



# Executive Summary of Financial Audit Results

September 30, 2025

BDMP Assurance, LLP

Berry, Dunn, McNeil & Parker, LLC

# Independent Auditor's Report

## Management's Responsibility



The preparation and fair presentation of the financial statements



Design, implementation and maintenance of internal control over financial reporting



Selection and use of appropriate accounting policies



Evaluate whether there are conditions that raise substantial doubt about the District's ability to continue as a going concern.



# Independent Auditor's Report

## Our Responsibility



To express an opinion on the financial statements in accordance with U.S. generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance and the *Maine Uniform Accounting and Auditing Practices for Community Agencies* (MAAP)



Designed to obtain reasonable assurance that the financial statements are free from material misstatement



Select audit procedures, based on our assessment of material misstatement



Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate under the circumstances



Evaluate the appropriateness of accounting policies used and the reasonableness of significant estimates made by management



Consider if there are substantial doubts about the District's ability to continue as a going concern

**UNMODIFIED OPINION** on the financial statements and the supplementary information

# Required Auditor Communications

## Accounting Policies



- Adopted Governmental Accounting Standards Board Statement No. 101, *Compensated Absences* and No. 102, *Certain Risk Disclosures*.
- No other new accounting policies were adopted, and the application of existing policies was not otherwise changed during 2025.

## Management's Judgment and Estimates



- Provision for depreciation and amortization expense

## Corrected and Uncorrected Misstatements



- No significant audit adjustments
- No unrecorded audit adjustments that are required to be reported were noted

