

**MARIPOSA COUNTY  
TRANSPORTATION COMMISSION  
(A Component Unit of the County of Mariposa, California)**



**FINANCIAL STATEMENTS  
TOGETHER WITH  
INDEPENDENT AUDITOR'S REPORT  
FOR THE YEAR ENDED  
JUNE 30, 2021**

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**MARIPOSA COUNTY TRANSPORTATION COMMISSION**  
**(A Component Unit of the County of Mariposa, California)**  
**Annual Financial Report**  
**For the Year Ended June 30, 2021**

**Table of Contents**

	Page
<b>FINANCIAL SECTION</b>	
Independent Auditor’s Report.....	1-3
Management’s Discussion and Analysis (Unaudited) .....	4-7
Basic Financial Statements:	
Government-Wide Financial Statements:	
Statement of Net Position .....	8
Statement of Activities.....	9
Fund Financial Statements:	
Governmental Funds:	
Balance Sheet .....	10
Reconciliation of the Governmental Funds Balance Sheet to the Government-Wide Statement of Net Position – Governmental Activities.....	11
Statement of Revenues, Expenditures and Changes in Fund Balances .....	12
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of the Governmental Funds to the Government-Wide Statement of Activities – Governmental Activities.....	13
Notes to Basic Financial Statements .....	14-26
Required Supplementary Information (Unaudited):	
Budgetary Comparison Schedule – Local Transportation Commission.....	27
Budgetary Comparison Schedule – State Transit Assistance .....	28
Budgetary Comparison Schedule – Transportation Planning.....	29
Budgetary Comparison Schedule – Bicycle/Pedestrian Fund .....	30
Note to Budgetary Comparison Schedules.....	31
Supplementary Information:	
Schedule of Allocations and Expenditures – Local Transportation Fund .....	32
Schedule of Allocations and Expenditures – State Transit Assistance Fund .....	33
<b>OTHER REPORT</b>	
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 and the Rules and Regulations of the Transportation Development Act.....	34-35

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## **FINANCIAL SECTION**

- **Independent Auditor's Report**
- **Management's Discussion and Analysis**
- **Basic Financial Statements**
- **Required Supplementary Information**
- **Supplementary Information**

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**INDEPENDENT AUDITOR'S REPORT**

To the Mariposa County Transportation Commission  
County of Mariposa  
Mariposa, California

**Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities and each major fund of Mariposa County Transportation Commission (Commission), a component unit of the County of Mariposa, California, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements as listed in the table of contents.

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

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

**Auditor's Responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

To the Mariposa County Transportation Commission  
County of Mariposa  
Mariposa, California

## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Commission as of June 30, 2021, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information as listed in the table of contents 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 opinions on the financial statements that collectively comprise the Commission's basic financial statements. The introductory section and Schedules of Allocations and Expenditures are presented for purposes of additional analysis and are not a required part of the basic financial statements.

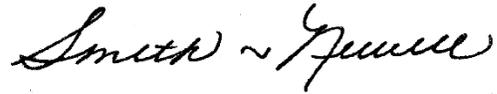
The Schedules of Allocations and Expenditures are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the 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 Schedules of Allocations and Expenditures are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory section has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

To the Mariposa County Transportation Commission  
County of Mariposa  
Mariposa, California

**Other Reporting Required by Government Auditing Standards**

In accordance with Government Auditing Standards, we have also issued our report dated February 6, 2022 on our consideration of the Commission'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 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 Commission's internal control over financial reporting and compliance.



Smith & Newell CPAs  
Yuba City, California  
February 6, 2022

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**Management's Discussion and Analysis  
(Unaudited)**

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**County of Mariposa  
Transportation Commission  
Fiscal Year 2020-21  
Management's Discussion and Analysis**

This report of the Mariposa County Transportation Commission presents a narrative and overview of the Transportation Commission's financial performance during the fiscal year ended June 30, 2021. The Local Transportation Commission exists pursuant to the Transportation Development Act and supports transportation planning, transit services, pedestrian and bicycle projects, road maintenance and construction and a regional transit system.

