

MARTHA'S VINEYARD REGIONAL TRANSIT AUTHORITY  
(a component Unit of the Massachusetts Department of Transportation)

Basic Financial Statements, Supplementary Data  
For the Years Ended June 30, 2013 and 2012

MARTHA'S VINEYARD REGIONAL TRANSIT AUTHORITY  
(a Component Unit of the Massachusetts Department of Transportation)

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MARTHA'S VINEYARD REGIONAL TRANSIT AUTHORITY  
MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED  
FOR THE YEAR ENDED JUNE 30, 2013

The management of the Martha's Vineyard Regional Transit Authority (the Authority) has generated this narrative overview and analysis to assist our readers in understanding the Authority's basic financial statements.

**Financial Highlights**

- \* The assets of the Authority exceeded its liabilities at June 30, 2013 by \$10,025,000.
- \* The Authority's total net position increased by \$12,000. This increase was caused primarily by a increase in capital funding.
- \* The total operating revenue decreased from \$1,488,000 in fiscal year 2012 to \$1,432,000 in fiscal year 2013, a \$56,000 decrease.
- \* The operating expenses increased from \$5,440,000 in fiscal year 2012 to \$5,653,000 in fiscal year 2013, a \$213,000 increase.
- \* The Authority expended \$1,308,000 for capital assets. The most significant capital asset event was the acquisition of rolling stock in the amount of \$1,279,000. These acquisitions were funded by Federal and State capital assistance.

**Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to the Authority's basic financial statements. The basic financial statements are comprised of the following: Statement of Net Position, Statement of Revenues, Expenses and Changes in Net Position, Statement of Cash Flows and the Notes to the Financial Statements.

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

The statement of revenues, expenses and changes in net position presents information showing how the assets changed during the fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected receivables or unpaid accounts payable).

The statement of cash flows indicates the sources of the Authority's cash inflows and the uses of its cash outflows.

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

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**Financial Position Analysis**

The following is a condensed statement of net position. It also indicates percentage changes in the Authority's assets, liabilities and net position.

Statement of Net Position  
(000 omitted)

	2013	2012	Percentage Change
Current assets	\$ 4,187	\$ 4,450	-6%
Capital assets, net	9,748	9,655	1%
Other noncurrent assets	785	717	9%
Total assets	<u>14,720</u>	<u>14,822</u>	<u>-1%</u>
Noncurrent liabilities	4,457	4,143	8%
Current liabilities	238	666	-64%
Total liabilities	<u>4,695</u>	<u>4,809</u>	<u>-2%</u>
Net position			
Invested in capital assets	9,748	9,655	1%
Restricted	118	270	-56%
Unrestricted	159	88	81%
Total net position	<u>\$ 10,025</u>	<u>\$ 10,013</u>	<u>0%</u>

Net position may serve over time as a useful indicator of an Authority's financial position. In the case of the Authority, assets exceeded liabilities by \$10,025,000 at the close of the most recent fiscal year.

By far the largest portion of the Authority's net position (97 percent) reflects its investment in capital assets. The Authority uses these capital assets to provide transportation services to the general public; consequently these assets are not available for future spending.

An additional portion of the Authority's net position (1 percent) represents resources that are subject to external restrictions on how they may be used. The restricted net assets is comprised of the reserve for extraordinary expense and the stabilization fund.

The remaining balance of unrestricted net position, \$159,000 (2%), may be used to meet the Authority's ongoing obligations to creditors.

At the end of the current fiscal year, the Authority is able to report positive balances in all three categories of net position.

The Authority's net position increased by \$12,000 during the current fiscal year. Refer to the statement of revenues, expenses and changes in net position for details.

The Authority's total debt decreased by \$114,000 (2%) during the current year. This decrease was caused primarily by decreases in the revenue anticipation notes and accounts payable that are related to capital asset acquisitions.

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**Operations Analysis**

The following is the Authority's statement of revenues, expenses and changes in net position. It also indicates percentage changes in the various accounts.

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
(000 omitted)

	<u>2013</u>	<u>2012</u>	<u>Percentage Change</u>
Operating revenues			
Transportation services	\$ 1,432	\$ 1,488	-4%
Operating expenses			
Cost of services, maintenance and administration	4,548	4,330	5%
Depreciation	1,105	1,110	0%
	<u>5,653</u>	<u>5,440</u>	<u>4%</u>
Operating loss	<u>(4,221)</u>	<u>(3,952)</u>	<u>7%</u>
Nonoperating revenues and (expenses)			
Operating assistance	2,981	2,878	4%
Other nonoperating	(55)	(75)	-27%
	<u>2,926</u>	<u>2,803</u>	<u>4%</u>
Loss before capital contributions	<u>(1,295)</u>	<u>(1,149)</u>	<u>13%</u>
Capital contributions	<u>1,307</u>	<u>475</u>	<u>175%</u>
	<u>1,307</u>	<u>475</u>	<u>175%</u>
Increase (decrease) in net position	12	(674)	-102%
Net position			
Beginning of year	10,013	10,687	-6%
End of year	<u>\$ 10,025</u>	<u>\$ 10,013</u>	<u>0%</u>

The Authority's operating loss increased by \$269,000 from the prior year.

Operating revenues decreased \$56,000 (4%) and was caused by decreases in ridership and contract revenue.

Operating expenses increased by \$213,000 (4%).

Nonoperating revenues increased by \$123,000 (4%).

