Casco Bay Island Transit District

FINANCIAL STATEMENTS

September 30, 2024 and 2023
With Independent Auditor's Report

and

Supplementary Information and Government Reports in Accordance with the *Uniform Guidance* and *Maine Uniform Accounting and Auditing Practices Act for Community Agencies*

CASCO BAY ISLAND TRANSIT DISTRICT

Financial Statements

Year Ended September 30, 2024 and 2023

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Casco Bay Island Transit District

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the business-type activities of the Casco Bay Island Transit District (the District), which comprise the statement of net position as of September 30, 2024, and the related statements of revenues, expenses, and changes net position and cash flows for the year then ended, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the business-type activities of the District as of September 30, 2024, and the changes in financial position and cash flows thereof for the year then ended in accordance with U.S. generally accepted accounting principles (U.S. GAAP).

Basis for Opinion

We conducted our audit in accordance with U.S. generally accepted auditing standards (U.S. GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Change in Accounting Principles

As discussed in Note 1 to the financial statements, during the year ended September 30, 2024, the District adopted new accounting guidance, Governmental Accounting Standards Board (GASB) Statement No. 100, *Accounting Changes and Error Corrections - An Amendment of GASB Statement No. 62*. Our opinion is not modified with respect to that matter.

Prior Period Financial Statements

The financial statements of the Association as of and for the year ended September 30, 2023 were audited by Berry, Dunn, McNeil & Parker, LLC whose report, dated June 27, 2024, expressed an unmodified opinion on those statements.

Adjustments to Prior Period Financial Statements

As more fully described in Note 15, the District discovered errors to the reporting value of deferred revenue that impact prior year financial statements which has resulted in a restatement to the 2023 financial statements. Our opinion is not modified with respect to that matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP, and 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with U.S. GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with U.S. GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Required Supplementary Information

U.S. GAAP require that the management's discussion and analysis of financial condition and results of operations on pages 4 to 9 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by GASB who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with U.S. GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Board of Directors
Casco Bay Island Transit District

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as of and for the year ended September 30, 2024 that collectively comprise the District's basic financial statements. The following accompanying supplementary information is presented for purposes of additional analysis and is not a required part of the basic financial statements:

1. Statements of Operating Expenses;
2. Schedule of Expenditures of Federal Awards (SEFA), as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and related notes to the SEFA; and
3. Schedule of Expenditures of Department Agreements (SEDA), as required by the *Maine Uniform Accounting and Auditing Practices Act for Community Agencies*, and related notes to the SEDA.

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 basic financial statements. The information as of and for the year ended September 30, 2024 has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the financial statements themselves, and other additional procedures in accordance with U.S. GAAS. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole. The accompanying supplementary information for the year ended as of and for the year ended September 30, 2023 was subjected to the auditing procedures applied in the 2023 audit of the financial statements by Berry, Dunn, McNeil & Parker, LLC, whose report on such information stated it was fairly stated in all material respects in relation to the 2023 basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 29, 2025 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

BDMP Assurance, LLP

Manchester, New Hampshire
May 29, 2025

CASCO BAY ISLAND TRANSIT DISTRICT

Management's Discussion and Analysis of Financial Condition and Results of Operations (Unaudited)

The Management of the Casco Bay Island Transit District (herein referred to as “the District”) offers readers of our financial statements the following narrative overview and analysis of our financial activities for the fiscal years ended September 30, 2024 and 2023.

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

Prologue

Revenues for the year ended September 30, 2024 were above budget by 15.2% and expenses were below budget by 2.0%. As compared to the year ended September 30, 2023, revenues for the year ended September 30, 2024 were 18.4% higher than in 2023 and 2024 expenses were higher than in 2023 by 2.3%.

2024 Financial Highlights

Statement of Net Position:

As of September 30, 2024:

- Total current assets increased approximately $1.41 million over the prior year primarily due to increases in cash balances from increases in passenger fare revenue.
- Total noncurrent assets increased by $8.6 million over the prior year primarily due to construction in progress additions of $8.7 million netted with depreciation expense of $780 thousand
- Total liabilities decreased by $656 thousand over the prior year primarily due to decreases in deferred reserve fund balances and reductions in subscription liabilities.
- Total net position increased by $10.7 million due to an overall operating loss of $3.6 million, non operating revenues of $3.5 million, and total capital grant revenues of $10.8 million.

Revenue:

Year to date (YTD), 2024:

YTD operating revenues were $7.0 million and were 15.2% ahead of budget and 18.4% above 2023.

- Scheduled passenger revenues YTD of $3.4 million were 35.5% above budget and were ahead 28% compared to 2023.
- Vehicle revenues YTD of $1.5 million were 2.9% above budget and were ahead 3.7% compared to 2023.
- Freight revenues YTD of $998 thousand were 5.2% below budget and 5.5% above 2023.
- Group sales YTD of $1.0 million closed 9.8% above budget and 28.0% above 2023.

Expenses:

YTD, 2024:

Expenses were 2.0% over budget and were 2.3% above 2023.

- Personnel expenses YTD were 5.7% below budget and 5.2% above 2023.
- Vessel maintenance expenses were 12.2% under budget and 2.4% above 2023.
  - Machigonne repairs expense at $194 thousand compared to budget of $101 thousand, includes emergency drydock and propeller replacements.
  - Wabanaki drydock was completed in March, $332K in expense compared to budget of $325 thousand.
  - Maquoit drydock in March/April/May, total expense of $390 thousand compared to budget of $675 thousand.
  - Aucocisco drydock in May/June, total expense of $213 thousand compared to budget of $345 thousand.
  - Fuel expense YTD was budgeted at $1.13 million and, as of September 30, 2024, was at $1 million. Fuel was price locked at $3.487 in 2024 and $3.45 in 2023.
- Operations expenses were 0.9% under budget and 2.3% above last YTD.
  - Unbudgeted Consulting expense of $77 thousand for FTA Triennial Review and GM transition YTD.
  - $161 thousand less in Barge Subcontracting in 2024 compared with 2023.
  - Increased expense for Annual Audit; $54 thousand YTD in 2024 compared to $18 thousand in 2023.
  - Increased credit card fees of 16% in 2024 compared to 2023 due to increased revenue.
  - Vessel Vanguard Preventive Maintenance Software.
  - Purchase of two copiers in November for approximately $18 thousand.
- Terminal expenses were 11.3% above budget and 14.0% below last YTD.
  - Security expenses were less than budgeted YTD by 20% $40.5 thousand, and over prior year by 57% $58 thousand.
- Sales expenses YTD were 19% below budget and 3.4% above last YTD.

Operating Surplus/Loss:

YTD, 2024:

2024 operating result of ($3.630) million was 12.8% better than budget and 18.9% better than 2023 of ($4.477) million.

Nonoperating Revenues:

YTD, *2024*:

Nonoperating revenue YTD of $3.5 million was 7.3% below budget and 18% below 2023 at $4.3 million.

Surplus/Loss:

YTD, *2024*:

2024 YTD result was ($95) thousand loss compared to budgeted break-even.

Line of Credit Balance: Currently $0 with an available credit balance of $2,000,000.