# Auditor's Consideration of Internal Controls

## Required Auditor Communications

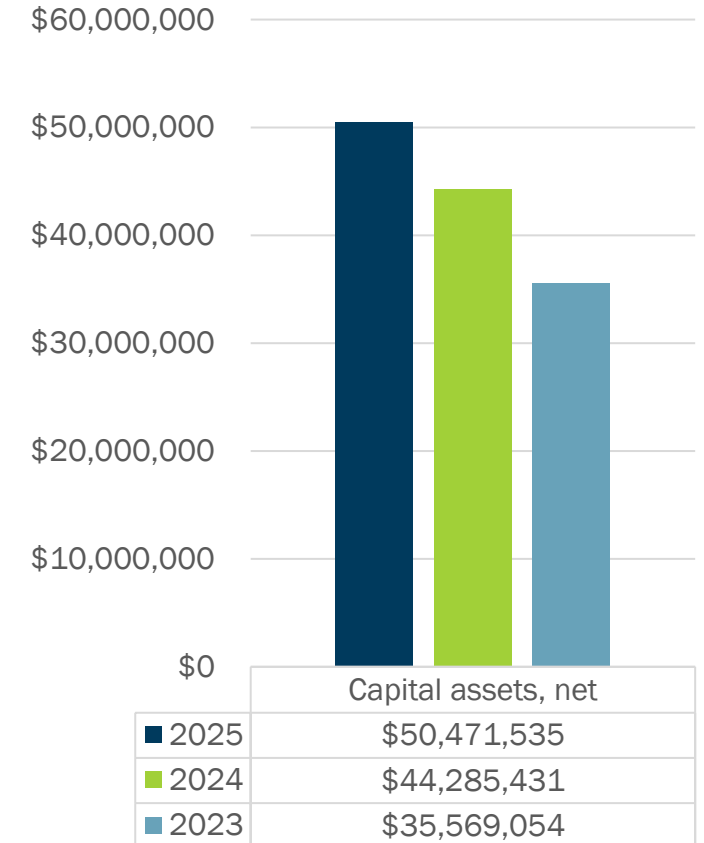
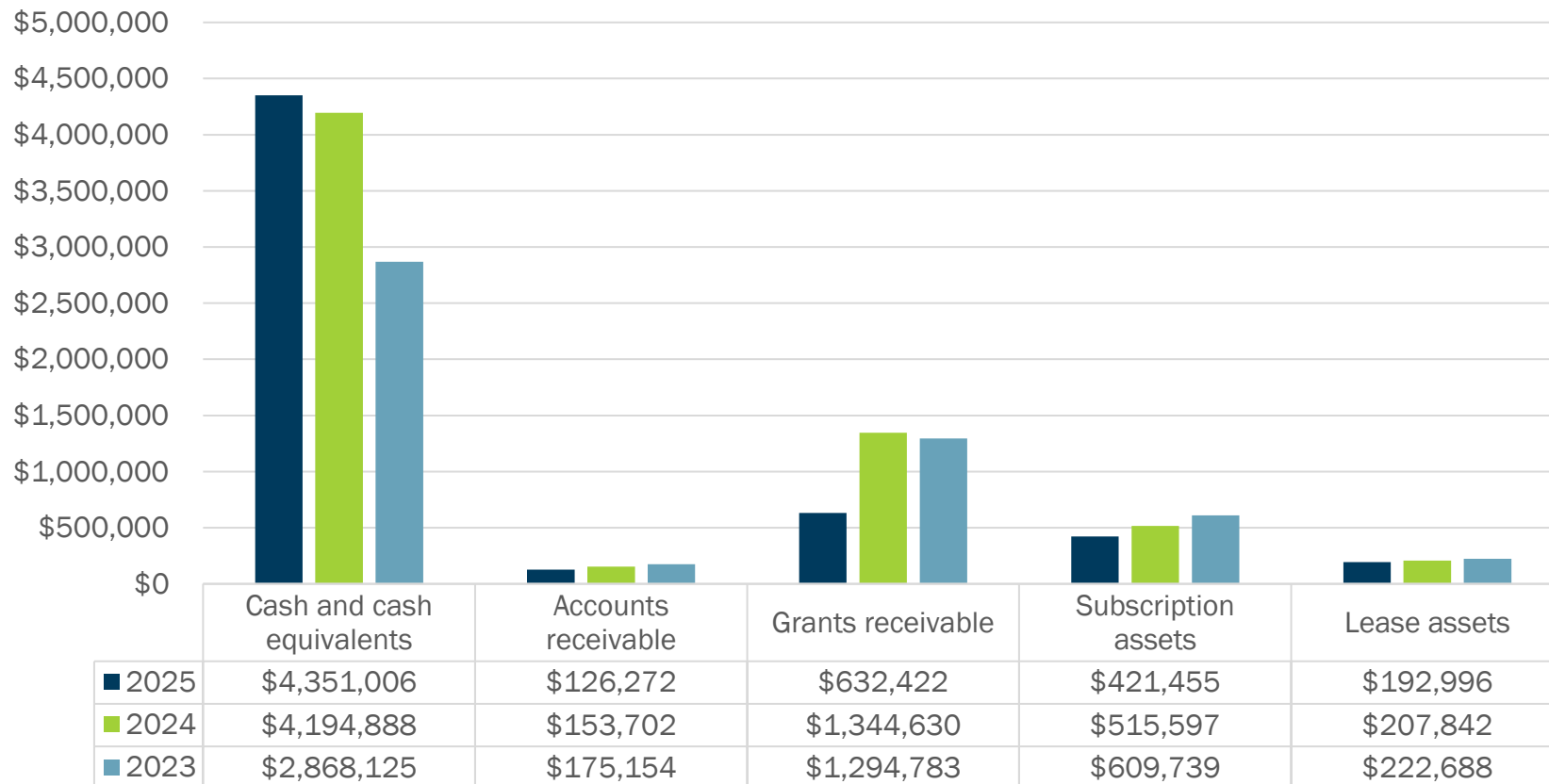
- We considered internal control over financial reporting to design our audit procedures for the purpose of expressing an opinion on the financial statements.
- We do not express an opinion on the effectiveness of internal control.
- Our procedures are not designed to identify all deficiencies in internal control that might be a control deficiency, a significant deficiency or a material weakness; therefore there can be no assurance that all deficiencies have been identified.

