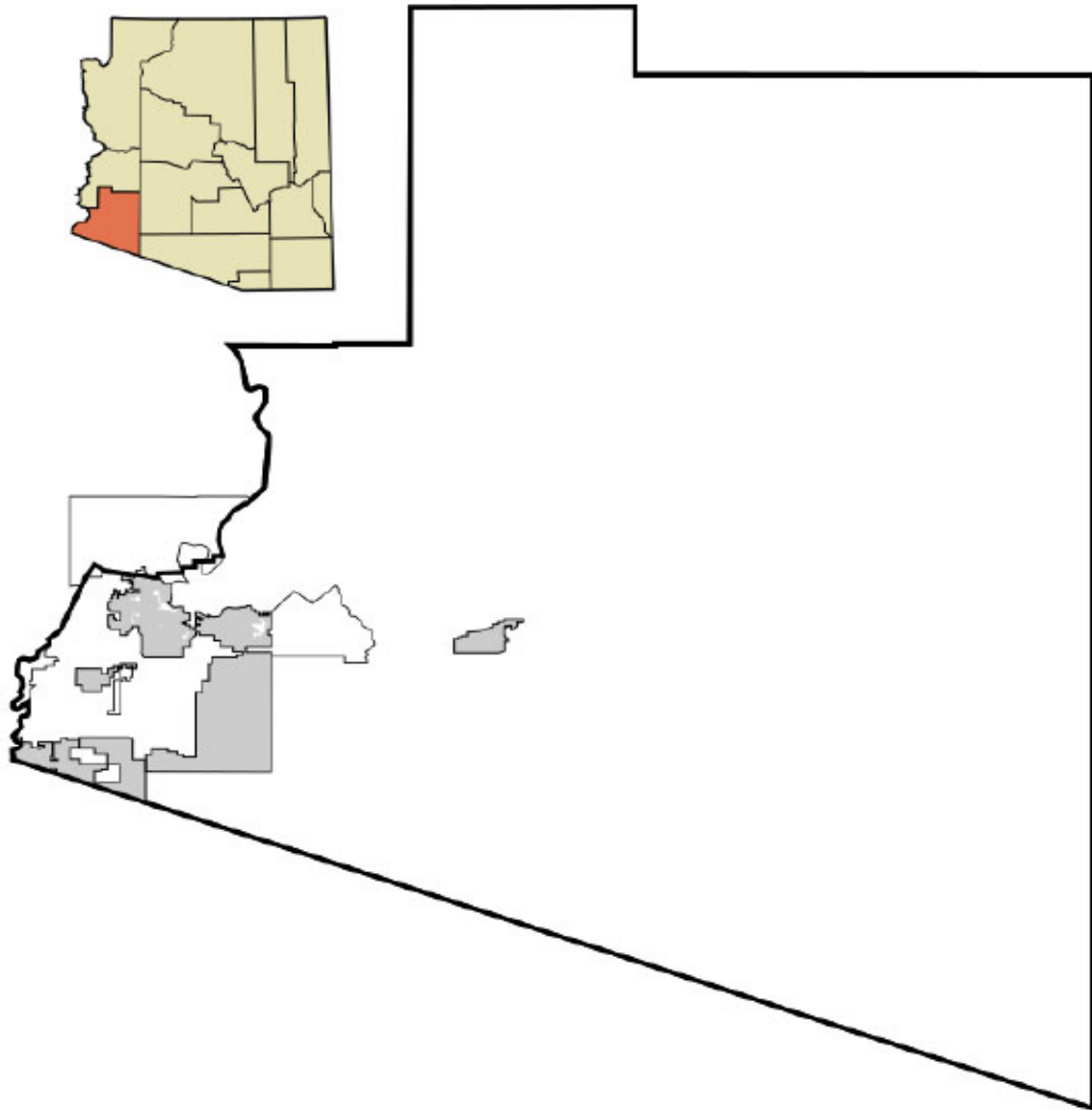
YCAT Routes

- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 95
- 9
- 10

Within 1/2 mile of stop



Yuma County Incorporated and Unincorporated areas



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SINGLE AUDIT SECTION

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**Report on Internal Control Over Financial Reporting and on
Compliance and Other Matters Based on an Audit of
Financial Statements Performed in Accordance with
Government Auditing Standards**

Independent Auditor's Report

Board of Directors
Yuma County Intergovernmental Public Transportation Authority

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 Yuma County Intergovernmental Public Transportation Authority, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise Yuma County Intergovernmental Public Transportation Authority's basic financial statements, and have issued our report thereon dated February 3, 2022.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Yuma County Intergovernmental Public Transportation Authority's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Yuma County Intergovernmental Public Transportation Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of Yuma County Intergovernmental Public Transportation Authority's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item FS-2020-001 that we consider to be a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Yuma County Intergovernmental Public Transportation Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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*.

Yuma County Intergovernmental Public Transportation Authority's Response to Finding

Yuma County Intergovernmental Public Transportation Authority's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. Yuma County Intergovernmental Public Transportation Authority's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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.

Heinfeld Meech & Co. PC

Heinfeld, Meech & Co., P.C.
Scottsdale, Arizona
February 3, 2022

**Report on Compliance for Each Major Federal Program;
Report on Internal Control Over Compliance; and
Report on Schedule of Expenditures of Federal Awards
Required by the Uniform Guidance**

Independent Auditor's Report

Board of Directors
Yuma County Intergovernmental Public Transportation Authority

Report on Compliance for Each Major Federal Program

We have audited Yuma County Intergovernmental Public Transportation Authority's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Yuma County Intergovernmental Public Transportation Authority's major federal programs for the year ended June 30, 2020. Yuma County Intergovernmental Public Transportation Authority's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, Yuma County Intergovernmental Public Transportation Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2020.

Report on Internal Control Over Compliance

Management of Yuma County Intergovernmental Public Transportation Authority is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Yuma County Intergovernmental Public Transportation Authority's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with 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 Yuma County Intergovernmental Public Transportation Authority's internal control over compliance.

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

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

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

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the Yuma County Intergovernmental Public Transportation Authority as of and for the year ended June 30, 2020, and the related notes to the financial statements, and have issued our report thereon dated February 3, 2022, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole.

The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The 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 financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements taken as a whole.

Heinfeld Meech & Co. PC

Heinfeld, Meech & Co., P.C.
Scottsdale, Arizona
February 3, 2022

**YUMA COUNTY INTERGOVERNMENTAL PUBLIC TRANSPORTATION AUTHORITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Fiscal Period 7/1/2019 - 6/30/2020**

<i>Federal Awarding Agency/Program Title</i>	<i>Federal CFDA Number</i>	<i>Additional Award Identification (Optional)</i>	<i>Name of Funder Pass-Through Entity</i>	<i>Identifying Number Assigned By Funder Pass-Through Entity</i>	<i>Total Amount Provided to Sub-Recipients</i>	<i>Federal Expenditures</i>	<i>Federal Program Total</i>	<i>Cluster Name</i>	<i>Cluster Total</i>
DEPARTMENT OF TRANSPORTATION									
<i>HIGHWAY PLANNING AND CONSTRUCTION</i>	20.205		QUECHAN INDIAN TRIBE	A13AP00091		\$5,757	\$5,757	HIGHWAY PLANNING AND CONSTRUCTION CLUSTER	\$5,757
FEDERAL TRANSIT_FORMULA GRANTS	20.507	AZ-90-X127-02				\$23,461	\$2,127,551	FEDERAL TRANSIT CLUSTER	\$2,127,551
FEDERAL TRANSIT_FORMULA GRANTS	20.507	AZ-90-X132-00				\$37,678	\$2,127,551	FEDERAL TRANSIT CLUSTER	\$2,127,551
FEDERAL TRANSIT_FORMULA GRANTS	20.507	AZ-90-X143-00				\$68,454	\$2,127,551	FEDERAL TRANSIT CLUSTER	\$2,127,551
FEDERAL TRANSIT_FORMULA GRANTS	20.507	AZ-2018-003-00				\$33,834	\$2,127,551	FEDERAL TRANSIT CLUSTER	\$2,127,551
FEDERAL TRANSIT_FORMULA GRANTS	20.507	AZ-2019-010-00				\$251,961	\$2,127,551	FEDERAL TRANSIT CLUSTER	\$2,127,551
FEDERAL TRANSIT_FORMULA GRANTS	20.507	AZ-2019-035-00				\$478,117	\$2,127,551	FEDERAL TRANSIT CLUSTER	\$2,127,551
COVID-19 FEDERAL TRANSIT_FORMULA GRANTS	20.507	COVID-19, AZ-2020-030-00				\$975,298	\$2,127,551	FEDERAL TRANSIT CLUSTER	\$2,127,551
FEDERAL TRANSIT_FORMULA GRANTS	20.507	AZ-2019-036-00				\$258,748	\$2,127,551	FEDERAL TRANSIT CLUSTER	\$2,127,551
<i>FORMULA GRANTS FOR RURAL AREAS AND TRIBAL TRANSIT PROGRAM</i>	20.509		ARIZONA DEPARTMENT OF TRANSPORTATION	GRT-18-0007112T		\$862,963	\$1,560,181	N/A	\$0
<i>COVID-19 FORMULA GRANTS FOR RURAL AREAS AND TRIBAL TRANSIT PROGRAM</i>	20.509	COVID-19	ARIZONA DEPARTMENT OF TRANSPORTATION	GRT-18-0007112T		\$615,185	\$1,560,181	N/A	\$0
<i>FORMULA GRANTS FOR RURAL AREAS AND TRIBAL TRANSIT PROGRAM</i>	20.509		QUECHAN INDIAN TRIBE	CA-2016-059-00		\$82,033	\$1,560,181	N/A	\$0
<i>ENHANCED MOBILITY OF SENIORS AND INDIVIDUALS WITH DISABILITIES</i>	20.513		ARIZONA DEPARTMENT OF TRANSPORTATION	GRT-18-0007158T		\$14,140	\$25,050	N/A	\$0
<i>ENHANCED MOBILITY OF SENIORS AND INDIVIDUALS WITH DISABILITIES</i>	20.513		ARIZONA DEPARTMENT OF TRANSPORTATION	GRT-19-0007513T		\$10,910	\$25,050	N/A	\$0
TOTAL DEPARTMENT OF TRANSPORTATION						<u>\$3,718,539</u>			
TOTAL EXPENDITURE OF FEDERAL AWARDS						<u>\$3,718,539</u>			