2023 Financial Highlights

Statement of Net Position:

As of September 30, 2023:

- Total current assets increased approximately $264 thousand over the prior year primarily due to increases in the grants receivable balances from activity at year-end within the vessel and terminal projects.
- Total noncurrent assets increased by $6.1 million over the prior year primarily due to capital asset additions of $7.0 million netted with depreciation expense of $768 thousand.
- Total liabilities increased by $424 thousand over the prior year primarily due to increases in payables at year-end associated with the vessel and terminal projects.
- Total net position increased by $6.0 million due to an overall operating loss of $4.5 million, non operating revenues of $4.3 million, and capital grant revenues of $6.1 million.

Revenue:

YTD, 2023:

YTD operating revenues were $5.9 million and were 1.3% ahead of budget and 1.8% above the same period last fiscal year.

- Scheduled passenger revenues YTD of $2.7 million were 5.1% above budget and 0.3% above compared to last fiscal year.

- Vehicle revenues YTD of $1.5 million were better than budget by 18.5% and were 2.1% ahead of 2022.
- Freight revenues YTD of $947 thousand were 10.5% below budgeted numbers and 6.2% below 2022.
- Group sales YTD of $798 thousand closed 16.6% below budget and 19.4% above the same period last year YTD.

Expenses:

YTD, 2023:

2023 expenses were 3.9% over budget and were 6.3% above 2022.

- Personnel expenses YTD were 7.6% favorable to budget and 6.8% above FY 2022.
- Vessel maintenance expenses were 12.7% under budget and 7.1% below last fiscal YTD.
    - Bay Mist drydock expense of $341 thousand, significantly lower than budget of $485 thousand.
    - Machigonne drydock expense at $430 thousand compared to budget of $450 thousand.
    - Aucocisco drydock, budgeted at $325 thousand actuals are at $44 thousand – primary drydock expense will be incurred in 2024.
    - Wabanaki general repairs include $10 thousand for engine repairs – rocker arms and bushings, and $10 thousand for crane upgrade.
    - Bay Mist repairs at $116 thousand compared to budget of $42 thousand, increase of $74 thousand.
    - Fuel expense YTD budgeted at $1.131 million and as of September YTD is at $1.132 million. Fuel was price locked at $3.45 in 2023 compared to $1.85 in 2022.
- Operations expenses were 1.1% under budget and 6.4% above last YTD.
    - Barge subcontracting expenses were up $176 thousand over last fiscal YTD, and $54 thousand above budget, for unplanned need during work on Portland pier. Professional services were up $49 thousand over last fiscal YTD and $30 thousand over budget – this includes $31 thousand for unplanned Human Resources consulting services.
- Terminal expenses were 95.7% above budget and 122.2% higher than last YTD.
    - YTD Miscellaneous expense includes $34 thousand for closed circuit tvs that would normally have been capitalized and unbudgeted Taylor Made security expense of $102 thousand.
- Sales expenses YTD were 26.0% below budget and 23.6% above last YTD.

Operating Surplus/Loss:

YTD, 2023:

2023 operating loss of ($4.477) million was 7.6% unfavorable to budget and 12.9% unfavorable compared to ($3.967) million in FY 2022.

Nonoperating Revenues:

YTD, 2023:

Nonoperating revenues YTD of $4.3 million were 3.2% above budget, and 36.5% higher last YTD at $3.1 million.

Surplus/Loss:

YTD, 2023:

2023 YTD result was ($165) thousand loss which was slightly under budget, as YTD budget was for a break-even.

Line of Credit Balance: Currently $0

Economic Outlook

In 2024, the District saw increased ridership and implemented a fare increase for passengers for the first time since 2009, resulting in a significant increase in passenger fare revenue. The District's seasonal workforce staffing levels have continued to rebound. The District has continued to see higher costs for repairs, materials and supplies as well as outside contractors and has utilized CARES Act and ARP grant funds, in addition to Preventative Maintenance State of Good Repair formula funds made available through Federal Transit Administration (FTA) and State of Maine. The District’s planned capital investments continued in 2024 for design and construction of the District’s replacement vessels with funding from a variety of sources.

Looking ahead, the District's Board of Directors is considering a vehicle rate adjustment as well as a freight rate adjustment in the coming year. It has been over 15 years since rates were adjusted in those two areas. The District is fully funded for FY 2025 and FY 2026 with the inclusion of the Portland Area Comprehensive Transportation System (PACTS) 2025 and 2026 allocations of FTA 5307 & 5337 formula funds for preventative maintenance and planned capital investments.

CASCO BAY ISLAND TRANSIT DISTRICT

Management's Discussion and Analysis of Financial Condition and Results of Operations (Unaudited)

Requests for Information

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

Respectfully submitted,

Nick Mavodones
Co-Interim General Manager/Operations Manager

Laurie Bowie
Director of Finance and HR

CASCO BAY ISLAND TRANSIT DISTRICT

Statements of Net Position

September 30, 2024 and 2023

	Operating	Garage Funds	Maintenance and Capital Reserve	2024	Restated 2023
Assets					
Current assets					
Cash and cash equivalents	$ 3,473,265	$ 329,182	$ 392,441	$ 4,194,888	$ 2,868,125
Accounts receivable	153,702	-	-	153,702	175,154
Grants receivable	1,344,630	-	-	1,344,630	1,294,783
Inventory	68,702	-	-	68,702	70,427
Prepaid items	101,334	-	-	101,334	41,935
Total current assets	5,141,633	329,182	392,441	5,863,256	4,450,424
Noncurrent assets					
Capital assets					
Construction in progress	35,677,086	-	-	35,677,086	27,018,636
Buildings and equipment, net of accumulated depreciation	8,608,345	-	-	8,608,345	8,550,418
Subscription assets	515,597	-	-	515,597	609,739
Lease assets	207,842	-	-	207,842	222,688
Total noncurrent assets	45,008,870	-	-	45,008,870	36,401,481
Total assets	50,150,503	329,182	392,441	50,872,126	40,851,905
Liabilities					
Current liabilities					
Accounts payable	1,108,519	-	-	1,108,519	1,100,767
Accrued payroll and payroll taxes	108,692	-	-	108,692	87,499
Accrued compensated absences	204,794	-	-	204,794	229,702
Accrued pension	322,439	-	-	322,439	351,235
Other accrued liabilities	313,642	-	-	313,642	19,764
Current portion of lease liabilities	12,491	-	-	12,491	11,868
Current portion of subscription liabilities	94,249	-	-	94,249	91,177
Deferred reserve fund	-	329,182	-	329,182	1,151,426
Total current liabilities	2,164,826	329,182	-	2,494,008	3,043,438
Noncurrent liabilities					
Lease liabilities, net of current portion	230,046	-	-	230,046	242,537
Subscription liabilities, net of current portion	460,425	-	-	460,425	554,674
Total noncurrent liabilities	690,471	-	-	690,471	797,211
Total liabilities	2,855,297	329,182	-	3,184,479	3,840,649
Net position					
Net investment in capital asset	43,453,650	-	-	43,453,650	35,244,174
Restricted	-	-	392,441	392,441	418,766
Unrestricted	3,841,556	-	-	3,841,556	1,348,316
Total net position	$ 47,295,206	$ -	$ 392,441	$ 47,687,647	$ 37,011,256