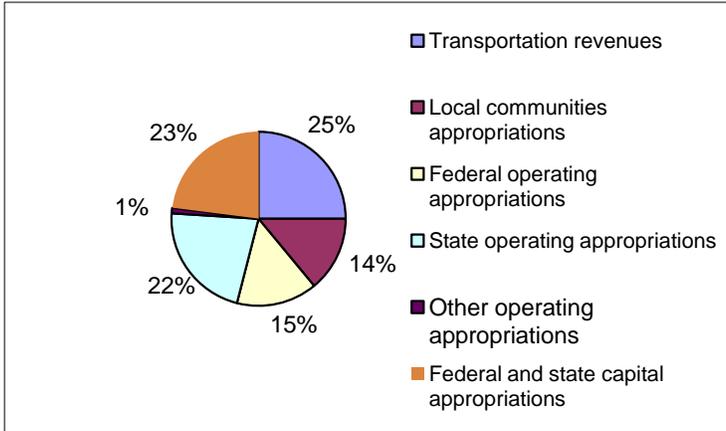
Capital contributions increased by \$832,000 (175%).

The "Increase (decrease) in net position" increased by \$686,000 (102%).

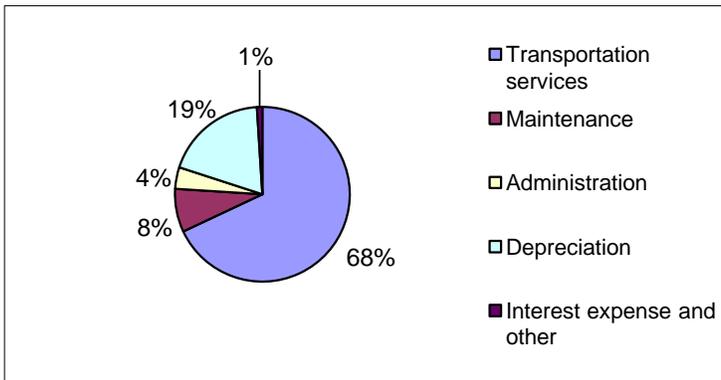
MARTHA'S VINEYARD REGIONAL TRANSIT AUTHORITY  
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The revenues and expenses by source are delineated in the following graphs:

Revenues by source:



Expenses by source:



**Financial Ratios**

"Working Capital" is the amount by which current assets exceed current liabilities. The Current Ratio, which compares current assets to current liabilities, is an indicator of the ability to pay current obligations.

	<u>2013</u>	<u>2012</u>
Working Capital	\$ 3,949,000	\$ 3,784,000
Current ratio	18:1	7:1

The working capital and current ratio indicate that the Authority has an excellent ability to meet current obligations.

"Liabilities to Net Assets" indicates the extent of borrowing.

	<u>2013</u>	<u>2012</u>
Liabilities to net assets	47%	48%

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**Capital and Debt Administration**

Capital Assets

The Authority's investment in capital assets as of June 30, 2013 amounted to \$9,748,000, net of accumulated depreciation. The investment in capital assets includes buses and vans, equipment, building and structures and intangible assets. The total net increase in capital assets for the current year was \$93,000 or a 1% increase.

During the current year, the most significant capital asset event was the acquisition of rolling stock in the amount of \$1,279,000.

Capital assets at year-end net of depreciation  
(000 omitted)

	<u>2013</u>	<u>2012</u>
Building and structures	\$ 3,841	\$ 3,824
Buses and vans	9,955	9,187
Equipment	800	810
Intangible assets	<u>1,620</u>	<u>1,620</u>
	16,216	15,441
Accumulated depreciation	<u>(6,468)</u>	<u>(5,786)</u>
	<u><u>\$ 9,748</u></u>	<u><u>\$ 9,655</u></u>

Revenue Anticipation Notes

The Authority had revenue anticipation notes of \$4,100,000 and \$4,000,000 at the end of 2013 and 2012, respectively.

**Economic Factors**

Funding for the Authority's net cost of service (noncapital expenses less all noncapital revenues except state contract assistance and member municipality assessments) is dependent primarily (61%) on operating assistance from the Commonwealth of Massachusetts. This operating assistance is funded a year in arrears by the State (the Authority's fiscal year 2013 assistance will be included in the Commonwealth's fiscal 2014 budget). The balance (39%) of the Authority's net cost of service is funded through assessments to member communities. These assessments may increase annually in the aggregate by no more than 2 1/2%, plus the members share of any new services.

Demand for the Authority's services is mainly affected by the overall economy, seasonality and weather conditions. The Authority's operating revenue for the past three years are as follows:

	<u>2011</u>	<u>2012</u>	<u>2013</u>
Farebox revenue	\$ 1,247,000	\$ 1,313,000	\$ 1,282,000
Other revenue	215,000	181,000	155,000

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**Contacting the Authority's Financial Management**

The financial report is designed to provide our citizens, customers, investors and creditors with a general overview of the Authority's finances and to demonstrate the Authority's accountability for the money it receives. If you have any questions or need additional information, contact Angela Grant, Administrator, Martha's Vineyard Regional Transit Authority, 11 A Street, Edgartown, MA 02539.

# Bruce D. Norling, CPA, P.C.

## INDEPENDENT AUDITORS' REPORT

The Advisory Board  
Martha's Vineyard Regional Transit Authority

We have audited the accompanying financial statements of the Martha's Vineyard Regional Transit Authority (the Authority), a component unit of the Massachusetts Department of Transportation, as of and for the years ended June 30, 2013 and 2012, and the related notes to the financial statements, which collectively comprise the basic financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

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

### **Auditor's Responsibility**

Our responsibility is to express opinions on the financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the

effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

## **Opinions**

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

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages i through vi and the schedule of funding progress on page 20 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Authority's basic financial statements. The supplementary information, included in the accompanying schedules on pages 21 through 24, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such

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

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued a report dated September 24, 2013 on our consideration of the Authority's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

*Bruce D. Norling, CPA, P.C.*

September 24, 2013

MARTHA'S VINEYARD REGIONAL TRANSIT AUTHORITY  
(a Component Unit of the Massachusetts Department of Transportation)