Please Note:
Italicized award lines indicate pass-through funding

The accompanying Notes to the Schedule of Expenditures of Federal Awards are an integral part of the schedule.

YUMA COUNTY INTERGOVERNMENTAL PUBLIC TRANSPORTATION AUTHORITY
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Fiscal Period 7/1/2019 - 6/30/2020

Significant Accounting Policies Used in Preparing the SEFA

The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes the federal grant activity of Yuma County Intergovernmental Public Transportation Authority under programs of the federal government for the year ended June 30, 2020. The information in the 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 YCIPTA, it is not intended to and does not present the financial position, changes in net position or cash flows of YCIPTA. Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Any negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Pass-through entity identifying numbers are presented where available.

10% De Minimis Cost Rate

The auditee did not use the de minimis cost rate.

Assistance Listing Numbers

The program titles and Assistance Listing numbers were obtained from the federal or pass-through grantor or through sam.gov. If the three-digit Assistance Listing extension is unknown, there is a U followed by a two-digit number in the Assistance Listing extension to identify one or more Federal award lines from that program. The first Federal program with an unknown three-digit extension is indicated with U01 for all award lines associated with that program, the second is U02, etc.

**YUMA COUNTY INTERGOVERNMENTAL
PUBLIC TRANSPORTATION AUTHORITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2020**

Summary of Auditor's Results:

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Significant deficiency(ies) identified: No
- Material weakness(es) identified: Yes

Noncompliance material to financial statements noted: No

Federal Awards

Internal control over major programs:

- Significant deficiency(ies) identified: No
- Material weakness(es) identified: No

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

Any audit findings disclosed that are required to be reported in accordance with §200.516 of Uniform Guidance: No

Identification of major programs:

<u>CFDA Numbers</u>	<u>Name of Federal Program or Cluster</u>
20.507	Federal Transit Cluster

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

Auditee qualified as low-risk auditee: No

Findings Related to Financial Statements Reported in Accordance with *Government Auditing Standards*: Yes

Findings and Questioned Costs Related to Federal Awards: No

Summary Schedule of Prior Audit Findings required to be reported: Yes

**YUMA COUNTY INTERGOVERNMENTAL
PUBLIC TRANSPORTATION AUTHORITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2020**

**FINDINGS RELATED TO FINANCIAL STATEMENTS REPORTED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

Finding Number: FS-2020-001

Repeat Finding: Yes, FS-2019-001

Type of Finding: Material Weakness

Description: Internal Controls Over Financial Reporting

CRITERIA

Generally accepted accounting principles (GAAP) identifies timeliness as a basic characteristic of financial reporting for local governments. The Authority's internal controls should extend beyond the general ledger and the processing of transactions to also include the annual closing process and the timely preparation of the financial statements. The financial statements should be issued within six months of the year-end to allow stakeholders to make informed decisions.

CONDITION

The Authority did not have adequate internal controls and procedures in place to ensure the timely issuance of the financial statements.

CAUSE

The cause is unknown.

EFFECT

The Authority's internal controls over financial reporting do not provide for the timely issuance of the financial statements.

CONTEXT

The Authority's financial statements for the fiscal year ended June 30, 2020, were not issued until February 2022.

RECOMMENDATION

The Authority should invest the necessary resources in the development of procedures to ensure the timely issuance of the Authority's financial statements.

VIEWS OF RESPONSIBLE OFFICIALS

See Corrective Action Plan.



Yuma County Intergovernmental Public Transportation Authority

2715 East 14th Street, Yuma, AZ 85365-1900, Telephone: 928-539-7076

Fax: 928-783-0309, email: info@ycipta.az.gov, Web: www.yciptaz.gov

February 3, 2022

To Whom It May Concern:

The accompanying Corrective Action Plan has been prepared as required by U.S. Office of Management and Budget Uniform Guidance. The name of the contact person responsible for corrective action, the planned corrective action, and the anticipated completion date for each finding included in the current year's Schedule of Findings and Questioned Costs have been provided.

In addition, we have also prepared the accompanying Summary Schedule of Prior Audit Findings which includes the status of audit findings reported in the prior year's audit.

Sincerely,

Shelly Kreger
Transit Director

Yuma County Intergovernmental Public Transportation Authority Board Of Directors

Susan M. Zambrano – Chairperson - Arizona Western College, Dr. Michael Sabath – Vice Chairman - Northern Arizona University, Jerry Cabrera - City of Somerton Secretary/Treasurer, Philip Rodriguez – City of Yuma,
Larry Killman – Town of Wellton Brian Golding, Sr.-Quechan Tribe, Ralph Velez - City of San Luis,
Paul Soto – Cocopah Tribe, Susan Thorpe – Yuma County

Shelly Kreger, Transit Director

**YUMA COUNTY INTERGOVERNMENTAL
PUBLIC TRANSPORTATION AUTHORITY
CORRECTIVE ACTION PLAN
YEAR ENDED JUNE 30, 2020**

Findings Related to Financial Statements Reported in Accordance with *Government Auditing Standards*

Finding Number: FS-2020-001

Contact Person: Shelly Kreger, Transit Director

Anticipated Completion Date: February 28, 2022

Planned Corrective Action: Anticipated completion date for fiscal year 2020 is end of February 2022. Yuma County Public Transportation Authority is working with an outside auditing firm to complete audits by the anticipated completion date above. Fiscal year 2021 is anticipated to be submitted by March 31, 2022.

**YUMA COUNTY INTERGOVERNMENTAL
PUBLIC TRANSPORTATION AUTHORITY
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED JUNE 30, 2020**

**Status of Findings Related to Financial Statements Reported in Accordance with
*Government Auditing Standards***

Finding Number: FS-2019-001, FS-2018-001

Status: Not corrected.

Planned Corrective Action: Fiscal Year 2018 audit for Yuma County Intergovernmental Public Transportation Authority was completed on August 20, 2020. It was submitted to the Clearing House on September 11, 2020. Fiscal Year 2019 audit for Yuma County Intergovernmental Public Transportation Authority was completed on August 24, 2021. It was submitted to the Clearing House on September 3, 2021.



Monthly YCIPTA board meeting report RatpDev

Oliver Cromwell GM Ratpdev

2/28/2022

This monthly report is intended to summarize any operations, maintenance, management, finance, or other actions that fall outside of normal operations for YCAT public transit.