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

CASCO BAY ISLAND TRANSIT DISTRICT

Statements of Revenues, Expenses, and Changes in Net Position

For the Years Ended September 30, 2024 and 2023

	Operating	Garage Funds	Maintenance and Capital Reserve	2024	Restated 2023
Operating revenues					
Passenger fares	$ 3,401,792	$ -	$ -	$ 3,401,792	$ 2,658,674
Vehicles	1,513,474	-	-	1,513,474	1,459,340
Freight	998,370	-	-	998,370	946,582
Mail contract	360,754	-	-	360,754	268,185
Tours and cruises	211,253	-	-	211,253	169,591
Charters	450,066	-	-	450,066	360,514
Miscellaneous	54,104	-	-	54,104	42,117
Total operating revenues	6,989,813	-	-	6,989,813	5,905,003
Operating expenses	10,581,900	-	37,767	10,619,667	10,382,249
Operating loss	(3,592,087)	-	(37,767)	(3,629,854)	(4,477,246)
Nonoperating revenues (expenses)					
U.S. Department of Transportation, Federal Transit Administration grant	3,435,014	-	-	3,435,014	4,225,077
State of Maine grants	68,444	-	-	68,444	68,444
Interest income	53,874	-	11,442	65,316	55,751
Interest expense	(34,147)	-	-	(34,147)	(37,023)
Total nonoperating revenues	3,523,185	-	11,442	3,534,627	4,312,249
Loss before capital grant revenues	(68,902)	-	(26,325)	(95,227)	(164,997)
Capital grant revenues					
State of Maine grants	9,859,257	-	-	9,859,257	5,738,036
Other capital grants	912,361	-	-	912,361	402,111
Total capital grant revenues	10,771,618	-	-	10,771,618	6,140,147
Change in net position	10,702,716	-	(26,325)	10,676,391	5,975,150
Net position, beginning of year, as previously reported	37,079,858	-	418,766	37,498,624	31,523,474
Cumulative effect of prior period adjustments	(487,368)	-	-	(487,368)	(487,368)
Net position, beginning of year, restated	36,592,490	-	418,766	37,011,256	31,036,106
Net position, end of year	$ 47,295,206	$ -	$ 392,441	$ 47,687,647	$ 37,011,256

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

CASCO BAY ISLAND TRANSIT DISTRICT

Statements of Cash Flows

For the Years Ended September 30, 2024 and 2023

	2024	2023
Cash flows from operating activities		
Receipts from customers	**$ 6,189,021**	$ 6,143,469
Payments to employees	**(5,102,884)**	(4,772,128)
Payments to suppliers and vendors	**(5,277,034)**	(4,376,176)
Net cash used by operating activities	**(4,190,897)**	(3,004,835)
Cash flows from noncapital financing activities		
Federal maintenance grant	**3,503,458**	4,293,521
State subsidy grant	**10,721,771**	5,598,127
Net cash provided by noncapital financing activities	**14,225,229**	9,891,648
Cash flow from investing activities		
Interest on investments	**65,316**	55,751
Net cash provided by investing activities	**65,316**	55,751
Cash flows from capital and related financing activities		
Acquisition of capital assets	**(8,738,738)**	(7,012,968)
Interest paid	**(34,147)**	(37,023)
Net cash used by capital and related financing activities	**(8,772,885)**	(7,049,991)
Net increase (decrease) in cash and cash equivalents	**1,326,763**	(107,427)
Cash and cash equivalents, beginning of year	**2,868,125**	2,975,552
Cash and cash equivalents, end of year	**$ 4,194,888**	$ 2,868,125

Reconciliation of operating loss to net cash used by operating activities:

Operating loss	**$ (3,629,854)**	$ (4,477,246)
Adjustments to reconcile operating loss to net cash used by operating activities		
Depreciation expense	**780,370**	768,482
Amortization expense	**108,988**	108,988
Changes in operating assets and liabilities:		
Decrease (increase) in		
Accounts receivable	**21,452**	186,975
Other assets	**(57,674)**	(16,148)
(Decrease) increase in		
Accounts payable	**(750,257)**	414,631
Compensated absences	**(24,908)**	33,916
Other liabilities	**183,230**	(75,924)
Deferred revenue fund	**(822,244)**	51,491
Net cash used by operating activities	**$ (4,190,897)**	$ (3,004,835)
Supplementary disclosure of cash flow information:		
Capital assets in accounts payable	**$ 758,009**	$ -

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

1. Reporting Entity

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

The District's financial statements are prepared in accordance with U.S. generally accepted accounting principles (U.S. GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing U.S. GAAP for state and local governments through its pronouncements (Statements and Interpretations). Governments are also required to follow the pronouncements of the Financial Accounting Standards Board (FASB) issued through November 30, 1989 (when applicable) that do not conflict with or contradict GASB pronouncements. Although the District has the option to apply FASB pronouncements issued after that date to its business-type activities and enterprise funds, the District has chosen not to do so.

The District's financial statements include all accounts and all operations of the District. Management has determined the District has no component units as defined by GASB.

2. Summary of Significant Accounting Policies

Recently Adopted Accounting Pronouncements

During the year ended June 30, 2024, the District adopted new accounting guidance, GASB Statement No. 100, *Accounting Changes and Error Corrections - An Amendment of GASB Statement No. 62*. The adoption of this Statement and related guidance during the year ended September 30, 2024 did not have a material impact of the financial statements of the District.

Basis of Accounting

The accompanying financial statements of Casco Bay Island Transit District were prepared in accordance with U.S. GAAP and as prescribed by GASB, which is the primary standard-setting body for establishing governmental accounting and financial reporting principles. Casco Bay Island Transit District uses enterprise fund reporting, which uses the economic resources measurement focus and the accrual basis of accounting.

Deposits and Investments

The District'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.

It is the District's policy to value investments at fair value. None of the District's investments are reported at amortized cost.

2. Summary of Significant Accounting Policies (Continued)

Receivables

Receivables include amounts due from governmental agencies and local businesses. All receivables are current and therefore due within one year. Receivables are reported net of an allowance for uncollectible accounts and revenues net of uncollectibles. Accounts and grants receivable were $1,498,332 and $1,469,937 as of September 30, 2024 and 2023, respectively. There was no allowance for uncollectible accounts deemed necessary.

Capital Assets

Capital assets purchased or acquired with an original cost of $5,000 and more than one year of useful life are reported at historical cost or estimated historical cost. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the estimated useful lives.

The assets are valued at historical cost when available and estimated historical cost where actual invoices or budgetary data were unavailable. Donated capital assets are reported at their fair market value on the date received. All retirements have been recorded by eliminating the net carrying values.

Estimated useful lives are as follows:

Leasehold improvements	20 - 50
Equipment	3 - 50
Vessels	3 - 30

Leases

The District has a lease with a third party tenant who lease portions of the District's facilities owned and operated by the District. The present value of these leases is valued at inception and periodically revalued in accordance with GASB Statement No. 87, *Leases*.