Statement of Net Position  
June 30, 2013 and 2012

	<u>2013</u>	<u>2012</u>
<b>ASSETS</b>		
Current Assets		
Cash and cash equivalents	\$ 597,781	\$ 23,088
Receivable for operating assistance	3,271,647	4,084,344
Other current assets	318,213	342,225
Total current assets	<u>4,187,641</u>	<u>4,449,657</u>
Noncurrent assets		
Restricted assets		
Cash and cash equivalents	455,867	269,590
Receivable for capital assistance	19,673	143,123
Total restricted assets	<u>475,540</u>	<u>412,713</u>
Receivable for operating assistance	310,051	305,137
Capital assets, net	9,747,597	9,654,874
Total noncurrent assets	<u>10,533,188</u>	<u>10,372,724</u>
Total assets	<u>14,720,829</u>	<u>14,822,381</u>
 <b>LIABILITIES</b>		
Current liabilities		
Accounts payable and accrued expense	238,239	613,533
Unearned revenue		52,368
Total current liabilities	<u>238,239</u>	<u>665,901</u>
Noncurrent liabilities		
Liabilities payable from restricted assets		
Accounts payable and accrued expense	232,247	143,123
Other postemployment benefits	125,191	
Revenue anticipation notes	4,100,000	4,000,000
Total noncurrent liabilities	<u>4,457,438</u>	<u>4,143,123</u>
Total liabilities	<u>4,695,677</u>	<u>4,809,024</u>
 <b>NET POSITION</b>		
Invested in capital assets	9,747,597	9,654,874
Restricted	118,102	269,590
Unrestricted	159,453	88,893
Total net position	<u>\$ 10,025,152</u>	<u>\$ 10,013,357</u>

MARTHA'S VINEYARD REGIONAL TRANSIT AUTHORITY  
(a Component Unit of the Massachusetts Department of Transportation)

Statement of Revenues, Expenses and Changes in Net Position

Year Ended June 30, 2013 and 2012

	<u>2013</u>	<u>2012</u>
Operating revenues		
Transportation services	\$ 1,432,334	\$ 1,488,115
Operating expenses		
Cost of services, maintenance and administration		
Transportation service	3,879,159	3,724,099
Maintenance	459,022	418,301
General and administration	<u>210,012</u>	<u>187,524</u>
	4,548,193	4,329,924
Depreciation	<u>1,105,341</u>	<u>1,109,678</u>
	<u>5,653,534</u>	<u>5,439,602</u>
Operating loss	4,221,200	3,951,487
Nonoperating revenues and (expenses)		
Operating assistance grants		
Federal	864,370	899,461
Commonwealth of Massachusetts	1,258,364	1,191,870
Local	805,956	786,299
Other	52,368	
Loss on disposal of capital assets	(38,475)	(39,275)
Interest expense	<u>(16,688)</u>	<u>(35,821)</u>
	<u>2,925,895</u>	<u>2,802,534</u>
Loss before capital contributions	1,295,305	1,148,953
Capital contributions		
Commonwealth of Massachusetts	222,100	475,144
Federal	<u>1,085,000</u>	<u>475,144</u>
	<u>1,307,100</u>	<u>475,144</u>
Increase (decrease) in net position	11,795	(673,809)
Total net position		
Beginning of year	10,013,357	10,687,166
End of year	<u>\$ 10,025,152</u>	<u>\$ 10,013,357</u>



MARTHA'S VINEYARD REGIONAL TRANSIT AUTHORITY  
(a Component Unit of the Massachusetts Department of Transportation)  
Notes to Financial Statements  
June 30, 2013 and 2012

1. The Reporting Entity

The Martha's Vineyard Regional Transit Authority (the Authority) is a component unit of the Massachusetts Department of Transportation (MassDOT) and MassDOT is a component unit of the Commonwealth of Massachusetts (the Commonwealth). The Authority was established as a political subdivision of the Commonwealth on February 15, 1980, by the various towns constituting the Authority, pursuant to Section 3 of Chapter 161B of the General Laws of the Commonwealth, for the purpose of continuing and improving local transit service. The communities that presently comprise the Authority are Aquinnah, Chilmark, Edgartown, Oak Bluffs, Tisbury and West Tisbury. The Authority does not have any stockholders or equity holders.

The Authority is managed by an Administrator appointed by an Advisory Board. The Advisory Board is made up of appointed representatives from the member communities. The Authority's operations are primarily funded through passenger fares, contractual reimbursements and operating subsidies from federal and state governments and the member communities. In addition, the Authority receives federal and state capital grants that are used to finance acquisitions and improvements of facilities and equipment.

The operation of the Authority was performed by the Transit Connection, Incorporated (the Operator). The Operator functions under terms and agreements whereby it provides mass transit along such routes and according to such schedules as may be defined by the Authority. The current agreement terminates January 31, 2014. The contract may be terminated by either party with ninety day's notice.

The Authority also has a brokerage service program, whereby, the Authority contracts with various social service agencies to provide public transportation to their clients. The operation of this program is also provided by the Operator.

2. Summary of Significant Accounting Policies

a) Measurement Focus, Basis of Accounting and Financial Reporting Presentation – The financial statements of the Authority have been prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP") as applied to government entities. The Governmental Accounting Standards Board ("GASB") is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Under these standards, the Authority is defined as a special-purpose government, engaged only in business-type activities.

The financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recognized at the time transportation services are provided. Unearned revenue represents cash received in advance of future services.