## Internal Controls

- **We did not identify any deficiencies in internal control that we consider to be material weaknesses.**
- However, material weaknesses or significant deficiencies may exist that were not identified.
- **Status of prior year finding - Finding 2024-001: Timely Account Reconciliations and Documented Review – Resolved**

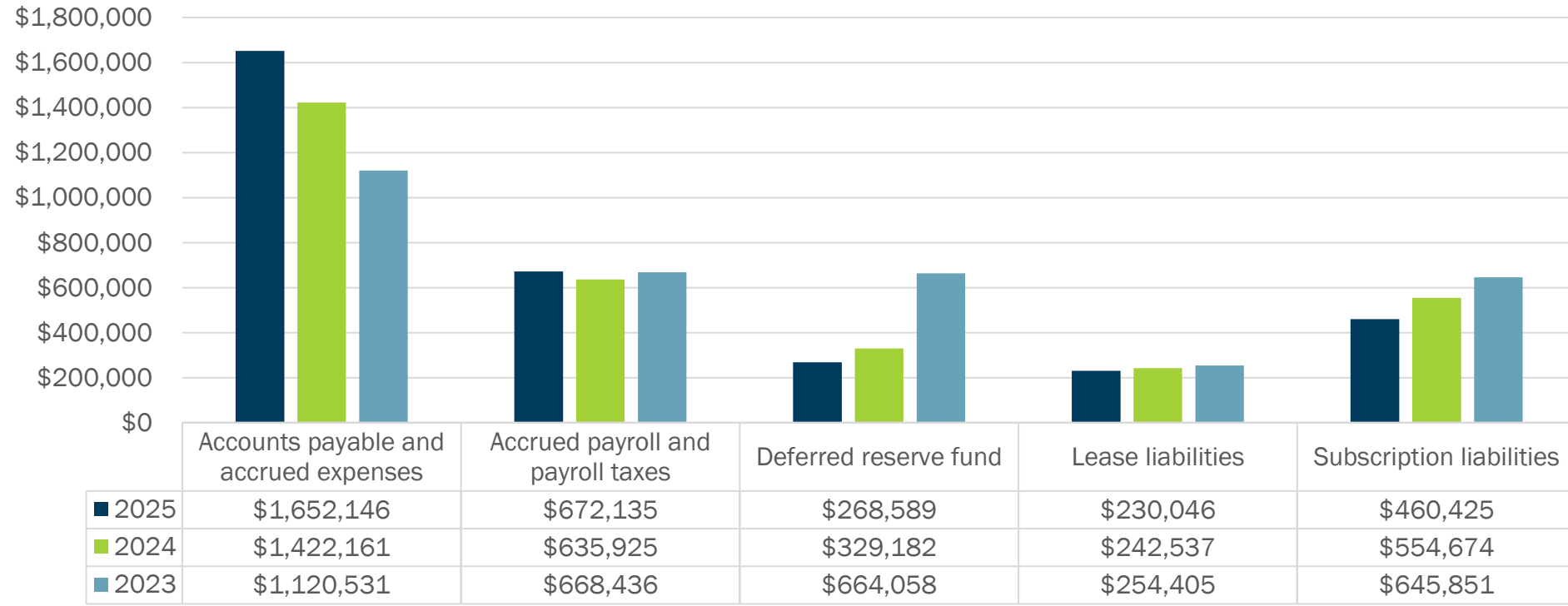
# Statement of Net Position

## Assets



# Statement of Net Position

## Liabilities



# Statement of Revenues, Expenses, and Changes in Net Position

## Operating Revenue and Expenses

	<u>Operating</u>	<u>Garage Funds</u>	<u>Maintenance and Capital Reserve</u>	<u>2025</u>	<u>2024</u>
Operating revenues					
Passenger fares	\$ 3,650,329	\$ -	\$ -	\$ 3,650,329	\$ 3,401,792
Vehicles	1,570,650	-	-	1,570,650	1,513,474
Freight	1,067,211	-	-	1,067,211	998,370
Mail contract	375,646	-	-	375,646	360,754
Tours and cruises	221,240	-	-	221,240	211,253
Charters	407,547	-	-	407,547	450,066
Miscellaneous	69,976	-	-	69,976	54,104
Total operating revenues	<u>7,362,599</u>	-	-	<u>7,362,599</u>	<u>6,989,813</u>
Operating expenses	<u>10,993,846</u>	-	-	<u>10,993,846</u>	<u>10,619,667</u>
Operating loss	<u>(3,631,247)</u>	-	-	<u>(3,631,247)</u>	<u>(3,629,854)</u>