**FINANCIAL HIGHLIGHTS**

The assets and deferred outflows of resources of the Transportation Commission exceeded liabilities and deferred inflows of resources by \$810,181. Current assets total \$1,160,553 of which \$305,606 is cash and \$308,451 are receivables. Cash held by the Transportation Commission decreased by \$532,148 as compared to the previous fiscal year. A big reason for this decrease in cash is approximately \$391,242 paid during fiscal year 2020/21 out of the Public Transportation Modernization Improvement and Service Enhancement Account (PTMISEA) fund on the purchase of two vans, the completion of improvements to the Public Works maintenance yard, and the purchase of a pressure washer. This is also the reason the value of capital assets increased by \$330,170 during fiscal year 2020/21 after depreciation. Deferred outflows related to pension and other postemployment benefits (OPEB) totaled \$53,374. Deferred inflows related to pension and OPEB totaled \$34,416. The net OPEB obligation decreased by \$63,839, mainly due to a lower amount allocated to the Transportation Planning fund due to lower personnel expenses. The County of Mariposa allocates the OPEB liability based on current salary data. The net pension liability increased by \$7,416, mainly due to an increase in service costs and interest on the total pension liability offset by contributions and net investment income. The County of Mariposa allocates the pension liability based on employer contributions paid to CalPERS. The \$152,069 decrease in expenditures from the prior year is primarily due to a reduction in transfers out of the Local Transportation Fund as well as a decrease in OPEB and pension liability.

**County of Mariposa  
Transportation Commission  
Fiscal Year 2020-21  
Management's Discussion and Analysis**

**Summary of the Statement of Net Position**

Statement of Net Position

	Transportation Commission	
	2021	2020
Assets:		
Current Assets	\$ 614,057	\$ 1,012,400
Capital Assets	546,496	216,326
<b>Total Assets</b>	<b>1,160,553</b>	<b>1,228,726</b>
Deferred Outflows of Resources:		
Pensions adjustments	21,459	22,942
OPEB adjustments	31,915	31,919
<b>Total Deferred Outflows of Resources</b>	<b>53,374</b>	<b>54,861</b>
Liabilities:		
Current Liabilities	166,390	37,168
Non-Current Liabilities	202,940	255,201
<b>Total Liabilities</b>	<b>369,330</b>	<b>292,369</b>
Deferred Inflows of Resources:		
Pensions adjustments	67	2,586
OPEB adjustments	34,349	67,486
<b>Total Deferred Inflows of Resources</b>	<b>34,416</b>	<b>70,072</b>
Net Position:		
Investment in capital assets	546,496	216,326
Restricted for PTMISEA	4,349	392,492
Restricted for Transportation	259,336	312,328
<b>Total Net Position</b>	<b>\$ 810,181</b>	<b>\$ 921,146</b>

**Summary of the Statement of Activities**

Statement of Revenues, Expenses and Changes in Net Position

	2021	2020
Expenses	\$ 1,036,765	\$ 1,188,834
Operating Grants & Contributions	915,342	1,055,684
Net (Expense) Revenue	(121,423)	(133,150)
General Revenues	10,458	19,254
Change in Net Position	(110,965)	(113,896)
Total Net Position - Beginning	921,146	1,035,042
Total Net Position - Ending	<b>\$ 810,181</b>	<b>\$ 921,146</b>

**County of Mariposa  
Transportation Commission  
Fiscal Year 2020-21  
Management's Discussion and Analysis**

**OVERVIEW OF THE FINANCIAL STATEMENTS**

The basic financial statements include a Statement of Net Position, Statement of Activities, Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances. These are followed by notes to the financial statements.

The Statement of Net Position presents information on assets and liabilities, with the difference between the two reported as net position. The net position figure, examined over a period of years, can be used as an indicator of the financial stability of the Transportation Commission.

The Statement of Activities presents the expenses and revenues and the effect on the net position of the Transportation Commission.

Finally, we present the Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balance for each of these governmental funds that make up the Transportation Commission. They are the Local Transportation Commission, State Transit Assistance, Transportation Planning, Bicycle/Pedestrian Fund and the PTMISEA Projects funds.

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

Following is a statement of the capital assets held by the commission.