The Authority distinguishes between operating revenues and expenses and nonoperating revenues and expenses. Operating revenues and expenses generally result from providing services in connection with the Authority's principal ongoing operations. The Authority's principal operating revenue is passenger fares. Operating expenses include the cost of transit services, provided by third party vendors, maintenance, administrative and depreciation expense. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

MARTHA'S VINEYARD REGIONAL TRANSIT AUTHORITY  
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2. Summary of Significant Accounting Policies (continued)

a) Measurement Focus, Basis of Accounting and Financial Reporting Presentation (continued)

The Authority has adopted GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, which establishes guidance for applying standards established in Financial Accounting Standards Board (FASB) statements and interpretations to the preparation of financial statements for proprietary fund activities. In accordance with GASB Statement No. 62, the Authority complies with and observes all FASB statements and interpretations that were issued on or before November 30, 1989, unless they conflict with GASB pronouncements.

b) Adoption of New Accounting Pronouncements – In June, 2012, the GASB issued GASB Statement No. 61, *The Financial Reporting Entity: Omnibus – an amendment of GASB Statements No. 14 and 34*. This Statement 1) modifies certain requirements for inclusion of component units in the financial reporting entity, 2) amends the criteria for reporting component units as if they were part of the primary government (that is blending) in certain circumstances, 3) provides guidance for blending a component unit if the primary government is a business-type activity that uses a single column presentation for financial reporting and 4) clarifies the reporting of equity interests in legally separate organizations. The adoption of this statement did not have a material impact on the Authority's financial statements.

In June, 2011, the GASB issued GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources and Net Position*. This Statement provides financial reporting guidance for deferred outflows of resources and deferred inflows of resources. Concepts Statement No. 4, *Elements of Financial Statements*, introduced and defined those elements as a consumption of net assets by the government that is applicable to a future reporting period, and an acquisition of net assets by the government that is applicable to a future reporting period, respectively.

Concepts Statement No. 4 also identifies net position as the residual of all other elements presented in a statement of financial position. This Statement amends the net asset reporting requirements in Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, and other pronouncements by incorporating deferred outflows of resources and deferred inflows of resources into the definitions of the required components of the residual measure and by renaming that measure as net position, rather than net assets. The adoption of this statement did not have a material impact on the Authority's financial statements.

The GASB has issued the following statements, which require adoption subsequent to June 30, 2013 and are applicable to the Authority. The Authority has not yet adopted these statements, and the implication on the Authority's fiscal practices and financial reports is being evaluated.

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Notes to Financial Statements  
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2. Summary of Significant Accounting Policies (continued)

b) Adoption of New Accounting Pronouncements (continued)

<u>Statement No.</u>	<u>Adoption Required in Fiscal Year</u>	
65	<i>Items previously reported as Assets and Liabilities</i>	2014
66	<i>Technical Corrections - 2012 - an amendment of GASB Statements No. 10 and No. 62</i>	2014
67	<i>Financial Reporting for Pension Plans – an amendment of GASB Statement No. 25</i>	2014
68	<i>Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27</i>	2015
69	<i>Government Combinations and Disposals of Government Operations</i>	2015

c) Capital Grants – The Authority receives capital grants from various governmental agencies to be used for various purposes connected with the planning, modernization and expansion of transportation facilities and equipment. Capital grants are reported as revenue rather than contributed capital as required by GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

d) Statement of Cash Flows – For purposes of the statement of cash flows, the Authority considers all highly liquid investments purchased with a maturity of three months or less to be cash equivalents.

e) Restricted Assets and Restricted Liabilities – Restricted assets are restricted for the acquisition of capital assets, the stabilization fund and the reserve for extraordinary expense. Restricted liabilities are amounts payable from the restricted assets.

f) Capital Assets – Capital assets are stated at cost less accumulated depreciation. Depreciation is computed using the straight-line method based on the estimated service lives of the assets. The Authority's capitalization policy is to capitalize all assets acquired with capital funds regardless of the dollar amount. The estimated service lives are as follows:

	<u>Years</u>
Building and structures	15 – 40
Vehicles	5 – 10
Equipment	5 – 7
Intangible assets	5

g) Net Position - Net position is the residual of all other elements presented in a statement of net position. It is the difference between (a) assets and deferred outflows of resources and (b) liabilities and deferred inflows of resources. The categories of reporting net position are (1) amounts invested in capital assets – net of related debt, (2) amounts that are legally or statutorily restricted as to their use – net of related debt, and (3) amounts that are unrestricted.

MARTHA'S VINEYARD REGIONAL TRANSIT AUTHORITY  
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Notes to Financial Statements  
June 30, 2013 and 2012

2. Summary of Significant Accounting Policies (continued)

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

i) Restricted Cash and Investment Accounts – Certain cash and investments are segregated from operating cash due to certain internal or external restrictions as follows:

- Stabilization and contingency reserve accounts – represent funds held in accordance with statutory requirements to be used when annual revenues are projected to be less than annual expenses, or if the Authority has insufficient funds on hand to pay current expenses.
- Other Accounts – represent internally restricted funds held for capital acquisitions and other expenses.

j) Postemployment Benefits – Postemployment benefits, primarily healthcare, are recognized on an accrual basis. The accrual is the recognition of an actuarially required contribution as an expense on the statement of revenues, expenses, and changes in net position when future retirees earn their postemployment benefit rather than when they use their postemployment benefit. To the extent that the Authority does not fund their actuarially required contribution, a postemployment benefit liability is recognized on the statement of net position.

k) Available Unrestricted Resources – The Authority's policy is to utilize available unrestricted resources prior to restricted resources.

l) Reclassifications – Certain prior year amounts have been reclassified to conform to current year presentation.

3. Cash and Cash Equivalents

State and local statutes place certain limitations on the nature of deposits and investments available to the Authority. Deposits (including demand deposits, term deposits and certificates of deposit) in any one financial institution may not exceed certain levels without collateralization by the financial institutions involved. Investments can also be made in securities issued by or unconditionally guaranteed by the U.S. Government or its agencies that have a maturity of less than one year from the date of purchase and repurchase agreements guaranteed by such securities with maturity dates of no more than 90 days from the date of purchase.