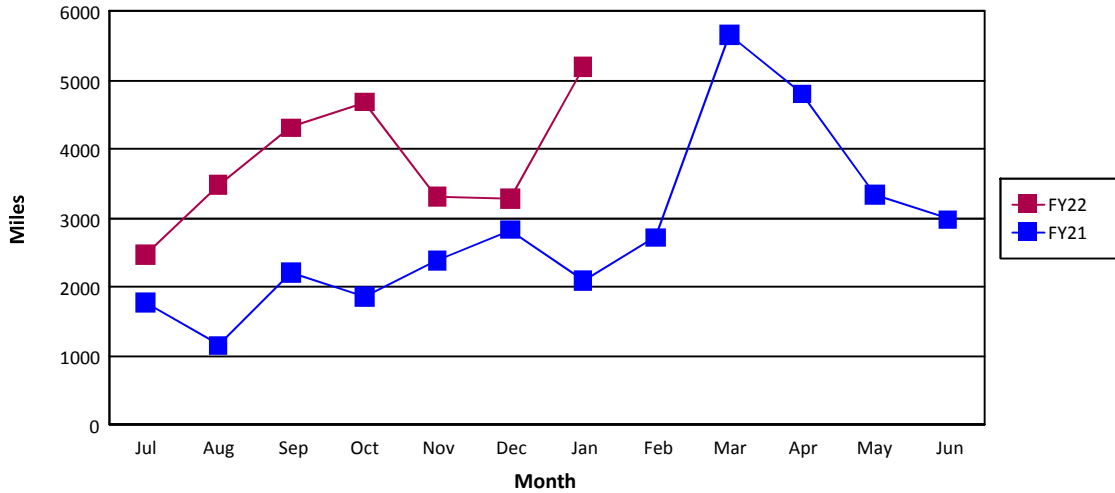
- Received 8 new Gillig buses over the last two weeks, electronic safety equipment and fareboxes are being scheduled for removal from (soon to be) out of service vehicles and installed into the new buses.
- Federal mask mandate is set to expire March 18th, 2022.
- Question from last meeting concerning late to the first stop statistics. i.e., where do we rank compared to other locations. I have reached out to all other Ratp Dev locations, unfortunately, they could not provide me with their late to first stop data. The other location track the system performance in different ways, some use road reports and others use GPS software. No other Ratp Dev location tracks only the late to first stop data.



MILES BETWEEN ROADCALLS Fleetwide

Miles Between Roadcalls

FY2022 vs FY2021



Month	Mileage FY22	Roadcalls FY22	Miles Between Roadcalls
Jul	79,098	32	2,472
Aug	87,317	25	3,493
Sep	81,935	19	4,312
Oct	84,357	18	4,687
Nov	69,675	21	3,318
Dec	88,507	27	3,278
Jan	83,149	16	5,197
Feb			
Mar			
Apr			
May			
Jun			
Year-To-Date:	574,038	158	3,633



PMIs COMPLETED

Period: 1/1/2022 - 1/31/2022

Bus #	Interval	Mileage at Previous PMI	Mileage at PMI	Miles Since Last PMI	On-Time	PMI
126	5000 miles	568,384	573,217	4,833	On Time	A-2
130	5000 miles	526,501	531,348	4,847	On Time	A-3
138	6000 miles	165,606	171,126	5,520	On Time	A-4
144	6000 miles	79,647	85,329	5,682	On Time	B
150	5000 miles	127,545	132,252	4,707	On Time	A-7
151	5000 miles	120,541	125,607	5,066	On Time	A-5
152	5000 miles	148,727	153,449	4,722	On Time	A-4
202	6000 miles	157,280	163,333	6,053	On Time	A-3
203	6000 miles	190,017	195,867	5,850	On Time	A-3
204	6000 miles	167,208	172,809	5,601	On Time	A-2
205	6000 miles	157,009	162,784	5,775	On Time	C
300	4000 miles	139,747	143,661	3,914	On Time	A-8
301	4000 miles	134,793	138,457	3,664	On Time	A-8
302	4000 miles	86,935	90,701	3,766	On Time	C
303	4000 miles	32,845	36,535	3,690	On Time	B-2
350	4000 miles	71,553	75,573	4,020	On Time	A-7
350	4000 miles	75,573	79,502	3,929	On Time	A-8
351	4000 miles	72,329	76,392	4,063	On Time	A-1
1101	4000 miles	69,917	73,725	3,808	On Time	A-6

PMIs Completed: 19

On Time: 19 100.0%

Early: 0 0.0%

Late: 0 0.0%

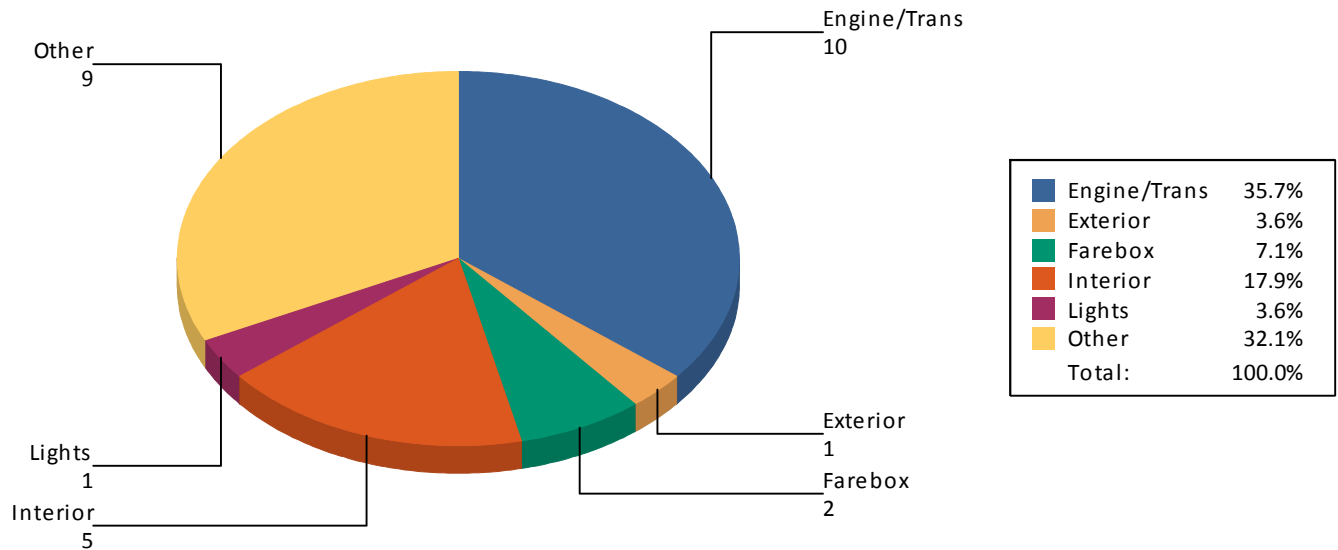
Note: "On Time" is based on mileage not days.



ROADCALLS Fleetwide

For the Period:
01-Jan-2022 thru 31-Jan-2022

Roadcalls by Category



Date of Roadcall	Bus #	Category	Comments
1/5/2022	200	Engine/Trans	NTD Labor - 44.92 hrs x \$46.00p/h = \$2066.32
1/7/2022	300	Engine/Trans	NTD Part: AMG 200 fuse. HC2Z-8286-D
1/10/2022	204	Engine/Trans	NTD Parts used: 36093 pulley K080660HD FleetRunner belt 3288634 Cummins belt
1/11/2022	201	Engine/Trans	NTD Marine pump supply hose (CSC inv # 851534 \$185.68)
1/14/2022	201	Engine/Trans	NTD Part Number; 11916-2 (1) MJV-2 (1)
1/20/2022	149	Engine/Trans	NTD
1/22/2022	200	Engine/Trans	
1/26/2022	149	Engine/Trans	Bus took 96 gal of fuel
1/26/2022	205	Engine/Trans	Parts used: 3288634 Alternator belt. K080660HD water pump belt

Date of Roadcall	Bus #	Category		Comments
1/28/2022	126	Engine/Trans		Image will replace windshield (DW 1519) Image Inv # 1415-1915130 \$356.19 39242 Drivealign Automatic Tensioner - Gates 98057284 Idler Pulley - Chevy C5500 38002 A/C Idler Pulley - Chevy C5500 K061380,K060637 belt
1/21/2022	152	Exterior	NTD	
1/6/2022	301	Farebox		
1/31/2022	130	Farebox		
1/6/2022	302	Interior		
1/7/2022	130	Interior		
1/8/2022	350	Interior		TRIM has a damaged capacitor need to repair or replace TRIM
1/11/2022	142	Interior	NTD	
1/26/2022	144	Interior		
1/13/2022	204	Lights	NTD	Light H4656N
1/3/2022	201	Other	NTD	Not a road call bus exchange
1/6/2022	204	Other	NTD	Not a road call
1/7/2022	151	Other	NTD	front right air bag has a small leak. Test drove bus does not kneel while driving as reported. part request has been sent for air bags.
1/10/2022	149	Other	NTD	napa #7669 batteries defective returned for credit
1/18/2022	201	Other		
1/18/2022	201	Other		not road call Image WO 1415-1902235 \$ 416.26
1/18/2022	201	Other	NTD	Duplicated WO 23772
1/20/2022	204	Other	NTD	Driver caused incorrect start sequence
1/25/2022	150	Other	NTD	

Total # of Roadcalls: 28

Roadcalls as Defined by NTD: 16



Yuma County Intergovernmental Public Transportation Authority

2715 East 14th Street, Yuma, AZ 85365-1900, Telephone: 928-539-7076

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Transit Directors Report February 2022