# Statement of Revenues, Expenses, and Changes in Net Position

## Non-Operating Revenue and Expenses

	<u>Operating</u>	<u>Garage Funds</u>	<u>Maintenance and Capital Reserve</u>	<u>2025</u>	<u>2024</u>
Nonoperating revenues (expenses)					
U.S. Department of Transportation, Federal Transit Administration grant	3,229,774	-	-	3,229,774	3,435,014
State of Maine grants	68,444	-	-	68,444	68,444
Interest income	36,693	-	8,891	45,584	65,316
Interest expense	(31,718)	-	-	(31,718)	(34,147)
Total nonoperating revenues	<u>3,303,193</u>	<u>-</u>	<u>8,891</u>	<u>3,312,084</u>	<u>3,534,627</u>
Loss before capital grant revenues	<u>(328,054)</u>	<u>-</u>	<u>8,891</u>	<u>(319,163)</u>	<u>(95,227)</u>
Capital grant revenues					
State of Maine grants	5,844,274	-	-	5,844,274	9,859,257
Other capital grants	-	-	-	-	912,361
Total capital grant revenues	<u>5,844,274</u>	<u>-</u>	<u>-</u>	<u>5,844,274</u>	<u>10,771,618</u>
Change in net position	5,516,220	-	8,891	5,525,111	10,676,391
Net position, beginning of year	<u>47,295,206</u>	<u>-</u>	<u>392,441</u>	<u>47,687,647</u>	<u>37,011,256</u>
Net position, end of year	<u>\$ 52,811,426</u>	<u>\$ -</u>	<u>\$ 401,332</u>	<u>\$ 53,212,758</u>	<u>\$ 47,687,647</u>

# Financial Statement Footnotes



## Note 10 – Commitments and Contingencies





# Yellow Book Report

## Internal Controls Over Financial Reporting

- We considered the internal controls over financial reporting in connection with designing our audit procedures
- We did not perform an audit of the internal controls, therefore, we do not express an opinion of the internal controls over financial reporting

## Compliance with Laws, regulations, Contracts and Grant Agreements

- We performed certain tests of compliance with certain provisions of laws, regulations, contracts and agreements
- Focus on potential noncompliance that would be direct and material to the financial statements

## Internal Control Matters

- We did not identify any control matters that we would consider to be material weaknesses
- Material weaknesses or significant deficiencies may exist that have were not identified

## Results of Compliance Testing

- We did not note any instances of noncompliance or other matters that are required to be reported
- We did not perform an audit of compliance, therefore, we do not express an opinion on compliance

# Uniform Guidance and MAAP Results



## Major Federal Program

- AL 20.507 – US Department of Transportation – Federal Transit Cluster



## Major Department Agreements

- CSN 46860 – Admin/Operating
- CSN 46484 – Admin/Operating
- CSN 42329 – VW Environmental Mitigation Trust



Did not audit internal controls over compliance with the major federal program or Department agreements



Our audit opinion on the compliance with the requirements of the major federal program and the Department agreements is **UNMODIFIED**



Our audit opinion on the schedule of expenditures of federal awards and schedule of expenditures of Department agreements is **UNMODIFIED**



We did not have any current year compliance findings.

Prior year finding is resolved.



Material weaknesses or significant deficiencies of internal controls over compliance may exist that were not identified

# Emerging Issues



Navigating Federal Funding Changes



Resumption of Federal Student Loan Collections and Risks for Organizations



Cyber Security



# Questions?





# Thank you

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