Custodial credit risk exists for cash deposits when, in the event of the failure of a depository financial institution, the Authority's deposits will not be recovered. The Authority does not have a formal policy with regard to custodial credit risk, but generally invests its funds in deposits that are fully FDIC insured or collateralized with securities held by the pledging financial institution's trust department in the financial institution's name. At June 30, 2013, the Authority does not have any uninsured or uncollateralized bank deposits.

MARTHA'S VINEYARD REGIONAL TRANSIT AUTHORITY  
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Notes to Financial Statements  
June 30, 2013 and 2012

3. Cash and Cash Equivalents (continued)

The total amounts of Authority deposits in financial institutions, per the bank statements, at June 30, 2013 and 2012 are as follows:

	<u>2013</u>	<u>2012</u>
Balance per bank	\$ 1,194,770	\$ 1,540,949
Deposits covered by:		
Federal Depository Insurance Corporation	(250,000)	(1,410,563)
Collateralized with pledged securities	<u>(944,770)</u>	<u>(130,386)</u>
Total uninsured and uncollateralized deposits	<u>\$ -</u>	<u>\$ -</u>

Cash and cash equivalents reported in the accompanying statement of net position as of June 30, 2013 and 2012, are as follows:

	<u>2013</u>	<u>2012</u>
Current assets - cash and cash equivalents	\$ 597,781	\$ 23,088
Noncurrents assets - restricted funds	<u>455,867</u>	<u>269,590</u>
Total	<u>\$ 1,053,648</u>	<u>\$ 292,678</u>

4. Grants

The Federal government provides both operating and capital funding pursuant to the various sections of the Safe, Accountable, Flexible, Efficient Transportation Equity Act (SAFETEA-LU), of 2005. Activities that previously received dedicated funding from SAFETEA-LU are being replaced by funding from new legislation, namely, the Moving Ahead for Progress in the 21<sup>st</sup> Century (MAP-21) Act, of 2012.

Further, the Commonwealth of Massachusetts (MassDOT) and the member communities provide the local share of both operating and capital funding.

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5. Receivable for Operating and Capital Assistance

The receivable for operating and capital assistance is disaggregated as follows:

	<u>2013</u>	<u>2012</u>
<u>Current</u>		
Operating assistance		
Commonwealth of Massachusetts		
Operating appropriations	\$ 1,300,432	\$ 1,300,432
United States Department of Transportation -		
Pass-through grants through the Commonwealth		
Operating grants		
Rural area assistance	815,021	1,472,276
American Recovery and Reinvestment Act		51,742
New Freedom Program	44,100	256,319
Local operating assistance to be billed to		
the Towns constituting the Authority and		
paid by the Commonwealth to the Authority	1,310,601	1,178,460
Other accounts receivable	111,544	130,252
Total operating assistance	<u>3,581,698</u>	<u>4,389,481</u>
Less noncurrent portion	<u>(310,051)</u>	<u>(305,137)</u>
Total current operating assistance	<u>\$ 3,271,647</u>	<u>\$ 4,084,344</u>
	<u>2013</u>	<u>2012</u>
<u>Noncurrent</u>		
Capital assistance		
Commonwealth of Massachusetts	\$ 19,673	\$ 143,123
Total capital assistance	<u>\$ 19,673</u>	<u>\$ 143,123</u>

6. Other Current Assets

The other current asset balance includes a motor vehicle parts and fuel inventory for 2013 and 2012 of approximately \$311,000 and \$331,000, respectively. This inventory is stated at the lower of cost or market on a first-in, first-out basis.

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7. Capital Assets and Depreciation

The capital asset activity for the year ended June 30, 2013, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated				
Common carrier rights	\$ 1,620,000	\$ -	\$ -	\$ 1,620,000
Subtotal	<u>1,620,000</u>	<u>-</u>	<u>-</u>	<u>1,620,000</u>
Depreciable capital assets				
Building and structures	3,824,761	16,299		3,841,060
Vehicles	9,186,364	1,279,378	510,795	9,954,947
Equipment	810,062	12,385	22,623	799,824
Subtotal	<u>13,821,187</u>	<u>1,308,062</u>	<u>533,418</u>	<u>14,595,831</u>
Accumulated depreciation	<u>5,786,313</u>	<u>1,105,341</u>	<u>423,420</u>	<u>6,468,234</u>
Net depreciable assets	<u>8,034,874</u>	<u>202,721</u>	<u>109,998</u>	<u>8,127,597</u>
Net depreciable and net capital assets	<u>\$ 9,654,874</u>	<u>\$ 202,721</u>	<u>\$ 109,998</u>	<u>\$ 9,747,597</u>

The capital asset activity for the year ended June 30, 2012, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated				
Common carrier rights	\$ 1,620,000	\$ -	\$ -	\$ 1,620,000
Subtotal	<u>1,620,000</u>	<u>-</u>	<u>-</u>	<u>1,620,000</u>
Depreciable capital assets				
Building and structures	3,824,761			3,824,761
Vehicles	9,536,654	475,144	825,434	9,186,364
Equipment	820,792		10,730	810,062
Subtotal	<u>14,182,207</u>	<u>475,144</u>	<u>836,164</u>	<u>13,821,187</u>
Accumulated depreciation	<u>5,470,773</u>	<u>1,109,678</u>	<u>794,138</u>	<u>5,786,313</u>
Net depreciable assets	<u>8,711,434</u>	<u>(634,534)</u>	<u>42,026</u>	<u>8,034,874</u>
Net depreciable and net capital assets	<u>\$ 10,331,434</u>	<u>\$ (634,534)</u>	<u>\$ 42,026</u>	<u>\$ 9,654,874</u>

Depreciation expense for 2013 and 2012 was \$1,105,341 and \$1,109,678, respectively.