- Bi-weekly meetings regarding the Hotel Del Sol project with the City of Yuma, SPS+ Architects and other stakeholders. RAISE Grant was awarded. City of Yuma will be submitting documentation required to become a FTA grantee in order to apply for the funding.
- FTA's FY22 Region 9 Triennial Review is underway with the document requests and the virtual review will be held on March 28-31, 2022.
- Participating in the Yuma Multimodal Center project environmental process preparation with FTA, City of Yuma staff and consultants.
- Attended via Zoom the AzTA board meeting.
- Participated in the Financial Sustainability Committee.
- Received eight new Gilligs (2 – 35ft & 6 – 40ft)



Yuma County Intergovernmental Public Transportation Authority Board Of Directors

Dr. Michael Sabath – Chairman - Northern Arizona University, Jerry Cabrera – Vice Chairman - City of Somerton, Ralph Velez – Sec/Treas - City of San Luis, Jay Simonton – City of Yuma, Richard Marsh – Town of Wellton, Brian Golding, Sr.-Quechan Tribe, Fernando Mezquita – Cocopah Tribe, Susan Thorpe – Yuma County, Susan M. Zambrano - Arizona Western College

Shelly Kreger, Transit Director



Question regarding what falls under “Other” in the delays. Upon research there were many entries that were made under other that should have been placed under different categories such as, bus issues, driver shortage, customer service etc. This has been brought to RATP Dev’s attention. There has also been another category added, “Customer Service”. With the correction of entries by dispatch and the added category the “Other” should drop considerably.

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Shelly Kreger, Transit Director



January 2022 - YCAT

The following information is based on the services and analyses performed by Solutions for Transit for YCIPTA for the month of January 2022.

Solutions for Transit completed its monthly review and sent a final review document to YCIPTA staff on February 18, 2022.

OPERATIONS

Fixed Route

Following are the actual miles and hours reported by the contractor vs. scheduled:

	Reported	Scheduled	Difference
Revenue Hours	2,930.7	2,921.4	9.3
Total Hours	3,247.9	3,252.9	(5.0)
Revenue Miles	62,912	62,089	823
Total Miles	70,012	69,809	203
Passengers per Revenue Hour		8.1	
Passengers per Revenue Mile		0.4	

GFI data for bus 149 was recorded on 1/9/2022 instead of 1/10/2022 due to a maintenance error.

Demand Response

Following are the actual miles and hours:

Revenue Hours	266.2
Total Hours	368.4
Revenue Miles	4,935
Total Miles	7,782
Average Weekday Revenue Hours	12.9
Passengers per Revenue Hour	0.0
Passengers per Revenue Mile	0.0

OPERATIONS DATABASE

Analysis of Contractor Invoice Data for Accuracy: Solutions for Transit reviewed the Total Miles and Hours by Day and Miles and Hours Reports to determine if there are entries that seemed high or low. We are using a 5% tolerance to determine if the entries need to be corrected or commented.

There were **88** entry errors, **23** GFI errors (information classified incorrectly in GFI), **16** time overlaps, **36** fixed route vs. GFI errors, and **14** unreported roadcalls.

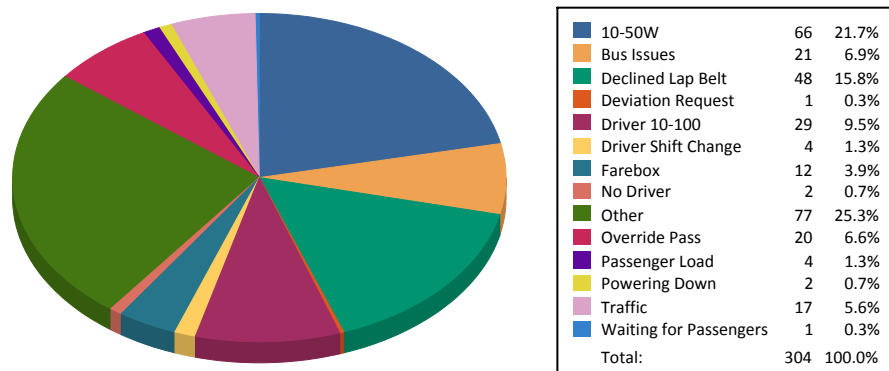
These errors were corrected before we submitted a final review to YCIPTA for billing authorization purposes.

Late to First Stop: There were **124** occurrences where the operator was late to the first stop by 5 minutes or more, resulting in **20 hours 6 minutes** of delayed service.

Logging Out Early: There was **1** occurrence where the operator logged off before the end of revenue service totaling **0 hours 6 minutes** of unaccounted revenue time.

Delays: During the month of January, **304** delays were reported by the contractor. The average delay was **5** minutes. The delays are broken down as follows:

Delays by Category



Customer Comments: During the month of January, **6** complaints were called in. Of these the contractor followed up on **6**. In addition, **0** commendations were called in.

MAINTENANCE

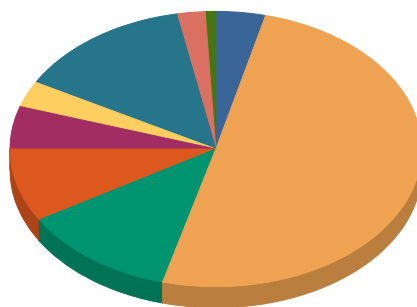
PMIs Completed: There were **19** PMIs completed during the month of January. Of these, **0** were completed late based on the information entered into The Reporting Solution.

Roadcalls: There were 42 roadcalls/bus exchanges for the month of January.

- o **34** of these are roadcalls as defined by NTD (the bus did not complete its scheduled service)
- o **2,446** miles between roadcalls as defined by NTD
- o The industry standard for miles between roadcalls is 6,000 miles

Work Orders Created:

Work Orders by Type



Bus Exchange	9	3.8%
DVI Defect	119	50.4%
Farebox	29	12.3%
PMI	20	8.5%
PMI Defect	12	5.1%
Pullout Complaint	7	3.0%
Roadcall	33	14.0%
Safety Inspection	5	2.1%
Safety Inspection Defect	2	0.8%
Total:	236	100.0%

Open Work Orders:

There were **1,500** open work orders.

REPORTS

Monthly Reports: The following Monthly Reports are attached:

- o Fixed Route Operating Summary - Systemwide
- o Ridership and Fares
- o Miles and Hours by Route
- o On Call Operating Summary
- o PMIs Completed

IT SUPPORT

Back-up: Solutions for Transit is backing up the data entered into The Reporting Solution daily. It is being placed on the Solutions for Transit home server in Lodi.



OPERATING SUMMARY - Systemwide Fiscal Year 2022

Systemwide

	Quarter				Quarter				Quarter		YTD
	Jul-21	Aug-21	Sep-21	Qtr Total	Oct-21	Nov-21	Dec-21	Qtr Total	Jan-22	Qtr Total	
Weekday Ridership	14,731	18,993	21,330	55,053	22,267	23,339	22,485	68,091	21,932	21,932	145,076
Saturday Ridership	1,678	1,361	1,383	4,422	2,104	1,868	1,670	5,642	1,760	1,760	11,824
Total Ridership	16,409	20,354	22,713	59,475	24,371	25,207	24,155	73,733	23,692	23,692	156,900
Weekday Revenue Hours	2,885.5	2,930.4	2,830.9	8,646.9	2,855.7	2,646.7	2,909.9	8,412.4	2,708.7	2,708.7	19,768.0
Saturday Revenue Hours	258.1	205.4	206.5	670.1	278.6	222.6	166.3	667.6	221.9	221.9	1,559.7
Total Revenue Hours	3,143.7	3,135.8	3,037.5	9,317.0	3,134.3	2,869.4	3,076.3	9,079.9	2,930.7	2,930.7	21,327.6
Weekday Total Hours	3,141.9	3,228.9	3,127.7	9,498.4	3,161.1	2,934.4	3,167.6	9,263.2	3,000.1	3,000.1	21,761.7
Saturday Total Hours	286.6	227.8	229.2	743.6	314.3	249.8	185.7	749.8	247.8	247.8	1,741.3
Total Hours	3,428.5	3,456.7	3,356.9	10,242.1	3,475.5	3,184.2	3,353.3	10,013.0	3,247.9	3,247.9	23,502.9
Weekday Revenue Miles	61,370	62,206	60,885	184,461	61,080	56,693	61,742	179,515	58,304	58,304	422,280
Saturday Revenue Miles	5,278	4,202	4,240	13,720	5,695	4,563	3,489	13,747	4,608	4,608	32,075
Total Revenue Miles	66,648	66,408	65,125	198,181	66,775	61,256	65,231	193,262	62,912	62,912	454,355
Weekday Total Miles	67,356	69,063	67,917	204,336	68,061	63,251	67,514	198,826	64,775	64,775	467,937
Saturday Total Miles	6,009	4,793	4,809	15,611	6,571	5,195	3,949	15,715	5,237	5,237	36,563
Total Miles	73,365	73,856	72,726	219,947	74,632	68,446	71,463	214,541	70,012	70,012	504,500
# Operating Weekdays	22	22	21	65	21	20	23	64	20	20	149
# Operating Saturdays	5	4	4	13	5	4	3	12	4	4	29
# Total Operating Days	27	26	25	78	26	24	26	76	24	24	178
Avg Weekday Ridership	669.6	863.3	1,015.7	847.0	1,060.3	1,166.9	977.6	1,063.9	1,096.6	1,096.6	973.7
Avg Saturday Ridership	335.6	340.3	345.8	340.2	420.8	467.0	556.7	470.2	440.0	440.0	407.7
Avg Daily Ridership	607.7	782.8	908.5	762.5	937.3	1,050.3	929.0	970.2	987.2	987.2	881.5
Wkday Ridership/Rev Hr	5.1	6.5	7.5	6.4	7.8	8.8	7.7	8.1	8.1	8.1	7.3
Sat Ridership/Rev Hr	6.5	6.6	6.7	6.6	7.6	8.4	10.0	8.5	7.9	7.9	7.6
Avg Weekday Rev Hours	131.2	133.2	134.8	133.0	136.0	132.3	126.5	131.4	135.4	135.4	132.7
Avg Saturday Rev Hours	51.6	51.4	51.6	51.5	55.7	55.7	55.4	55.6	55.5	55.5	53.8
Avg Weekday Rev Miles	2,790	2,828	2,899	2,838	2,909	2,835	2,684	2,805	2,915	2,915	2,834
Avg Saturday Rev Miles	1,056	1,051	1,060	1,055	1,139	1,141	1,163	1,146	1,152	1,152	1,106