Subscription-Based Information Technology Arrangements

The District is party to 2 subscription-based information technology arrangements (SBITAs). The District recognizes subscription liabilities and intangible right of use subscription asset (subscription asset) in the statements of net position. The District reports SBITA current expenditures in the statement of revenues, expenditures, and changes in net position. The District recognizes subscription liabilities with an initial term greater than twelve months. Remaining subscription terms range from 1 to 7 years with fixed payments due monthly and annually. For SBITAs with a maximum possible term of twelve months or less at commencement, the District the recognizes expenses based on the provisions of the arrangement.

2. Summary of Significant Accounting Policies (Continued)

Subscription-Based Information Technology Arrangements (Concluded)

At the commencement of a SBITA, the District initially measures the subscription liability at the present value of expected subscription payments to be made over the SBITA term. Subsequently, the subscription liability is reduced by the principal portion of subscription payments made. The subscription asset is initially measured as the initial measurement of the subscription liability, adjusted for payments associated with the SBITA contract made to the vendor at the commencement of the subscription term, plus any capitalizable initial implementation costs, less any vendor incentives received at the commencement of the subscription term. Subsequently, the subscription asset is amortized on a straight-line basis over the shorter of the useful life of the IT asset or subscription term.

Key estimates and judgments related to SBITAs include how the District determines (1) the discount rate it uses to discount the expected subscription payments to present value, (2) the subscription term, and (3) subscription payments.

The District uses prime rate at the commencement date of the contract as the discount rate. The subscription term includes the noncancellable period during which the District has a noncancellable right to use the underlying IT assets. The subscription term also includes periods covered by an option to extend if reasonably certain the District or vendor will exercise that option or to terminate if it is reasonably certain that the District or vendor will not exercise that option. Subscription payments included in the measurement of the subscription liability are composed of fixed payments only.

The District monitors changes in circumstances that would require a remeasurement of a SBITA and will remeasure the subscription asset and subscription liability if certain changes occur that are expected to significantly affect the amount of the subscription liability.

Subscription assets are reported with noncurrent assets and subscription liabilities, net of current portion are reported with noncurrent liabilities on the statements of net position.

Net Position

Net position represents the difference between all other elements in a statements of financial position. Net investment in capital assets consists of capital assets, net of accumulated depreciation, subscription assets and lease assets reduced by the outstanding balances of any borrowing used for those assets and adding back unspent proceeds. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation's adopted by the District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Unrestricted net position is the net amount of the assets, deferred outflows of resources, liabilities and deferred inflows of resources that are not included in the determination of net investment in capital assets or restricted net position.

2. Summary of Significant Accounting Policies (Concluded)

Operating/Nonoperating Proprietary Fund Revenues

Operating revenues consist mainly of direct revenue sources and/or charges for services applicable to that fund's ongoing operations. All revenue and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Use of Estimates

During the preparation of the District's financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosure of contingent items as of the date of the financial statements and the reported amounts of revenues and expenses/expenditures during the reporting period. Actual results may differ from these estimates.

3. Deposits

The District's investment policies, which follow state statutes, authorize the District to invest in obligations of the U.S. Treasury, agencies and instrumentalities, other states and Canada, provided such securities are rated within the three highest grades by an approved rating service of the State of Maine, corporate stocks and bonds within statutory limits, financial institutions, mutual funds and repurchase agreements. These investment policies apply to all District funds.

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

At September 30, 2024, the District's deposits amounting to $4,194,888 were comprised of bank deposits of $3,723,175. Bank deposits are adjusted primarily by outstanding checks and deposits in transit to reconcile to the District's cash and cash equivalents. Of these deposits, $216,894 was insured by federal depository insurance and consequently was not exposed to custodial credit risk. The District also has an overnight repurchase agreement for their checking account in the amount of $3,506,281 that is also insured by a third-party agreement. In addition, the District had a petty cash/change fund balance of $6,750 as of September 30, 2024.

Account Type	Bank Balance
Checking accounts	$ 216,894
Repurchase agreement	3,506,281
	$ 3,723,175

4. Capital Assets

Capital assets activity for the year ended September 30, 2024 was as follows:

	Beginning Balance	Additions	Disposals	Transfers	Ending Balance
Cost					
Construction in progress	$ 27,018,636	$ 8,658,450	$ -	$ -	**$ 35,677,086**
Leasehold improvements	4,430,072	-	-	-	**4,430,072**
Equipment	1,952,408	33,731	-	-	**1,986,139**
Vessels	18,198,432	804,566	-	-	**19,002,998**
Total capital assets, at cost	51,599,548	9,496,747	-	-	**61,096,295**
Accumulated depreciation					
Leasehold improvements	(1,979,389)	(153,448)	-	-	**(2,132,837)**
Equipment	(1,435,218)	(37,093)	-	-	**(1,472,311)**
Vessels	(12,615,887)	(589,829)	-	-	**(13,205,716)**
Total accumulated depreciation	(16,030,494)	(780,370)	-	-	**(16,810,864)**
Capital assets, net	$ 35,569,054	$ 8,716,377	$ -	$ -	**$ 44,285,431**

Capital assets activity for the year ended September 30, 2023 was as follows:

	Beginning Balance	Additions	Disposals	Transfers	Ending Balance
Cost					
Construction in progress	$ 20,005,668	$ 7,012,968	$ -	$ -	$ 27,018,636
Leasehold improvements	4,430,072	-	-	-	4,430,072
Equipment	1,952,408	-	-	-	1,952,408
Vessels	18,198,432	-	-	-	18,198,432
Total capital assets, at cost	44,586,580	7,012,968	-	-	51,599,548
Accumulated depreciation					
Leasehold improvements	(1,822,945)	(156,444)	-	-	(1,979,389)
Equipment	(1,378,943)	(56,275)	-	-	(1,435,218)
Vessels	(12,060,124)	(555,763)	-	-	(12,615,887)
Total accumulated depreciation	(15,262,012)	(768,482)	-	-	(16,030,494)
Capital assets, net	$ 29,324,568	$ 6,244,486	$ -	$ -	$ 35,569,054

5. Noncurrent Liabilities

Noncurrent liability activity for the years ended September 30 was as follows:

	Balance October 1, 2023	Additions	Reductions	**Balance September 30, 2024**	Due in One Year
Lease liabilities (Note 8)	$ 254,405	$ -	$ (11,868)	**$ 242,537**	$ 12,491
Subscription liabilities (Note 9)	645,851	-	(91,177)	**554,674**	94,249
	$ 900,256	$ -	$ (103,045)	**$ 797,211**	$ 106,740

	Balance October 1, 2022	Additions	Reductions	Balance September 30, 2023	Due in One Year
Lease liabilities (Note 8)	$ 265,681	$ -	$ (11,276)	$ 254,405	$ 11,868
Subscription liabilities (Note 9)	734,057	-	(88,206)	645,851	91,177
	$ 999,738	$ -	$ (99,482)	$ 900,256	$ 103,045

6. Accrued Compensated Absences

Employees of the District are entitled to be paid vacation and paid sick days depending on job classification, length of service and other factors. The District's policy is to recognize the cost of sick days when actually paid to employees. There is no liability to pay accrued sick days, as the District is not obligated for payment upon termination of employment. Accrued compensated absences at September 30, 2024 and 2023 was $204,794 and $229,702, respectively.