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8. Accounts Payable and Accrued Expense

The accounts payable and accrued expense balance is current and disaggregated as follows:

	<u>2013</u>	<u>2012</u>
Payable to general vendors	\$ 200,555	\$ 533,708
Accrued salaries and benefits	35,100	76,811
Accrued interest	2,584	3,014
	<u>\$ 238,239</u>	<u>\$ 613,533</u>

9. Revenue Anticipation Notes

The Authority is subsidized by the Commonwealth for its annual "Net Cost of Service" as defined in the enabling legislation. These subsidies are funded subsequent to the year in which the costs are incurred. Therefore, the Authority issues revenue anticipation notes to cover cash flow deficiencies until funding is received.

During the year ended June 30, 2013 and 2012, the following changes occurred in the Authority's revenue anticipation notes (RANs):

	<u>2013</u>	<u>2012</u>
Beginning balance	4,000,000	\$ 4,250,000
New notes issued	4,100,000	4,000,000
Notes retired	(4,000,000)	(4,250,000)
Ending balance	<u>\$ 4,100,000</u>	<u>\$ 4,000,000</u>

The RAN outstanding at June 30, 2013 is due in May, 2014, bears interest at .494% and is fully guaranteed by the Commonwealth of Massachusetts. The RAN is expected to be refinanced upon maturity with generally the same terms as the note currently outstanding. Therefore, it is short-term debt expected to be refinanced and is included in the accompanying statement of net position as a noncurrent liability.

The Commonwealth has passed legislation to pay down a portion of the Authority's revenue anticipation notes (RANs). When effected this would make a portion of the RANs a current liability. However, the authority does not have an executed contract with the state as of the date of this report. Therefore, it is treating the full amount as of the RANs as long-term debt.

10. Restricted Net Position

Restricted net position is comprised of the total restricted net assets less liabilities payable from restricted net assets. The following delineates the expendable versus nonexpendable restricted net position:

	<u>2013</u>	<u>2012</u>
Expendable		
Restricted by enabling legislation		
Stabilization Fund	\$ 117,685	\$ 117,685
Reserve for extraordinary expense	417	151,905
	<u>\$ 118,102</u>	<u>\$ 269,590</u>

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11. Leases

Operating lease

The Authority leases land from the Martha's Vineyard Airport Commission under a long-term, non-cancellable, operating lease. The lease commenced April 1, 2000 and terminates March 31, 2020. The agreement provides for annual rent increases tied to the consumer price index and an option to renew exists for an additional 20 years.

The future minimum lease payments are as follows:

<u>Year</u>	<u>Amount</u>
2014	\$ 64,877
2015	64,877
2016	64,877
2017	64,877
2018	64,877
2019 - 2020	113,535
	<u>\$ 437,920</u>

Aggregate rental expense for 2013 and 2012 was \$64,165 and \$63,078, respectively.

The Martha's Vineyard Airport Commission is a political subdivision of the Commonwealth of Massachusetts. Therefore, it is a related party to the Authority, see Note 14.

12. Employees' Retirement Benefits

Pension

The Authority provides retirement benefits to employees through the Dukes County Contributory Retirement System (The System). The System operates a cost sharing, multi-employer, defined benefit pension plan. The Plan covers all eligible employees and provides retirement, disability, cost-of-living adjustments and death benefits to Plan members and beneficiaries.

The System is a member of the Massachusetts Contributory Retirement System and is governed by Massachusetts General Laws, Chapter 32. Oversight of the System is provided by a five person Retirement Board. The System issues a publicly unaudited financial report in accordance with guidelines established by the Commonwealth's PERAC. That report may be obtained by contacting the System located at RR 1, P.O. Box 862, Vineyard Haven, MA 02568.

Plan members are required to pay into the System 5% to 11% of their covered compensation. The Authority is required to pay into the System its share of the remaining System-wide actuarially determined contribution. This contribution is apportioned among employers based on active current payroll. The contribution requirements of plan members and the Authority are established and may be amended by Massachusetts General Laws, Chapter 32.

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12. Employees' Retirement Benefits (continued)

Pension (continued)

The Authority's current year contribution to the System was \$73,931 and represents 1.5% of System-wide employer contributions. The Authority's contributions to the Plan for the years ending June 30, 2012 and 2011 were \$72,200 and \$68,918, respectively. These contributions represented 1.5% of System-wide employer contributions in both years. The above contributions were equal to the Authority's required contributions for each year.

Post Employment Healthcare Benefits

Plan Description – The Authority provides postemployment health care benefits through the Dukes County Pooled OPEB Trust (“the Trust”). The Trust operates a cost-sharing, multiple employer, defined benefit OPEB plan. The Trust offers benefits to eligible employees who have attained age 55 and have rendered at least 10 or more years of service or at any age with 20 years of service, until the employee is eligible for Medicare. The benefits, benefit level, employee contributions and employer contributions are governed by the Authority. As of July 1, 2010, the actuarial valuation date, approximately 8 active employees and no retirees meet eligibility requirements. The plan does not issue separate stand-alone financial statements.

Benefits Provided – Medical coverage, excluding dental, under the group health insurance plan for regular full-time employees will continue until the employee is eligible for Medicare. Coverage for the dependents of such regular full-time employees will also continue during this period provided that the employee pay 25% of the enrollment cost as established annually by the Plan administrator. Once the retired employee is entitled to Medicare, health care coverage for the employee's spouse will continue as provided for under COBRA, provided that the employee pay 100% of the enrollment costs as established annually by the Plan administrator.

Funding Policy – The retired employee must pay 25% of the enrollment cost (the “working rate”) as established annually by the Plan administrator. The Authority contributes the remainder of the health plan costs on a fully funded basis.