RIDERSHIP AND FARES

Period: 1/1/2022 to 1/31/2022

Route	Cash Fares			Day Passes Sold		Passes Accepted				Free				Special Revenues					Statistics			Total Pax
	Basic Cash	Disc Cash	Deviations	Day Passes	Disc Day	Day Passes	31-Day Passes	10 Ride Passes	Single-Ride	< 5 & PCAs	Greyhound	Promo	On Call ID	Aztec	YPIC	Colleges	Cocopa	Vista	WC	Bikes	Guides	
Orange 2	571	251	0	63	23	284	121	13	0	20	0	0	18	4	7	555	43	21	7	34	0	1,994
Brown 3	88	113	54	44	23	103	38	2	0	8	0	0	4	0	0	92	1	3	16	9	0	519
Green 4	274	301	0	55	61	344	243	4	0	35	0	0	45	16	21	126	49	585	1	31	0	2,159
Green 4A	183	130	0	40	59	206	66	3	0	20	1	0	26	19	34	83	34	131	8	6	0	1,035
Blue 5	198	155	0	60	20	196	129	2	0	26	1	0	45	1	0	3	37	0	7	36	0	873
Purple 6	189	183	0	43	32	148	32	6	0	61	0	0	51	0	1	32	1,028	6	16	31	0	1,812
Gold 8	31	7	11	18	10	20	5	0	0	5	0	0	1	1	0	94	1	12	7	7	0	205
Silver 9	66	40	0	21	7	25	49	0	0	4	0	0	13	1	0	487	5	1	3	12	0	719
Turquoise 10	108	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	108
Yellow 95	6,260	3,870	0	358	219	1,106	765	63	0	261	2	0	121	88	84	742	247	81	50	210	0	14,267
Grand Total:	7,969	5,050	65	702	454	2,432	1,448	93	0	440	4	0	324	130	147	2,214	1,445	840	115	377	0	23,692

REVENUE:

Total Revenue: \$25,173.56
 Unclassified Revenue: \$635.42
 As a % of Total: 2.52%



TOTAL MILES AND HOURS BY ROUTE January 2022

Route	Revenue Hours	Non-Rev Hours	Total Hours	Revenue Miles	Non-Rev Miles	Total Miles
Orange Route 2	338.4	40.0	378.4	6,368	288	6,656
Brown Route 3	176.7	9.3	186.0	3,504	199	3,703
Green Route 4	267.1	14.3	281.5	4,336	206	4,542
Green Route 4A	221.5	13.6	235.2	3,803	184	3,987
Blue Route 5	244.7	8.1	252.8	5,879	128	6,007
Purple Route 6	470.5	36.9	507.4	10,224	713	10,937
Gold Route 8	58.9	18.0	76.9	1,795	579	2,374
Silver Route 9	88.6	92.8	181.4	3,092	2,322	5,414
Turquoise Route 10	68.0	11.0	79.0	2,944	161	3,105
Yellow Route 95	996.0	73.1	1,069.1	20,967	2,320	23,287

Totals for January 2022			
Total Hours	3,247.90	Total Miles	70,012
Revenue Hours	2,930.67	Revenue Miles	62,912
Non-Revenue Hours	317.23	Non-Revenue Miles	7,100



OPERATING SUMMARY - On-Call Fiscal Year 2022

	Quarter				Quarter				Quarter		YTD
	Jul-21	Aug-21	Sep-21	Qtr	Oct-21	Nov-21	Dec-21	Qtr	Jan-22	Qtr	
Weekday Ridership	523	532	590	1,644	623	554	627	1,804	596	596	4,044
Saturday Ridership	23	0	0	23	0	0	0	0	0	0	23
Total Ridership	546	532	590	1,667	623	554	627	1,804	596	596	4,067
Weekday Revenue Hours	243.6	227.5	237.7	708.8	284.5	240.0	254.8	779.4	257.5	257.5	1,745.7
Saturday Revenue Hours	12.1	8.2	7.8	28.1	9.3	6.6	9.5	25.4	8.7	8.7	62.1
Total Revenue Hours	255.7	235.6	245.5	736.8	293.8	246.6	264.3	804.8	266.2	266.2	1,807.8
Weekday Total Hours	354.3	339.3	327.7	1,021.3	396.2	330.0	356.8	1,083.1	356.2	356.2	2,460.6
Saturday Total Hours	17.7	10.8	12.4	40.8	15.9	10.0	12.2	38.2	12.2	12.2	91.3
Total Hours	372.0	350.2	340.0	1,062.2	412.2	340.1	369.1	1,121.3	368.4	368.4	2,551.8
Weekday Revenue Miles	4,222	4,065	4,143	12,430	4,948	4,402	4,644	13,994	4,755	4,755	31,179
Saturday Revenue Miles	167	91	80	338	106	93	148	347	180	180	865
Total Revenue Miles	4,389	4,156	4,223	12,768	5,054	4,495	4,792	14,341	4,935	4,935	32,044
Weekday Total Miles	6,856	6,713	6,316	19,885	7,757	6,774	7,210	21,741	7,480	7,480	49,106
Saturday Total Miles	323	176	152	651	208	236	250	694	302	302	1,647
Total Miles	7,179	6,889	6,468	20,536	7,965	7,010	7,460	22,435	7,782	7,782	50,753
# Operating Weekdays	22	22	21	65	21	20	23	64	20	20	149
# Operating Saturdays	5	3	4	12	4	4	3	11	3	3	26
# Total Operating Days	27	25	25	77	25	24	26	75	23	23	175
Avg Weekday Ridership	23.8	24.2	28.1	25.3	29.7	27.7	27.3	28.2	29.8	29.8	27.1
Avg Saturday Ridership	4.6	0.0	0.0	1.9	0.0	0.0	0.0	0.0	0.0	0.0	0.9
Avg Daily Ridership	20.2	21.3	23.6	21.7	24.9	23.1	24.1	24.1	25.9	25.9	23.2
Wkday Ridership/Rev Hr	2.1	2.3	2.5	2.3	2.2	2.3	2.5	2.3	2.3	2.3	2.3
Sat Ridership/Rev Hr	1.9	0.0	0.0	0.8	0.0	0.0	0.0	0.0	0.0	0.0	0.4
Trips per Rev Hour	2.1	2.3	2.4	2.3	2.1	2.2	2.4	2.2	2.2	2.2	2
Avg Weekday Rev Hours	11.1	10.3	11.3	10.9	13.5	12.0	11.1	12.2	12.9	12.9	11.7
Avg Saturday Rev Hours	2.4	2.7	1.9	2.3	2.3	1.6	3.2	2.3	2.9	2.9	2.4
Avg Weekday Rev Miles	192	185	197	191	236	220	202	219	238	238	209
Avg Saturday Rev Miles	33	30	20	28	27	23	49	32	60	60	33
Rev Miles per Rev Hr	17.2	17.6	17.2	17.3	17.2	18.2	18.1	17.8	18.5	18.5	17.7