7. Pension Plan

The District has a non-contributory money purchase plan. All employees are eligible to participate in the plan if they are at least 20 years of age and have completed one year of eligible service. The District's contribution rate is 15% of the total compensation of all eligible participants and is funded currently. Effective March 16, 2011, the rate changed to 8% for new participants to the plan. The plan also reflects credits against current year expense for nonvested amounts of employees who are no longer employed by the District. The District's total contributions for the years ended September 30, 2024 and 2023 were $321,161 and $349,229, respectively.

8. Leases

The District has a lease agreement with the City of Portland (the City) to lease their facilities in the Casco Bay Ferry Terminal. The lease began March 5th, 1985 and the renewal lease term is for twenty years following the date of the lease amendment on October 1, 2018. The amount of future minimum lease payments had been agreed upon through September 30, 2038. The increase in minimum rental payments will be no less than the annual rate of inflation for the twelve months immediately preceding but in no event shall exceed 5%.

8. Leases (Continued)

The annual rent will be the greater of $20,000 or 5.4% of gross revenues from tours, cruises and charter operations and the food establishment subject to the inflation adjustment.

The District will pay to the City, no later than November 15 of each year, an amount equal to 5.4% of gross revenues mentioned above for each fiscal year. This amount will be reduced by the monthly payments already paid to the City during the year. The District is responsible for all costs and expenses related to the Casco Bay Ferry Terminal.

In the lease, the City agreed to establish a maintenance fund to assist the District with major repairs and maintenance of the Terminal facility. The fund will consist of 50% of the annual net revenues (less the City's annual cost of all casualty insurance covering the Terminal, less City's future capital expenses not paid out of the Garage Capital Reserve, City's debt service related to future borrowings for capital expenses not paid out of the Garage Capital Reserve) received by the City from the 190 parking spaces in the parking garage adjacent to the Terminal, which were funded by the Federal Transit Administration. The maintenance fund may not exceed $160,000 which will be increased by $5,000 in the fifth, tenth and fifteen anniversaries of the effective date.

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

In instances in which the District is the lessee, GASB Statement No. 87, *Leases* requires the recording as a right-of-use asset and lease liability even in the case that the lease does not transfer ownership of the leased asset.

The total lease liabilities were $242,537 and $254,405 as of September 30, 2024 and 2023, respectively. During the years ended September 30, 2024 and 2023, the District incurred $13,612 and $14,199, respectively, in interest expenses related to lease liabilities.

The total lease assets, net of accumulated amortization amounted to $207,842 and $222,688 as of September 30, 2024 and 2023, respectively. During the years ended September 30, 2024 and 2023, the District recognized $14,846 each year in amortization expense from the lease assets.

Long-term lease agreements existing prior to the implementation date of October 1, 2020 for GASB Statement No. 87, *Leases* were valued at the discounted value of future expected scheduled lease payments as of the implementation date. Long-term lease agreements entered into subsequent to the implementation date of October 1, 2020 were valued at the discounted value of future expected scheduled lease payments as of the commencement date of the individual lease. As the leases do not provide an implicit rate, the District uses its incremental borrowing rate based on the information available at the commencement date to determine the present value of lease payments. The incremental borrowing rate used to determine the present value of lease payments was derived by reference to the secured-debt yields the District would receive to finance each lease transaction or needed to borrow the amount of the undiscounted future payments over the term of the lease.

8. Leases (Concluded)

At September 30, 2024 the projected minimum future amortization and interest from noncancelable lease agreements is approximately:

Years ending September 30,	Payment	Principal	Interest
2025	$ 25,103	$ 12,491	$ 12,612
2026	25,104	13,147	11,957
2027	25,103	13,837	11,266
2028	25,104	14,564	10,540
2029	25,104	15,329	9,775
2030 to 2034	125,519	89,593	35,926
2035 to 2038	102,718	83,576	19,142
	$ 353,755	$ 242,537	$ 111,218

The District also entered into a rental agreement with the State of Maine Department of Transportation for the right to use pier facilities on the islands the District serves. The rental period shall run for a period of twelve years beginning April 1, 2022. In lieu of annual rental payments, the District agrees to perform minor maintenance activities that require prompt attention.

9. Software Subscriptions

The total subscription assets were $964,376 net of accumulated amortization of $448,779 and $354,637 as of September 30, 2024 and 2023, respectively. During the years ended September 30, 2024 and 2023, the District incurred $94,142 each year, in SBITA amortization expense.

The following is a schedule by year of future minimum SBITA payments as of September 30, 2024:

Years ending September 30,	Payment	Principal	Interest
2025	$ 111,274	$ 94,249	$ 17,025
2026	111,274	97,425	13,849
2027	111,274	100,708	10,566
2028	111,274	104,101	7,173
2029	111,274	107,609	3,665
2030 to 2033	51,275	50,582	693
Total minimum SBITA payments	$ 607,645	$ 554,674	$ 52,971

10. Commitments and Contingencies

Construction Commitment

The District had commitments under construction contracts totaling approximately $8,600,000 at September 30, 2024. The more significant commitment under construction contracts at September 30, 2024 included $7.6 million for the new Peaks Ferry.

Union Contracts

Substantially all of the District's employees are covered by a collective bargaining agreement, except for executive officers and confidential personnel. The District has two collective bargaining agreements, both with the Maine Marine Association for the Marine Employees and Shoreside Employees, which are set to expire on March 15, 2028.

Contingencies

Equipment and three vessels owned and operated by the District were purchased, in part, with grants from the Federal Transit Administration (FTA) and one vessel was purchased with a Federal Highway Administration grant. All District vessels are maintained by FTA grants. Upon disposal of the vessels or equipment that sell for more than $1,000, the District may be required to return a portion of the funds to the FTA in proportion to the original percentage of Federal funds contributed by the FTA. That proportion would be approximately 80%.

Contingent Liabilities

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

11. Line of Credit

The District currently has a $2,000,000 unsecured Line of Credit Facility (LOC) secured through Maine Community Bank, formerly Gorham Savings Bank, which matures December 22, 2025. The terms of the LOC provide that a) the loan shall bear interest at a per annum rate equal to the National Prime Rate plus zero; and b) the District shall maintain various covenants that are to be reported on an annual basis. The proceeds of any draw on the LOC are to be used for general working capital purposes of the District and cash flow needs for capital projects. There were no amounts outstanding on this LOC as of September 30, 2024 and 2023.

12. Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees and natural disasters. The District maintains insurance coverage covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the District. Settled claims have not exceeded this coverage in any of the past three fiscal years.

13. Reserve Fund - Garage

The deferred reserve fund is money received from a current operating lease paid to Casco Bay Island Transit District during the fiscal year. This money is to be used for capital expenses or preventive maintenance as stated in the lease. The value of deferred capital reserve is $329,182 and $1,151,426 as of September 30, 2024 and 2023, respectively.