Annual OPEB Costs and Net OPEB Obligation – The Authority's annual OPEB expense is calculated based on the annual required contribution (ARC) of the employer, an amount actuarially determined in accordance with the parameters of GASB No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and amortize any unfunded actuarial liability over a period not to exceed 30 years.

MARTHA'S VINEYARD REGIONAL TRANSIT AUTHORITY  
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June 30, 2013 and 2012

12. Employees' Retirement Benefits (continued)

Post Employment Healthcare Benefits (continued)

Annual OPEB Costs and Net OPEB Obligation (continued)

The components of the Authority's annual OPEB cost for the years ended June 30, 2013 and 2012, the amount actually contributed to the plan and changes in the Authority's net OPEB obligation based on an actuarial valuation as of July 1, 2010 are as follows:

	<u>2013</u>	<u>2012</u>
Annual required contribution (ARC)	\$ 157,311	\$ 37,005
ARC adjustment	(10,865)	(2,830)
Interest on net OPEB obligation	12,292	6,791
Annual OPEB cost	<u>158,738</u>	<u>40,966</u>
Contributions made	<u>(70,820)</u>	<u>(92,442)</u>
Increase in net OPEB obligation	87,918	(51,476)
Net OPEB obligation - beginning of year	<u>37,273</u>	<u>88,749</u>
Net OPEB obligation - end of year	<u><u>\$ 125,191</u></u>	<u><u>\$ 37,273</u></u>

The Authority's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2013, 2012 and 2011 are as follows:

<u>Fiscal Years Ended</u>	<u>Annual OPEB Cost</u>	<u>Percentage Annual OPEB Contribution</u>	<u>Net OPEB Obligation</u>
June 30, 2011	\$ 35,382	0.0%	88,749
June 30, 2012	\$ 40,966	225.0%	37,273
June 30, 2013	\$ 158,738	44.6%	125,191

Funded Status and Funding Progress – The funded status of the plan, based on the actuarial valuation as of July 1, 2010, was as follows:

Actuarial accrued liability (AAL)	\$ 215,830
Actuarial value of plan assets	<u>(92,442)</u>
Unfunded actuarial accrued liability (UAAL)	<u>\$ 123,388</u>
Funded ratio (actuarial value of plan assets/AAL)	<u>42.8%</u>
Covered payroll (active plan members)	<u>491,652</u>
UAAL as a percentage of covered payroll	<u><u>25.1%</u></u>

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and healthcare cost trend. Amounts determined regarding the funded status of the Plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information that shows whether the actuarial value of Plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

MARTHA'S VINEYARD REGIONAL TRANSIT AUTHORITY  
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12. Employees' Retirement Benefits (continued)

Post Employment Healthcare Benefits (continued)

Actuarial Methods and Assumptions – Projections of benefits for financial reporting purposes are based on the plan as understood by the Authority and plan members and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the July 1, 2010 actuarial valuation, the projected unit credit method was used. The actuarial value of the assets was \$92,442 and is recorded at market value. The actuarial assumptions included a 4.0% investment rate of return and an annual healthcare cost trend rate of 10.0% initially, reduced by 1.0% per year to an ultimate rate of 5.0% after six years. Both rates include a 4.5% general inflation assumption. The UAAL is being amortized as a level percentage of projected payrolls on an open basis.

The Authority is a member of a multiple employer OPEB Trust. As such, it received an actuarial report that calculated its annual OPEB cost. This report had to be corrected by the Actuary and resulted in an increased OPEB cost that was recorded during the current year. The Commonwealth has issued guidance that the OPEB obligation must be funded in full, if using Commonwealth funds. Since the Authority had budgeted and funded part of the unanticipated higher number, the Authority used its reserve for extraordinary expense to fund the obligation.

13. Commitments and Contingencies

- a) Litigation – In the normal course of operations, the Authority has been named in various claims and litigation. Based upon information available to counsel and the Authority, management believes that the ultimate outcome from these claims and litigations will not have a material adverse effect on the Authority's financial position.
- b) Federal and State Grants - The Authority has received capital and operating financial assistance from Federal and State agencies in the form of grants. Expenditure of funds under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the Authority. In the opinion of Authority Management, liabilities resulting from such disallowed expenditures, if any, will not be material to the accompanying financial statements.
- c) Risk management – The Authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; natural disasters; and workers compensation claims. The Authority carries commercial insurance to cover these potential losses. Settlements have not exceeded coverage for each of the past three fiscal years.

The Authority's workers compensation coverage is insured under a retrospectively rated policy. In the opinion of management, any audit adjustment made by the insurance carrier will not be material to the accompanying financial statements.

- d) Purchase commitments – As of June 30, 2013, the Authority did not have material purchase commitments outstanding.

MARTHA'S VINEYARD REGIONAL TRANSIT AUTHORITY  
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Notes to Financial Statements  
June 30, 2013 and 2012

14. Related Party Transactions

Transactions with MassDOT and the Commonwealth are as follows:

- a. Receivables for operating and capital assistance are delineated in Note 5.
- b. Actual operating and capital assistance is as follows:

	<u>2013</u>	<u>2012</u>
Operating assistance		
Commonwealth appropriations	\$ 1,258,364	\$ 1,191,870
Federal pass-through grants		
Rural operating grant	815,021	733,559
American Recovery and Reinvestment Act		51,742
New Freedom Program	49,349	114,160
Local (Towns) assistance	805,956	786,299
Capital assistance		
Commonwealth appropriations	222,100	475,144
Federal pass-through grants	1,085,000	
	<u>4,235,790</u>	<u>3,352,774</u>
Operating lease, see Note 11, lease expense	64,165	63,078
Registry of Motor Vehicles	<u>26,400</u>	<u>26,400</u>
Total related party transactions	<u>\$ 4,326,355</u>	<u>\$ 3,442,252</u>

15. Reserve for Extraordinary Expense

In accordance with Section 6 of Chapter 161B of the General Laws of the Commonwealth, the Authority is allowed to establish a reserve account for the purpose of meeting the cost of extraordinary expenses in an amount not to exceed three percent of the prior year's local assessment. Any balance in the reserve account at the end of the fiscal year may be carried forward into the next fiscal year; provided, however, that the aggregate amount in the account does not exceed twenty percent of the prior year's local assessment. In fiscal years 2013 and 2012, the Authority did not increase the reserve for extraordinary expense. During the current year, the Authority used \$151,488 of the reserve to fund current expenses. The aggregate reserve at June 30, 2013 and 2012 was \$417 and \$151,905, respectively, which represents .05% and 20% of the applicable local assessments in each year.