PMIs COMPLETED

Period: 1/1/2022 - 1/31/2022

Bus #	Interval	Mileage at Previous PMI	Mileage at PMI	Miles Since Last PMI	On-Time	PMI
126	5000 miles	568,384	573,217	4,833	On Time	A-2
130	5000 miles	526,501	531,348	4,847	On Time	A-3
138	6000 miles	165,606	171,126	5,520	On Time	A-4
144	6000 miles	79,647	85,329	5,682	On Time	B
150	5000 miles	127,545	132,252	4,707	On Time	A-7
151	5000 miles	120,541	125,607	5,066	On Time	A-5
152	5000 miles	148,727	153,449	4,722	On Time	A-4
202	6000 miles	157,280	163,333	6,053	On Time	A-3
203	6000 miles	190,017	195,867	5,850	On Time	A-3
204	6000 miles	167,208	172,809	5,601	On Time	A-2
205	6000 miles	157,009	162,784	5,775	On Time	C
300	4000 miles	139,747	143,661	3,914	On Time	A-8
301	4000 miles	134,793	138,457	3,664	On Time	A-8
302	4000 miles	86,935	90,701	3,766	On Time	C
303	4000 miles	32,845	36,535	3,690	On Time	B-2
350	4000 miles	71,553	75,573	4,020	On Time	A-7
350	4000 miles	75,573	79,502	3,929	On Time	A-8
351	4000 miles	72,329	76,392	4,063	On Time	A-1
1101	4000 miles	69,917	73,725	3,808	On Time	A-6

PMIs Completed: 19

On Time: 19 100.0%

Early: 0 0.0%

Late: 0 0.0%

Note: "On Time" is based on mileage not days.



RIDERSHIP AND FARES

Period: 1/1/2021 to 1/31/2021

Route	Cash Fares			Day Passes Sold		Passes Accepted				Free				Special Revenues					Statistics			Total Pax
	Basic Cash	Disc Cash	Deviations	Day Passes	Disc Day	Day Passes	31-Day Passes	10 Ride Passes	Single-Ride	< 5 & PCAs	Grey-hound	Promo	On Call ID	Aztec	YPIC	Colleges	Cocopah	Vista	WC	Bikes	Guides	
Orange 2	88	0	0	0	0	0	0	0	0	1,098	0	8	0	1	0	0	0	1	14	39	0	1,196
Brown 3	24	0	0	0	0	0	0	0	0	382	0	0	0	0	0	1	0	0	8	7	0	407
Green 4	24	0	0	0	0	0	0	0	0	1,302	0	1	0	0	0	0	0	0	13	76	0	1,327
Blue 5	24	0	0	0	0	0	0	0	0	1,210	0	1	0	0	0	0	0	0	10	118	0	1,235
Purple 6	26	0	0	0	0	0	0	0	0	1,270	0	0	0	0	0	0	0	0	31	7	0	1,296
Gold 8	19	0	0	0	0	0	0	0	0	140	0	1	0	0	0	0	0	0	1	4	0	160
Silver 9	33	0	0	0	0	0	0	0	0	159	0	0	2	0	1	0	0	0	0	0	0	195
Turquoise 10	11	0	0	0	0	0	0	0	0	121	1	0	1	0	0	0	0	0	1	3	0	134
Yellow 95	120	0	0	0	0	0	0	0	0	10,518	0	7	1	0	0	0	0	0	62	219	0	10,646
Grand Total:	369	0	0	0	0	0	0	0	0	16,200	1	18	4	1	1	1	0	1	140	473	0	16,596

REVENUE:

Total Revenue: \$0.00
 Unclassified Revenue: \$0.00
 As a % of Total: 0.00%



RIDERSHIP AND FARES

Period: 1/1/2022 to 1/31/2022

Route	Cash Fares			Day Passes Sold		Passes Accepted				Free				Special Revenues					Statistics			Total Pax
	Basic Cash	Disc Cash	Deviations	Day Passes	Disc Day	Day Passes	31-Day Passes	10 Ride Passes	Single-Ride	< 5 & PCAs	Greyhound	Promo	On Call ID	Aztec	YPIC	Colleges	Cocopah	Vista	WC	Bikes	Guides	
Orange 2	571	251	0	63	23	284	121	13	0	20	0	0	18	4	7	555	43	21	7	34	0	1,994
Brown 3	88	113	54	44	23	103	38	2	0	8	0	0	4	0	0	92	1	3	16	9	0	519
Green 4	274	301	0	55	61	344	243	4	0	35	0	0	45	16	21	126	49	585	1	31	0	2,159
Green 4A	183	130	0	40	59	206	66	3	0	20	1	0	26	19	34	83	34	131	8	6	0	1,035
Blue 5	198	155	0	60	20	196	129	2	0	26	1	0	45	1	0	3	37	0	7	36	0	873
Purple 6	189	183	0	43	32	148	32	6	0	61	0	0	51	0	1	32	1,028	6	16	31	0	1,812
Gold 8	31	7	11	18	10	20	5	0	0	5	0	0	1	1	0	94	1	12	7	7	0	205
Silver 9	66	40	0	21	7	25	49	0	0	4	0	0	13	1	0	487	5	1	3	12	0	719
Turquoise 10	108	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	108
Yellow 95	6,260	3,870	0	358	219	1,106	765	63	0	261	2	0	121	88	84	742	247	81	50	210	0	14,267
Grand Total:	7,969	5,050	65	702	454	2,432	1,448	93	0	440	4	0	324	130	147	2,214	1,445	840	115	377	0	23,692

REVENUE:

Total Revenue: \$25,173.56
 Unclassified Revenue: \$635.42
 As a % of Total: 2.52%



Yuma County Intergovernmental Public Transportation Authority

2715 East 14th Street, Yuma, AZ 85365-1900, Telephone: 928-539-7076

Fax: 928-783-0309, email: info@ycipta.az.gov, Web: www.yciptaz.gov

Summary Financial Report for January 2022

This report is a summary for the period January 2022. The attached monthly profit and loss statements are unaudited figures.

Reconciled account balances for YCIPTA checking accounts held at 1st Bank Yuma for the following months are as follows:

January 2022

Greyhound	\$13,734.22
General	\$100,645.25
Payroll	\$32,445.84
Fare Revenue	\$26,011.09

January 2022

YC Treasurer (08808)	0.00	Old Account
YC Treasurer (88808)	\$270,608.95	New Account

Greyhound Commissions by Month

January 2022	\$271.25
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Fare Revenue by Month

January 2022

YCAT	\$22,925.20
On Call	\$394.05

Accounts payable as of January 31, 2022 was \$659,912.64

Accounts receivable as of January 31, 2022 was \$995,203.02

Treasurer's Account Payable as of January 31, 2022 was \$1,388,383.38

Yuma County Intergovernmental Public Transportation Authority Board Of Directors

Jerry Cabrera - Chairman - City of Somerton, Ralph Velez – Vice Chairman - City of San Luis,
Jay Simonton Sec/Treas– City of Yuma, Richard Marsh – Town of Wellton,
Brian Golding, Sr.-Quechan Tribe, , Fernando Mezquita – Cocopah Tribe, Susan Thorpe – Yuma County,
Susan M. Zambrano - Arizona Western College, Dr. Michael Sabath - Northern Arizona University

Shelly Kreger, Transit Director

Yuma County Intergovernmental Public Transportation Auth.
Executive Board P&L
January 2022

4:25 PM
 02/18/2022
 Accrual Basis

	Jan 22	Jul '21 - Jan 22	YTD Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense					
Income					
40000 · Intergovernmental					
40700 · Miscellaneous Revenues					
40799-3 · Advertising Sales	0.00	-243.69			
40799-4 · Greyhound Commisions - YCIPTA	5,863.60	9,125.09	6,000.00	3,125.09	152.09%
40799-5 · Interest	5.32	141.96	700.00	-558.04	20.28%
40799-6 · Miscellaneous Revenues	10.00	314.33	1,200.00	-885.67	26.19%
Total 40700 · Miscellaneous Revenues	5,878.92	9,337.69	7,900.00	1,437.69	118.2%
40900 · Local Funding					
40900-1 · Local Cash Match	0.00	53,705.54			
40900-2 · Local Transit Dues	0.00	516,739.00	516,739.00	0.00	100.0%
40900-4 · Contributions Public Entities	81,213.69	520,616.95	604,300.00	-83,683.05	86.15%
Total 40900 · Local Funding	81,213.69	1,091,061.49	1,121,039.00	-29,977.51	97.33%
41101 · State Grants					
41101-1 · ADOT 5311	0.00	774,950.49	2,423,688.00	-1,648,737.51	31.97%
41101-2 · ADOT 5310	0.00	3,316.39	18,851.00	-15,534.61	17.59%
Total 41101 · State Grants	0.00	778,266.88	2,442,539.00	-1,664,272.12	31.86%
41300 · Federal Grant Revenue					
41399-1 · FTA 5307	134,725.00	1,449,214.00	8,289,178.00	-6,839,964.00	17.48%
41399-4 · STP Capital Grant	0.00	0.00	312,459.00	-312,459.00	0.0%
Total 41300 · Federal Grant Revenue	134,725.00	1,449,214.00	8,601,637.00	-7,152,423.00	16.85%
Total 40000 · Intergovernmental	221,817.61	3,327,880.06	12,173,115.00	-8,845,234.94	27.34%
41000 · Charges for Service					
40100 · Fare Revenue					
40101 · YCAT Fares	22,925.20	181,742.29	300,000.00	-118,257.71	60.58%
40190 · On Call Fares	394.05	2,129.02	1,200.00	929.02	177.42%
Total 40100 · Fare Revenue	23,319.25	183,871.31	301,200.00	-117,328.69	61.05%
Total 41000 · Charges for Service	23,319.25	183,871.31	301,200.00	-117,328.69	61.05%
Total Income	245,136.86	3,511,751.37	12,474,315.00	-8,962,563.63	28.15%
Gross Profit	245,136.86	3,511,751.37	12,474,315.00	-8,962,563.63	28.15%
Expense					
50100 · Salaries and Wages					
50102 · Regular Salaries and Wage	20,992.30	162,450.58	391,315.00	-228,864.42	41.51%
50104 · Regular Salaries Paid Leave	5,005.15	32,216.50			
Total 50100 · Salaries and Wages	25,997.45	194,667.08	391,315.00	-196,647.92	49.75%
50200 · Fringe Benefits					