14. Reserve Fund - Maintenance and Capital

The maintenance and repair reserve for the District is being used to fund long-term capital additions and maintenance repairs. It is anticipated that the District will spend $40,000,000 in capital additions and ongoing maintenance for its current infrastructure over the next five years, according to the District's calculated spending plan. The District expects to reserve from end of year net position an amount up to the excess over its established fund balance policy.

15. Restatement of Net Assets

During 2024, the District discovered errors to the 2023 financial statements related to errors in the posting of 2021 and 2022 garage funds. Net position at the beginning of 2023 and net position at the end of 2023 as well as the change in net position for the year ended September 30, 2023 have been corrected through prior period adjustments as follows:

	Operating	Garage Funds	Maintenance and Capital Reserve	Total
Balances, at September 30, 2022, as previously reported	$ 30,526,561	$ -	$ 996,913	$ 31,523,474
To correct garage funds deferred revenue	(487,368)	-	-	(487,368)
Balances, at September 30, 2022, as restated	30,039,193	-	996,913	31,036,106
Total change in net position for the year ended September 30, 2023	6,553,297	-	(578,147)	5,975,150
Balances, at September 30 2023, as restated	36,592,490	-	418,766	37,011,256

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Board of Directors
Casco Bay Island Transit District
Portland, Maine

We have audited, in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities of Casco Bay Island Transit District (the District) as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise Casco Bay Island Transit District's basic financial statements, and have issued our report thereon dated May 29, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District'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 Casco Bay Island Transit District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the District'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 identified a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs related to federal awards as item 2024-001, that we consider to be a material weakness.

Board of Directors
Casco Bay Island Transit District

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District'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 consolidated 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*.

The District's Response to the Finding

Government Auditing Standards require the auditor to perform limited procedures on the District's response to the finding identified in our audit and described in the accompanying schedule of findings and questioned costs related to federal awards. The District's response was not subjected to the other 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 District'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 District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

BDMP Assurance, LLP

Manchester, New Hampshire
May 29, 2025

SUPPLEMENTARY INFORMATION

CASCO BAY ISLAND TRANSIT DISTRICT

Statements of Operating Expenses

For the Years Ended September 30, 2024 and 2023

	2024	2023
Operating expenses		
Salaries and wages	**$ 3,964,533**	$ 3,764,212
Payroll taxes	**294,525**	276,984
Employee benefits	**490,154**	430,487
Pension plan	**321,161**	349,229
Repairs and maintenance	**1,689,432**	1,502,728
Fuel	**1,008,767**	1,131,799
Insurance	**140,335**	140,024
Telephone	**29,954**	28,457
Mail agent	**11,293**	11,220
Office expense	**166,411**	136,029
Postage	**5,296**	5,251
Travel	**18,079**	6,326
Inquiries and damages	**12,075**	22,370
Professional fees	**214,254**	128,979
Dues and subscriptions	**16,351**	11,906
Uniforms	**9,794**	28,478
Heat and utilities	**68,921**	76,667
Janitorial	**99,364**	91,839
Rent	**42,704**	17,906
Terminal	**493,599**	632,927
Credit care settlement fees	**199,355**	172,403
Charter expenses	**132,933**	140,048
Depreciation	**780,370**	768,482
Amortization	**108,988**	108,988
Barge subcontracting	**35,900**	197,035
Sales/marketing expense	**140,619**	124,520
Miscellaneous	**124,500**	76,955
	$10,619,667	$10,382,249

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

Board of Directors
Casco Bay Island Transit District

Report on Compliance for the Major Federal Program

Opinion on the Major Federal Program

We have audited Casco Bay Island Transit District's (the District) compliance with the types of compliance requirements identified as subject to audit in the Office of Management and Budget *Compliance Supplement* that could have a direct and material effect on the District's major federal program for the year ended September 30, 2024. The District's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs related to federal awards.

In our opinion, the District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended September 30, 2024.

Basis for Opinion on the Major Federal Program

We conducted our audit of compliance in accordance with U.S. generally accepted auditing standards (U.S. GAAS); 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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the District's and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for the major federal program. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the District's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with U.S. GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of the major federal program as a whole.

In performing an audit in accordance with U.S. GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on 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 a 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.

Board of Directors
Casco Bay Island Transit District

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit, we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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.

BDMP Assurance, LLP

Manchester, New Hampshire
May 29, 2025

CASCO BAY ISLAND TRANSIT DISTRICT

Schedule of Expenditures of Federal Awards

Year Ended September 30, 2024

Federal Grantor/Pass-Through Grantor/Program Title	Federal AL Number	Pass-Through Entity Identifying Number	Total Federal Expenditures
U.S. Department of Transportation			
Direct			
Federal Transit Cluster			
Federal Transit Formula Grants	20.507	ME-2019-005	$ 4,936,234
Federal Transit Formula Grants	20.507	ME-2020-034	657,684
Federal Transit Formula Grants - COVID	20.507	ME-2021-007	1,930,095
Federal Transit Formula Grants	20.507	ME-2023-010	217,528
Federal Transit Formula Grants - COVID	20.507	ME-2023-030	289,464
Federal Transit Formula Grants	20.507	ME-2023-034	82,410
Federal Transit Formula Grants	20.507	ME-2023-035	534,553
Federal Transit Formula Grants	20.507	ME-2023-037	2,301,118
Total Federal Transit Cluster			10,949,086
Passed through Maine Department of Transportation			
Formula Grants for Rural Areas - COVID	20.509	CSN 43021	252,483
Formula Grants for Rural Areas - COVID	20.509	CSN 43021	688
Formula Grants for Rural Areas	20.509	CSN 43687	661
Formula Grants for Rural Areas	20.509	CSN 43946	1,048
Formula Grants for Rural Areas	20.509	CSN 44705	836
Formula Grants for Rural Areas	20.509	CSN 45315	300,000
Formula Grants for Rural Areas	20.509	CSN 45691	1,729
Formula Grants for Rural Areas	20.509	CSN 46408	1,753
Total AL 20.509			559,198
Total U.S. Department of Transportation and Total Expenditures of Federal Awards			$ 11,508,284

See accompanying notes to the schedule of expenditures of federal awards.

1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the SEFA) includes the federal grant activity of Casco Bay Island Transit District (the District) during the year ended September 30, 2024. The information in the SEFA 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 SEFA presents only a portion of the operations of the District, it is not intended to, and does not, present the net position, changes in net position or cash flows of the District.

2. Summary of Significant Accounting Policies

Expenditures reported on the SEFA are reported on the 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. Pass-through entity identifying numbers are presented where available.

The District has not elected to use the 10% de minimis indirect cost rate.