	Capital Assets			
	Balance June 30, 2020	Additions	Retirements	Balance June 30, 2021
Capital Assets, Being Depreciated:				
Improvements	\$ 320,381	\$ 275,353	\$ -	\$ 595,734
Equipment	193,659	115,889	-	309,548
Total Capital Assets, Being Depreciated	<u>514,040</u>	<u>391,242</u>	<u>-</u>	<u>905,282</u>
Less Accumulated Depreciation for:				
Improvements	(136,024)	(35,671)	-	(171,695)
Equipment	(161,690)	(25,401)	-	(187,091)
Total Accumulated Depreciation	<u>(297,714)</u>	<u>(61,072)</u>	<u>-</u>	<u>(358,786)</u>
Total Capital Assets Being Depreciated, Net	<u>216,326</u>	<u>330,170</u>	<u>-</u>	<u>546,496</u>
Total Capital Assets	<u>\$ 216,326</u>	<u>\$ 330,170</u>	<u>\$ -</u>	<u>\$ 546,496</u>

**County of Mariposa  
Transportation Commission  
Fiscal Year 2020-21  
Management's Discussion and Analysis**

The Mariposa County Transportation Commission has three types of long-term liabilities: Compensated Absences, Other Post-Employment Benefits (OPEB) and Pension Liability. All of these liabilities are personnel related and are a change from the prior fiscal year due to the Transportation Planner position being moved from the Public Works Administration division to Transportation Planning. Following is a summary of changes in the long-term liabilities.

	Debt			Amounts Due Within One Year	
	Balance			Balance	
	June 30, 2020	Additions	Retirements	June 30, 2021	One Year
Capital Assets, Being Depreciated:					
Compensated absences	\$ 10,589	\$ 6,304	\$ (10,589)	\$ 6,304	\$ 538
Net pension liability	8,674	39,456	(32,040)	16,090	-
Net OPEB liability	244,385	34,302	(98,141)	180,546	-
Total Capital Assets, Being Depreciated	<u>\$ 263,648</u>	<u>\$ 80,062</u>	<u>\$ (140,770)</u>	<u>\$ 202,940</u>	<u>\$ 538</u>

**ECONOMIC OUTLOOK AND NEXT YEAR'S BUDGET**

Revenues for the Local Transportation Commission Fund are from a portion of sales tax collected within Mariposa County. The money is used to support transportation planning, transit services, pedestrian and bicycle path projects, and road maintenance and construction.

The State Transit Assistance Fund receives money from a statewide sales tax on gasoline and diesel fuel. These monies are used to finance the operations of the Transit Department.

Transportation Planning is funded by a combination of State subvention, Local Transportation funds, and federal grants.

The Pedestrian Bikeway Fund is authorized by Section 99233.3 of the Public Utilities Code to accumulate contributions from the Local Transportation Fund. Two percent of the sales tax revenue collected in the Local Transportation Fund is appropriated to this fund.

The Public Transportation Modernization Improvement and Service Account (PTMISA) is funded primarily by State grants for the purpose of completing various transportation related capital improvement projects.

Funding for Transportation Commission related funds remained relatively stable during fiscal year 2020/21 due to a continuation in the Commission's rural planning communities' program.

**REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview to the taxpayers of the finances of the Mariposa County Transportation Commission. Questions regarding any information provided in this report or requests for additional information should be addressed to the Mariposa County Department of Public Works at 4639 Ben Hur Road, Mariposa, California 95338 or the County Auditor's Office at P.O. Box 729, Mariposa, California 95338.

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## **Basic Financial Statements**

- **Government-Wide Financial Statements**

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**MARIPOSA COUNTY TRANSPORTATION COMMISSION**  
**(A Component Unit of the County of Mariposa, California)**  
**Statement of Net Position**  
**June 30, 2021**

	<b>Total Governmental Activities</b>
<b>ASSETS</b>	
Cash and investments	\$ 305,606
Receivables:	
Intergovernmental	308,451
Capital assets:	
Depreciable, net	546,496
Total capital assets	546,496
<b>Total Assets</b>	1,160,553
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred pension adjustments	21,459
Deferred OPEB adjustments	31,915
<b>Total Deferred Outflows of Resources</b>	53,374
<b>LIABILITIES</b>	
Accounts payable	95,714
Due to other agencies	70,676
Long-term liabilities:	
Due within one year	538
Due in more than one year	5,766
Net pension liability	16,090
Net OPEB liability	180,546
<b>Total Liabilities</b>	369,330
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Deferred pension adjustments	67
Deferred OPEB adjustments	34,349
<b>Total Deferred Inflows of Resources</b>	34,416
<b>NET POSITION</b>	
Investment in capital assets	546,496
Restricted for PTMISEA	4,349
Restricted for transportation	259,336
<b>Total Net Position</b>	\$ 810,181

The notes to the basic financial statements are an integral part of this statement.