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Ordinary Income/Expense					
Income					
40000 · Intergovernmental					
40700 · Miscellaneous Revenues					
40799-3 · Advertising Sales	0.00	0.00	16,000.00	-16,000.00	0.0%
40799-4 · Greyhound Commisions - YC	630.19	2,111.10	26,400.00	-24,288.90	8.0%
40799-5 · Interest	65.71	670.03	1,200.00	-529.97	55.84%
40799-6 · Miscellaneous Revenues	1.64	846.66	2,000.00	-1,153.34	42.33%
Total 40700 · Miscellaneous Revenues	697.54	3,627.79	45,600.00	-41,972.21	7.96%
40900 · Local Funding					
40900-2 · Local Transit Dues	0.00	516,739.00	516,739.00	0.00	100.0%
40900-4 · Contributions Public Entities	39,199.18	359,668.69	702,757.00	-343,088.31	51.18%
Total 40900 · Local Funding	39,199.18	876,407.69	1,219,496.00	-343,088.31	71.87%
41101 · State Grants					
41101-1 · ADOT 5311	122,551.12	995,501.44	3,299,242.00	-2,303,740.56	30.17%
41101-2 · ADOT 5310	0.00	3,344.82	35,384.00	-32,039.18	9.45%
Total 41101 · State Grants	122,551.12	998,846.26	3,334,626.00	-2,335,779.74	29.95%
41300 · Federal Grant Revenue					
41399-1 · FTA 5307	247,442.00	2,341,312.00	11,363,548.00	-9,022,236.00	20.6%
41399-4 · STP Capital Grant	0.00	0.00	277,974.00	-277,974.00	0.0%
Total 41300 · Federal Grant Revenue	247,442.00	2,341,312.00	11,641,522.00	-9,300,210.00	20.11%
Total 40000 · Intergovernmental	409,889.84	4,220,193.74	16,241,244.00	-12,021,050.26	25.98%
41000 · Charges for Service					
40100 · Fare Revenue					
40101 · YCAT Fares	0.00	0.00	341,810.00	-341,810.00	0.0%
40190 · On Call Fares	0.00	0.00	2,700.00	-2,700.00	0.0%
Total 40100 · Fare Revenue	0.00	0.00	344,510.00	-344,510.00	0.0%
Total 41000 · Charges for Service	0.00	0.00	344,510.00	-344,510.00	0.0%
Total Income	409,889.84	4,220,193.74	16,585,754.00	-12,365,560.26	25.45%
Gross Profit	409,889.84	4,220,193.74	16,585,754.00	-12,365,560.26	25.45%
Expense					
50100 · Salaries and Wages					
50102 · Regular Salaries and Wage	21,253.43	157,091.83	380,780.00	-223,688.17	41.26%
50104 · Regular Salaries Paid Leave	4,214.33	55,145.97			
Total 50100 · Salaries and Wages	25,467.76	212,237.80	380,780.00	-168,542.20	55.74%
50200 · Fringe Benefits					

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50201 · FICA- SS & Medicare	1,965.85	15,977.10	42,565.00	-26,587.90	37.54%
50202 · ASRS	1,655.85	24,154.36	48,562.00	-24,407.64	49.74%
50203 · Health Insurance	4,970.00	32,578.44	59,640.00	-27,061.56	54.63%
50204 · FUTA	154.19	191.81	600.00	-408.19	31.97%
50205 · Life Insurance	89.55	592.20	840.00	-247.80	70.5%
50207 · State Unemployment	0.00	0.00	1,500.00	-1,500.00	0.0%
50208 · Workers Compensation Ins	0.00	713.00	3,000.00	-2,287.00	23.77%
Total 50200 · Fringe Benefits	8,835.44	74,206.91	156,707.00	-82,500.09	47.35%
50300 · Services					
50301-1 · ADA Paratransit	8,204.37	56,916.71	150,207.00	-93,290.29	37.89%
50301-2 · Accounting & Audit	0.00	12,250.00	35,000.00	-22,750.00	35.0%
50301-3 · Vanpool Subsidy	9,503.23	65,303.23	126,000.00	-60,696.77	51.83%
50302 · Advertising	3,888.59	24,597.12	80,000.00	-55,402.88	30.75%
50303-1 · Legal Services	1,555.00	11,065.00	18,000.00	-6,935.00	61.47%
50303-2 · Cash Handel/Payroll Processing	3,466.16	22,205.28	12,960.00	9,245.28	171.34%
50303-3 · IT Support/Web Development	2,070.00	19,277.90	30,000.00	-10,722.10	64.26%
50305-0 · Bus Contractor	275,786.86	1,977,342.55	3,406,704.00	-1,429,361.45	58.04%
50305-1 · Contract Costs	2,083.33	14,582.98	41,000.00	-26,417.02	35.57%
50305-2 · Equipment Maintenance	0.00	0.00	10,000.00	-10,000.00	0.0%
50305-3 · Office Equip Repair	0.00	0.00	500.00	-500.00	0.0%
50305-4 · Vehicle Repair & Maintance	1,279.99	12,647.24	100,000.00	-87,352.76	12.65%
50305-5 · Building Repairs & Maintance	915.00	2,924.27	8,000.00	-5,075.73	36.55%
50305-6 · Communications/Radio Service	0.00	19,059.50	25,000.00	-5,940.50	76.24%
50305-7 · Grounds Keeping/Pest Control	0.00	0.00	1,000.00	-1,000.00	0.0%
50305-8 · Software Updates/Maintenance	0.00	51,855.83	45,000.00	6,855.83	115.24%
50306-1 · Bus Cleaning Services	6,143.10	46,539.00	36,000.00	10,539.00	129.28%
50307 · Security Services	0.00	698.52	1,000.00	-301.48	69.85%
Total 50300 · Services	314,895.63	2,337,265.13	4,126,371.00	-1,789,105.87	56.64%
50400 · Materials and Supplies					
50401 · Fuel, Oil, Lubricants	37,229.23	278,438.75	276,000.00	2,438.75	100.88%
50499-1 · Office Supplies	507.64	5,308.61	10,000.00	-4,691.39	53.09%
50499-2 · Postage	89.72	525.01	1,500.00	-974.99	35.0%
50499-3 · Printing	11,949.18	12,739.35	25,000.00	-12,260.65	50.96%
50499-4 · Misc Materials & Supplies	49.40	366.05	30,000.00	-29,633.95	1.22%
Total 50400 · Materials and Supplies	49,825.17	297,377.77	342,500.00	-45,122.23	86.83%
50500 · Utilities					