CASCO BAY ISLAND TRANSIT DISTRICT

Schedule of Findings and Questioned Costs Related to Federal Awards

Year Ended September 30, 2024

<u>Section 1. Summary of Auditor's Results</u>

Financial Statements

Type of auditor's report issued:		Unmodified
Internal control over financial reporting:		
Material weakness(es) identified?	☑ Yes	☐ No
Significant deficiency(ies) identified that are not considered to be material weakness(es)?	☐ Yes	☑ None reported
Noncompliance material to financial statements noted?	☐ Yes	☑ No

Federal Awards

Internal control over major programs:		
Material weakness(es) identified:	☐ Yes	☑ No
Significant deficiency(ies) identified that are not considered to be material weakness(es)?	☐ Yes	☑ None reported
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 Section 2 CFR 200.516(a)?	☐ Yes	☑ No

Identification of major programs:

AL Number	Name of Federal Program or Cluster
20.507	U.S. Department of Transportation: Federal Transit Cluster

Dollar threshold used to distinguish between Type A and Type B programs:	$750,000	
Auditee qualified as low-risk auditee?	☐ Yes	☑ No

Section II. **Financial Statement Findings**

Finding Number: **2024-001**

Criteria: The District is responsible for designing, implementing, and maintaining effective internal controls over financial reporting that provide reasonable assurance that the internal controls will prevent misstatements, or detect and correct misstatements on a timely basis, intentional or unintentional, from occurring.

Condition Found: During our audit of the financial statements, we noted monthly reconciliation of trial balance accounts were not being consistently performed throughout the year. Though significant reconciliation of trial balance accounts was performed as of September 30, 2024, timely reconciliation throughout the year is an important function of internal control which allows management and those charged with governance to have up-to-date information to support decision making.

Cause and Effect: There was no formal procedures for performing monthly reconciliations for key balance sheet accounts throughout the entire fiscal year. As a result, there is potential for an error or misstatement may not be prevented or detected or corrected, on a timely basis.

Recommendation: We recommend the District develop a month-end checklist to document the procedures to be followed as part of each month-end closing. This checklist should include reconciliation and related review of the reconciliations for the key accounts. Each reconciliation should be initialed by the preparer and the individual reviewing the reconciliation in order to attribute responsibility to the appropriate individuals. We further recommend a monthly statement of net position be prepared to be reviewed by management.

Identification as a Repeat Finding, if Applicable: A repeat finding, see finding 2023-001.

Views of a Responsible Official and Corrective Action Plan: Management agrees with the finding and the recommendation. See Corrective Action Plan on page 45.

Responsible party: Laurie Bowie, (207) 774-7874

Section III. **Findings for the Major Federal Program**

None noted.

Summary Schedule of Prior Year Findings and Questioned Costs Related to Federal Awards

Year Ended September 30, 2024

Section I. Prior Year Findings Relating to the Financial Statements Which are Required to be Reported in Accordance with *Government Auditing Standards*

Finding 2023-001

Condition:

We noted monthly reconciliation of trial balance accounts were not being consistently performed throughout the year. We further noted that reconciliations that were selected for testing did not have documented evidence of review and approval by a member of management.

Prior Year Recommendation:

We recommend the District develop a month-end checklist to document the procedures to be followed as part of each month-end closing. This checklist should include reconciliation and related review of the reconciliations for the key accounts. Each reconciliation should be initialed by the preparer and the individual reviewing the reconciliation in order to attribute responsibility to the appropriate individuals. We further recommend a monthly statement of net position be prepared to be reviewed by management.

Current Status:

Repeat finding - see finding 2024-001 in the schedule of findings and questioned costs related to federal awards.

Finding 2023-002

Condition:

We noted supporting documentation for journal entries is not consistently retained. We further noted that journal entries do not include evidence of a review and approval by a second individual.

Prior Year Recommendation:

We recommend all journal entries be properly supported by underlying documentation and include evidence of a review and approval.

Current Status:

Resolved.

Finding 2023-003

Condition:

We noted internal control deficiencies related to segregation of duties for the payroll and human resources (HR) function of the District. The following control deficiencies were identified during our audit:

- The Director of Finance and HR had full access to the payroll system, was able to post journal entries in the general ledger, maintained personnel information in the payroll processing system and served as the backup for processing payroll.
- There is no pre or post payroll review of the overall payroll data provided to the payroll processor for accuracy.
- Payroll change reports are not generated, reviewed, or maintained.

Prior Year Recommendation:

We recommend the District implement a system of internal controls that would improve the segregation of duties related to payroll. Specifically, we recommend the following:

- We recommend the person responsible for processing payroll not be able to change data within the payroll processing system.
- We recommend an individual without the ability to change data in the system or payroll perform the review over the payroll register.
- We recommend payroll change reports be generated and a documented review of the changes made be maintained by someone outside the payroll processing functions.

Current Status:

Resolved.

Finding 2023-004

Condition:

We noted the District had not recorded the retainage associated with the projects under construction during the construction stage.

Prior Year Recommendation:

We recommended the District record the retainage component of vendor invoices during the construction phase to capture the full amount of the committed costs associated with each project.

Current Status:

Resolved.

Section II. **Prior Year Findings for Each Major Federal Program**

Finding 2023-005

Condition:

We noted the District did not consistently review the System for Award Management (SAM) for vendors meeting the covered transaction threshold.

Prior Year Recommendation:

We recommend the District implement a process to verify all vendors prior to payment against the SAM. We also recommend the District provide additional training to all individuals involved in the accounts payable and procurement on the importance of the SAM reviews.

Current Status:

Resolved.

BerryDunn

BDMP Assurance, LLP

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR DEPARTMENT AGREEMENT AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH *MAINE UNIFORM ACCOUNTING AND AUDITING PRACTICES FOR COMMUNITY AGENCIES*

Board of Directors
Casco Bay Island Transit District

Report on Compliance for Each Major Department Agreement

Opinion on Each Major Department Agreement

We have audited Casco Bay Island Transit District's (the District) compliance with the types of compliance requirements described in the *Maine Uniform Accounting and Auditing Practices Act for Community Agencies* (MAAP) and with the requirements identified in the Contract Compliance Riders of the District's agreement with the Maine Department of Transportation (the Department) that could have a direct and material effect on each of the District's major Department agreements for the year ended September 30, 2024. The District's major Department agreements are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs related to Department agreements.

In our opinion, the District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major Department agreements for the year ended September 30, 2024.

Basis for Opinion on Each Major Department Agreement

We conducted our audit of compliance in accordance with U.S. generally accepted auditing standards (U.S. GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and MAAP. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the District and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major Department agreement. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the District's Department agreements.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District’s compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with U.S. GAAS, *Government Auditing Standards*, and MAAP will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District’s compliance with the requirements of each major Department agreement as a whole.

In performing an audit in accordance with U.S. GAAS, *Government Auditing Standards*, and MAAP, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District’s compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the District’s internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with MAAP, but not for the purpose of expressing an opinion on the effectiveness of the District’s internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on 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 Department agreement on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a 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 Department agreement 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 Department agreement 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses, or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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 MAAP. Accordingly, this report is not suitable for any other purpose.