**MARIPOSA COUNTY TRANSPORTATION COMMISSION**  
**(A Component Unit of the County of Mariposa, California)**  
**Statement of Activities**  
**For the Year Ended June 30, 2021**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expense) Revenue and Changes in Net Position</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
				<u>Total Governmental Activities</u>
Governmental activities:				
Transportation	\$ 1,036,765	\$ -	\$ 915,342	\$ -
<b>Total Governmental Activities</b>	1,036,765	-	915,342	-
<b>Total</b>	\$ 1,036,765	\$ -	\$ 915,342	\$ -
		<b>General revenues:</b>		
				10,458
				10,458
				(110,965)
				921,146
				\$ 810,181

The notes to the basic financial statements are an integral part of this statement.

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## **Basic Financial Statements**

- **Fund Financial Statements**

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**MARIPOSA COUNTY TRANSPORTATION COMMISSION**  
**(A Component Unit of the County of Mariposa, California)**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2021**

	<b>Local Transportation Commission</b>	<b>State Transit Assistance</b>	<b>Transportation Planning</b>	<b>Bicycle/ Pedestrian Fund</b>
<b>ASSETS</b>				
Cash and investments	\$ -	\$ -	\$ 134,482	\$ 166,775
Receivables:				
Intergovernmental	108,228	37,278	162,945	-
<b>Total Assets</b>	<b>\$ 108,228</b>	<b>\$ 37,278</b>	<b>\$ 297,427</b>	<b>\$ 166,775</b>
<b>LIABILITIES</b>				
Accounts payable	\$ -	\$ -	\$ 95,714	\$ -
Due to other agencies	70,676	-	-	-
<b>Total Liabilities</b>	70,676	-	95,714	-
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenues	59,975	-	160,702	-
<b>Total Deferred Inflows of Resources</b>	59,975	-	160,702	-
<b>FUND BALANCES</b>				
Restricted	-	37,278	41,011	166,775
Unassigned	(22,423)	-	-	-
<b>Total Fund Balances</b>	(22,423)	37,278	41,011	166,775
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 108,228</b>	<b>\$ 37,278</b>	<b>\$ 297,427</b>	<b>\$ 166,775</b>

The notes to the basic financial statements are an integral part of this statement.

<b>PTMISEA Projects</b>	<b>Total</b>
\$ 4,349	\$ 305,606
-	308,451
<u>\$ 4,349</u>	<u>\$ 614,057</u>
\$ -	\$ 95,714
-	70,676
-	166,390
-	220,677
-	220,677
4,349	249,413
-	(22,423)
<u>4,349</u>	<u>226,990</u>
<u>\$ 4,349</u>	<u>\$ 614,057</u>

**MARIPOSA COUNTY TRANSPORTATION COMMISSION**  
**(A Component Unit of the County of Mariposa, California)**  
**Reconciliation of the Governmental Funds Balance Sheet to the**  
**Government-Wide Statement of Net Position - Governmental Activities**  
**June 30, 2021**

<b>Total Fund Balance - Total Governmental Funds</b>	<b>\$ 226,990</b>
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and therefore, are not reported in the governmental funds balance sheet.	546,496
Other long-term assets are not available to pay for current expenditures and therefore, are reported as unavailable revenues in the governmental funds.	220,677
Deferred outflows of resources related to pension are not reported in the governmental funds	53,374
Deferred inflows of resources related to pension are not reported in the governmental funds	(34,416)
Certain liabilities are not due and payable in the current period and therefore, are not reported in the governmental funds.	
Compensated absences	(6,304)
Net pension liability	(16,090)
Net OPEB liability	(180,546)
<b>Net Position of Governmental Activities</b>	<b><u>\$ 810,181</u></b>

The notes to the basic financial statements are an integral part of this statement.