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50201 · FICA- SS & Medicare	1,933.44	17,397.07	32,024.00	-14,626.93	54.33%
50202 · ASRS	3,112.14	26,268.49	46,531.00	-20,262.51	56.45%
50203 · Health Insurance	4,276.20	33,286.95	59,640.00	-26,353.05	55.81%
50204 · FUTA	151.66	151.66	600.00	-448.34	25.28%
50205 · Life Insurance	51.70	522.10	840.00	-317.90	62.16%
50207 · State Unemployment	0.00	0.00	1,500.00	-1,500.00	0.0%
50208 · Workers Compensation Ins	0.00	1,690.00	3,000.00	-1,310.00	56.33%
Total 50200 · Fringe Benefits	9,525.14	79,316.27	144,135.00	-64,818.73	55.03%
50300 · Services					
50301-1 · ADA Paratransit	7,224.55	55,093.80	145,836.00	-90,742.20	37.78%
50301-2 · Accounting & Audit	0.00	16,872.50	38,000.00	-21,127.50	44.4%
50301-3 · Vanpool Subsidy	9,900.00	72,010.00	126,000.00	-53,990.00	57.15%
50302 · Advertising	4,336.81	28,150.88	80,000.00	-51,849.12	35.19%
50303-1 · Legal Services	1,000.00	9,297.50	36,000.00	-26,702.50	25.83%
50303-2 · Cash Handel/Payroll Process	341.39	1,361.28	24,000.00	-22,638.72	5.67%
50303-3 · IT Support/Web Development	2,110.00	14,695.00	36,000.00	-21,305.00	40.82%
50304 · Temporary Help	0.00	0.00	3,000.00	-3,000.00	0.0%
50305-0 · Bus Contractor	244,271.81	1,903,761.75	3,307,396.00	-1,403,634.25	57.56%
50305-1 · Contract Costs	17,727.33	66,136.48	100,000.00	-33,863.52	66.14%
50305-2 · Equipment Maintenance	139.80	9,062.48	20,000.00	-10,937.52	45.31%
50305-3 · Office Equip Repair	0.00	4,246.34	3,000.00	1,246.34	141.55%
50305-4 · Vehicle Repair & Maintance	0.00	36,245.46	231,747.00	-195,501.54	15.64%
50305-5 · Building Repairs & Maintance	326.50	4,429.03	12,000.00	-7,570.97	36.91%
50305-6 · Communications/Radio Servi	2,500.97	21,522.02	130,000.00	-108,477.98	16.56%
50305-7 · Grounds Keeping/Pest Contr	0.00	0.00	1,500.00	-1,500.00	0.0%
50305-8 · Software Updates/Maintenan	0.00	4,312.26	55,000.00	-50,687.74	7.84%
50306-1 · Bus Cleaning Services	9,717.00	66,417.00	72,000.00	-5,583.00	92.25%
50307 · Security Services	0.00	330.00	1,000.00	-670.00	33.0%
Total 50300 · Services	299,596.16	2,313,943.78	4,422,479.00	-2,108,535.22	52.32%
50400 · Materials and Supplies					
50401 · Fuel, Oil, Lubricants	15,446.98	132,257.86	460,000.00	-327,742.14	28.75%
50499-1 · Office Supplies	299.24	2,688.06	20,000.00	-17,311.94	13.44%
50499-2 · Postage	26.87	646.58	1,500.00	-853.42	43.11%
50499-3 · Printing	70.91	2,705.46	30,000.00	-27,294.54	9.02%
50499-4 · Misc Materials & Supplies	-1,652.29	8,807.21	130,000.00	-121,192.79	6.78%
Total 50400 · Materials and Supplies	14,191.71	147,105.17	641,500.00	-494,394.83	22.93%
50500 · Utilities					

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50501 · Electricity	2,016.93	9,544.52	15,000.00	-5,455.48	63.63%
50502-1 · Refuse Disposal	224.87	1,449.22	3,000.00	-1,550.78	48.31%
50502-2 · Water - Offices	96.30	879.79	2,000.00	-1,120.21	43.99%
Total 50500 · Utilities	2,338.10	11,873.53	20,000.00	-8,126.47	59.37%
50600 · Casualty and Liability Insuranc					
50608-1 · Gen Liab Insurance	0.00	877.36	3,000.00	-2,122.64	29.25%
50608-2 · Prof. Liability Insurance	0.00	4,622.33	5,500.00	-877.67	84.04%
50608-3 · Automobile Insurance	0.00	3,269.09	4,000.00	-730.91	81.73%
50608-4 · Property Insurance	0.00	454.55			
Total 50600 · Casualty and Liability Insuranc	0.00	9,223.33	12,500.00	-3,276.67	73.79%
50900 · Miscellaneous Expenses					
50901 · Memberships/Dues/Subscriptions	-60.12	15,341.02	15,000.00	341.02	102.27%
50902 · Travel Expenses	0.00	3,002.70	10,000.00	-6,997.30	30.03%
50906 · Finance Charges/Penalties	0.00	25,684.41	100,000.00	-74,315.59	25.68%
50999-1 · License and Permits	0.00	98.00	300.00	-202.00	32.67%
50999-2 · Training/Education	0.00	0.00	59,445.00	-59,445.00	0.0%
50999-3 · Other Misc Expense	139.92	2,740.22	808,000.00	-805,259.78	0.34%
50999-5 · Telephone/Internet	626.51	4,738.46	10,000.00	-5,261.54	47.39%
Total 50900 · Miscellaneous Expenses	706.31	51,604.81	1,002,745.00	-951,140.19	5.15%
51200 · Leases and Rentals					
51212-1 · Building Lease	4,400.00	30,800.00	52,800.00	-22,000.00	58.33%
51212-2 · Leases Rental Equipment	0.00	154.44			
Total 51200 · Leases and Rentals	4,400.00	30,954.44	52,800.00	-21,845.56	58.63%
51600 · Capital Outlay					
51600-2 · Infrastructure	0.00	10,085.49			
51600-3 · Buildings/Mutli Modal Center	0.00	268,527.70	1,952,032.00	-1,683,504.30	13.76%
51600-5 · Automobiles	0.00	0.00	4,146,000.00	-4,146,000.00	0.0%
51600-6 · Furniture and Equipment	0.00	3,383.89	267,947.00	-264,563.11	1.26%
Total 51600 · Capital Outlay	0.00	281,997.08	6,365,979.00	-6,083,981.92	4.43%
51700 · Property Taxes	0.00	20,325.91			
Total Expense	406,998.10	3,309,495.99	12,470,917.00	-9,161,421.01	26.54%
Net Ordinary Income	-161,861.24	202,255.38	3,398.00	198,857.38	5,952.19%
Net Income	-161,861.24	202,255.38	3,398.00	198,857.38	5,952.19%

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50501 · Electricity	939.87	8,570.31	20,000.00	-11,429.69	42.85%
50502-1 · Refuse Disposal	253.09	1,769.81	4,000.00	-2,230.19	44.25%
50502-2 · Water - Offices	137.92	1,178.51	2,500.00	-1,321.49	47.14%
Total 50500 · Utilities	1,330.88	11,518.63	26,500.00	-14,981.37	43.47%
50600 · Casualty and Liability Insuranc					
50608-1 · Gen Liab Insurance	0.00	1,836.00	4,000.00	-2,164.00	45.9%
50608-2 · Prof. Liability Insurance	0.00	4,596.53	3,500.00	1,096.53	131.33%
50608-3 · Automobile Insurance	0.00	3,256.00	4,500.00	-1,244.00	72.36%
Total 50600 · Casualty and Liability Ins	0.00	9,688.53	12,000.00	-2,311.47	80.74%
50900 · Miscellaneous Expenses					
50901 · Memberships/Dues/Subscriptior	0.00	6,186.64	20,000.00	-13,813.36	30.93%
50902 · Travel Expenses	0.00	6,000.00	30,000.00	-24,000.00	20.0%
50906 · Finance Charges/Penalties	7,319.70	94,123.12	20,000.00	74,123.12	470.62%
50999-1 · License and Permits	0.00	203.00	300.00	-97.00	67.67%
50999-2 · Training/Education	0.00	414.00	71,797.00	-71,383.00	0.58%
50999-3 · Other Misc Expense	457.97	2,594.68	8,000.00	-5,405.32	32.43%
50999-5 · Telephone/Internet	663.94	4,739.93	10,000.00	-5,260.07	47.4%
50900 · Miscellaneous Expenses - Othe	0.00	0.00			
Total 50900 · Miscellaneous Expenses	8,441.61	114,261.37	160,097.00	-45,835.63	71.37%
51200 · Leases and Rentals					
51212-1 · Building Lease	4,400.00	30,200.00	50,400.00	-20,200.00	59.92%
Total 51200 · Leases and Rentals	4,400.00	30,200.00	50,400.00	-20,200.00	59.92%
51600 · Capital Outlay					
51600-2 · Infrastructure	0.00	197,037.00			
51600-3 · Buildings/Mutli Modal Center	55,049.25	55,049.25	2,896,632.00	-2,841,582.75	1.9%
51600-4 · Land	0.00	363,879.47			
51600-5 · Automobiles	0.00	239,194.00	0.00	239,194.00	100.0%
51600-6 · Furniture and Equipment	9,507.71	68,078.82	677,652.00	-609,573.18	10.05%
Total 51600 · Capital Outlay	64,556.96	923,238.54	3,574,284.00	-2,651,045.46	25.83%
Total Expense	427,510.22	3,841,510.09	9,412,175.00	-5,570,664.91	40.81%
Net Ordinary Income	-17,620.38	378,683.65	7,173,579.00	-6,794,895.35	5.28%
Net Income	-17,620.38	378,683.65	7,173,579.00	-6,794,895.35	5.28%