BDMP Assurance, LLP

Manchester, New Hampshire
May 29, 2025

CASCO BAY ISLAND TRANSIT DISTRICT

Schedule of Expenditures of Department Agreements

Year Ended September 30, 2024

Department Office	Agreement Number	Agreement Amount	Agreement Period	Agreement Service	Agreement Status	Federal Expenses	State Expenses	Total Department Expenses	Local Share Expenses	Total Agreement Match Expenses
DOT - OPT	CSN 45356	$ 68,444	7/1/23-6/30/24	Admin/ Operating	Final	$ -	$ 68,444	$ 68,444	$ -	$ 68,444
DOT - OPT	CSN 43131	$ (68,444)	7/1/22-6/30/2023	Admin/ Operating	Final	-	(68,444)	(68,444)	-	(68,444)
DOT - OPT	CSN 44161	$ 68,444	7/1/22-6/30/2023	Admin/ Operating	Final	-	68,444	68,444	-	68,444
DOT - OPT	CSN 43021	$ 435,000	7/1/17-12/31/27	CARES Operating	Final	252,483	-	252,483	-	252,483
DOT - OPT	CSN 43500	$4,305,000	1/18/22-12/31/24	Peaks Replacement	Interim	-	1,682,720	1,682,720	948,442	2,631,162
DOT - OPT	CSN 45315	$ 300,000	7/1/23-6/30/25	Admin/ Operating	Final	300,000	-	300,000	-	300,000
DOT - OPT	CSN 46000	$ 106,500	7/1/23-6/30/24	Admin/ Operating	Final	-	106,500	106,500	-	106,500
DOT - OPT	CSN 46408	$ 1,753	9/1/23-6/30/24	RTAP (100%)	Final	-	1,753	1,753	-	1,753
DOT - OPT	CSN 46408	$ 1,729	9/1/23-6/30/24	RTAP (100%)	Final	-	1,729	1,729	-	1,729
						$ 552,483	$ 1,861,146	$ 2,413,629	$ 948,442	$ 3,362,071

See accompanying notes to the Schedule of Department Agreements.

CASCO BAY ISLAND TRANSIT DISTRICT

Notes to Schedule of Expenditures of Department Agreements

Year Ended September 30, 2024

1. Significant Accounting Policies

Basis of Presentation

The accompanying schedule of expenditures of Department agreements (the SEDA) includes the Department agreement activity of Casco Bay Island Transit District (the District) under programs of the Department for the year ended September 30, 2024. The information in the schedule is presented in accordance with requirements of *Maine Uniform Accounting and Auditing Practices Act for Community Agencies* (MAAP). Because the SEDA presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net position, or cash flows of the District.

Basis of Settlement

Grants which are cost settled include an estimated settlement of state funds based upon the available grant revenue and other revenue based upon allowable costs.

2. Summary of Significant Accounting Policies for Department Agreement Expenditures

Expenditures reported on the SEDA consist of direct and indirect costs which are recognized as incurred using the accrual method of accounting. Such expenditures are recognized following, as applicable, the cost principles contained Title 2 U.S. *Code of Federal Regulations* Part 200*, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and MAAP. Under those cost principles, certain types of expenditures are not allowable or are limited as to reimbursement.

3. Corrections to Prior Year Report

The expenditures under agreement number CSN 43131 for the period July 1, 2022 through June 30, 2023 were improperly recorded to the incorrect agreement number. This funding should have been reported under agreement number CSN 44161. The balance for agreement number CSN 43131 has been reported as a negative balance and correctly report under agreement number CSN 44161.

4. Other Disclosures

Is the District required to have a federal Uniform Guidance audit? __X__ yes ____ no

Percentage of major agreements tested in relation to total Department Expenses: 87%

CASCO BAY ISLAND TRANSIT DISTRICT

Schedule of Findings and Questioned Costs
Related to Department Agreements

Year Ended September 30, 2024

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:				
Material weakness(es) identified?	☑	Yes	☐	No
Significant deficiency(ies) identified not considered to be material weakness(es)?	☐	Yes	☑	None reported
Noncompliance material to financial statements noted?	☐	Yes	☑	No

Department Agreements

Internal control over major Department agreements:

Material weakness(es) identified?	☐	Yes	☑	No
Significant deficiency(ies) identified not considered to be material weakness(es)?	☐	Yes	☑	None reported

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

Any audit findings disclosed that are required to be reported in accordance with MAAP regulations?	☐	Yes	☑	No

Identification of major Department agreements:

CSN 45315	Admin/Operating
CSN 46000	Operating
CSN 43500	Peaks Replacement

CASCO BAY ISLAND TRANSIT DISTRICT

Schedule of Findings and Questioned Costs
Related to Department Agreements (Concluded)

Year Ended September 30, 2024

Section II - Financial Statement Findings

See finding 2024-001 in the schedule of findings and questioned costs related to federal awards.

Section III - Department Agreement Findings and Questioned Costs

None noted.

CASCO BAY ISLAND TRANSIT DISTRICT

Summary Schedule of Prior Year Findings and Questioned Costs Related to Department Agreements

Year Ended September 30, 2024

Finding 2023-001

Condition:

We noted monthly reconciliation of trial balance accounts were not being consistently performed throughout the year. We further noted that reconciliations that were selected for testing did not have documented evidence of review and approval by a member of management.

Prior Year Recommendation:

We recommend the District develop a month-end checklist to document the procedures to be followed as part of each month-end closing. This checklist should include reconciliation and related review of the reconciliations for the key accounts. Each reconciliation should be initialed by the preparer and the individual reviewing the reconciliation in order to attribute responsibility to the appropriate individuals. We further recommend a monthly statement of net position be prepared to be reviewed by management.

Current Status:

Repeat finding - See finding 2024-001 in the schedule of findings and questioned costs related to federal awards.

Finding 2023-002

Condition:

We noted supporting documentation for journal entries is not consistently retained. We further noted that journal entries do not include evidence of a review and approval by a second individual.

Prior Year Recommendation:

We recommend all journal entries be properly supported by underlying documentation and include evidence of a review and approval.

Current Status:

Resolved.

Finding 2023-003

Condition:

We noted internal control deficiencies related to segregation of duties for the payroll and human resources (HR) function of the District. The following control deficiencies were identified during our audit:

- The Director of Finance and HR had full access to the payroll system, was able to post journal entries in the general ledger, maintained personnel information in the payroll processing system and served as the backup for processing payroll.

- There is no pre or post payroll review of the overall payroll data provided to the payroll processor for accuracy.
- Payroll change reports are not generated, reviewed, or maintained.

Prior Year Recommendation:

We recommend the District implement a system of internal controls that would improve the segregation of duties related to payroll. Specifically, we recommend the following:

- We recommend the person responsible for processing payroll not be able to change data within the payroll processing system.
- We recommend an individual without the ability to change data in the system or payroll perform the review over the payroll register.
- We recommend payroll change reports be generated and a documented review of the changes made be maintained by someone outside the payroll processing functions.

Current Status:

Resolved.

Finding 2023-004

Condition:

We noted the District had not recorded the retainage associated with the projects under construction during the construction stage.

Prior Year Recommendation:

We recommended the District record the retainage component of vendor invoices during the construction phase to capture the full amount of the committed costs associated with each project.

Current Status:

Resolved.

Finding 2024-001 Corrective Action Plan

The District will develop and implement use of a month-end checklist documenting procedures followed as part of month-end close. The District will perform monthly reconciliations of key accounts; each reconciliation will be initialed and dated by the preparer and the member of management reviewing the reconciliation.

Responsible Party: Laurie Bowie,
Director of Finance and HR
207-774-7874
Anticipated Completion Date: 9/30/2025