The reserve for extraordinary expense is included in the accompanying statement of net position in the net position category, restricted account.

MARTHA'S VINEYARD REGIONAL TRANSIT AUTHORITY  
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 Required Supplementary Information (Unaudited)  
 Retiree Health Plan Funding Progress  
 June 30, 2013

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL)	0% Ratio	Payroll	- UAAAL as a Percentage of Covered Payroll
	( a )	( b )	( b - a )	( a/b )	( c )	( [ b - a ] / c )
7/1/2010	\$ 92,442	\$ 215,830	\$ 123,388	42.8%	\$ 491,652	25.1%

MARTHA'S VINEYARD REGIONAL TRANSIT AUTHORITY  
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Schedule 1

STATEMENT OF NET COST OF SERVICE (Unaudited)  
FOR THE YEAR ENDED JUNE 30, 2013  
FORM 1

	<u>Rural Area Service</u>
I. Operating Costs	
A. RTA administrative costs (excluding depreciation)	\$ 210,012
B. Purchased services	
Fixed route	3,857,927
Demand response	428,101
Brokerage services	52,153
C. Debt Service	<u>21,565</u>
Total Operating Costs	4,569,758
II. Federal Operating Assistance	
A. FTA operating and administrative	815,021
B. Other federal	<u>49,349</u>
Total Federal Assistance	864,370
III. Revenues	
A. Farebox Revenue	1,281,910
B. Brokerage service reimbursement	52,153
C. Other third party reimbursement	114,564
D. Other Revenues	
1. Advertising	
2. Parking	
3. Sale of capital assets	
4. Interest income	4,878
5. Miscellaneous - rent income	<u>36,075</u>
Total Other Revenues	40,953
IV. Net Operating Deficit (I-II-III)	2,215,808
V. Adjustments	
A. Extraordinary expenses (not to exceed 3% of prior year's local assessment)	
B. Stabilization fund	
C. Use of reserve for extraordinary expense	<u>(151,488)</u>
	(151,488)
VI. Net Cost of Service (IV+V)	2,064,320
VII. Net Cost of Service Funding	
A. Local Assessments	805,956
B. State contract assistance	1,258,364
1. LESS: Adjustment for exceeding 2.5% cap on prior year net operating expenses	
2. LESS: Amount received from prior year carryover	<u>(66,495)</u>
C. State Contract Assistance to be funded	1,191,869
1. LESS: Partial payment made by the Commonwealth after July 1	<u>(1,132,276)</u>
D. Balance requested from the State	\$ 59,593
VIII. Unreimbursed Deficit (VI-VIIA-VIIC)	

MARTHA'S VINEYARD REGIONAL TRANSIT AUTHORITY  
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Schedule 2

Net Cost of Service-Calculation Worksheet and Supplementary Data (Unaudited)

For the Year Ended June 30, 2013  
Form 2

I. Proof calculations and other required information:

A. Prior year operating expenses, net of fully funded costs brokerage service	\$ 4,318,917
Allowable percentage increase	2.5%
Prior year, net operating expenses times 2.5%	<u>107,973</u>
Current year, allowable net operating expense	4,426,890
Plus adjustments:	
ADA expenses in excess of the 2.5% cap	90,715
Brokerage funded costs	52,153
New service costs	
Other: (explain)      Amount over amount needed to comply	
Total allowable operating costs (maximum allowed on Form 1, Line 1)	<u>4,569,758</u>
B. Amount of extraordinary expenses (See V. Adjustments, Form 1)	
Prior year local assessment	<u>786,299</u>
Percentage of extraordinary to prior local assessments (not to exceed 3%)	0.0%
C. Aggregate amount of reserve account at June 30.	417
Prior year local assessment	<u>786,299</u>
Percentage of reserve account to prior local assessment (not to exceed 20%)	0.05%
D. State the management fee paid to major service providers as a percentage of operating costs incurred.	2.0%
E. State the percentage of benefits paid by RTA on behalf of RTA employees for:	
1. Group life and accidental death insurance	N/A
2. Group health insurance	75.0%
F. State the brokerage service contracts costs as a percentage of total operating costs.	1.1%
G. Stabilization Fund	
1. Current year	
2. Aggregate balance	117,685

Schedule of Local (Towns) Funding (Unaudited)

Year Ended June 30, 2013

<u>Community</u>	<u>Share</u>
Aquinnah	\$ 34,689
Chilmark	123,370
Edgartown	214,148
Oak Bluffs	119,453
Tisbury	202,398
West Tisbury	<u>111,898</u>
	<u>\$ 805,956</u>

MARTHA'S VINEYARD REGIONAL TRANSIT AUTHORITY  
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Schedule 4

Schedule of Compensation Required by Massachusetts  
Executive Office for Administration and Finance (Unaudited)  
June 30, 2013

<u>Title</u>	<u>Base Salary</u>	<u>Bonus</u>	<u>Severance</u>	<u>Retirement Contribution</u>	<u>Other</u>
Administrator	\$ 100,309	\$ -	\$ -	\$ 16,265	\$ 16,155
Other employees	-	-	-	-	-
Advisory Board Members	-	-	-	-	-