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**MARIPOSA COUNTY TRANSPORTATION COMMISSION**  
**(A Component Unit of the County of Mariposa, California)**  
**Statement of Revenues, Expenditures and**  
**Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended June 30, 2021**

	<u>Local Transportation Commission</u>	<u>State Transit Assistance</u>	<u>Transportation Planning</u>	<u>Bicycle/ Pedestrian Fund</u>
<b>REVENUES</b>				
Intergovernmental:				
Local Transportation fund allocation	\$ 426,812	\$ -	\$ -	\$ -
State Transit Assistance allocation	-	127,192	-	-
State of Good Repair	-	26,632	-	-
Rural Planning Assistance	-	-	126,658	-
Federal CMAQ	-	-	9,866	-
STIP PPM	-	-	28,568	-
Unmet needs	-	-	5,000	-
Bicycle/pedestrian	-	-	-	8,000
Use of money	2,265	1,097	2,182	1,815
	<u>429,077</u>	<u>154,921</u>	<u>172,274</u>	<u>9,815</u>
<b>Total Revenues</b>				
	<u>429,077</u>	<u>154,921</u>	<u>172,274</u>	<u>9,815</u>
<b>EXPENDITURES</b>				
Current:				
Regional transit services	191,000	-	-	-
Streets and roads	335,589	-	-	-
Mariposa Transit Agency	12,244	186,236	-	-
Bicycle/pedestrian pathways	8,000	-	-	-
Unmet needs	5,000	-	-	-
Transportation planning services	-	-	332,501	-
Capital outlay	-	-	-	-
	<u>551,833</u>	<u>186,236</u>	<u>332,501</u>	<u>-</u>
<b>Total Expenditures</b>				
	<u>551,833</u>	<u>186,236</u>	<u>332,501</u>	<u>-</u>
<b>Net Change in Fund Balances</b>	(122,756)	(31,315)	(160,227)	9,815
<b>Fund Balances - Beginning</b>	<u>100,333</u>	<u>68,593</u>	<u>201,238</u>	<u>156,960</u>
<b>Fund Balances - Ending</b>	<u>\$ (22,423)</u>	<u>\$ 37,278</u>	<u>\$ 41,011</u>	<u>\$ 166,775</u>

The notes to the basic financial statements are an integral part of this statement.

<b>PTMISEA Projects</b>	<b>Total</b>
\$ -	\$ 426,812
-	127,192
-	26,632
-	126,658
-	9,866
-	28,568
-	5,000
-	8,000
3,099	10,458
3,099	769,186
-	191,000
-	335,589
-	198,480
-	8,000
-	5,000
-	332,501
391,242	391,242
391,242	1,461,812
(388,143)	(692,626)
392,492	919,616
\$ 4,349	\$ 226,990

**MARIPOSA COUNTY TRANSPORTATION COMMISSION**  
**(A Component Unit of the County of Mariposa, California)**  
**Reconciliation of the Statement of Revenues, Expenditures and**  
**Changes in Fund Balances of Governmental Funds to the**  
**Government-Wide Statement of Activities - Governmental Activities**  
**For the Year Ended June 30, 2021**

**Net Change in Fund Balances - Total Governmental Funds** \$ (692,626)

Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Expenditures for capital outlay	391,242
Less current year depreciation	(61,072)

Some revenues reported in the Statement of Activities will not be collected for several months after the Commission's year end and do not provide current financial resources and therefore, are not reported as revenues in the governmental funds.

Change in unavailable revenue	156,614
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Certain changes in deferred outflows and deferred inflows of resources reported in the Statement of Activities relate to long-term liabilities and are not reported in the governmental funds.

Change in deferred outflows of resources related to pension	(1,483)
Change in deferred inflows of resources related to pension	2,519
Change in deferred outflows of resources related to OPEB	(4)
Change in deferred inflows of resources related to OPEB	33,137

Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore, are not reported as expenditures in the governmental funds.

Change in compensated absences	4,285
Change in net pension liability	(7,416)
Change in net OPEB liability	63,839

**Change in Net Position of Governmental Activities** \$ (110,965)

The notes to the basic financial statements are an integral part of this statement.

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## **Basic Financial Statements**

- **Notes to Basic Financial Statements**

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**MARIPOSA COUNTY TRANSPORTATION COMMISSION**  
**(A Component Unit of the County of Mariposa, California)**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2021**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Reporting Entity**

The Mariposa County Transportation Commission, the regional transportation planning agency for the County of Mariposa, was created pursuant to Title 3 of Government Code Section 29535. The Commission is responsible for transportation planning activities as well as administration of the Local Transportation Fund, State Transit Assistance Fund, Transportation Planning fund, the Bicycle/Pedestrian fund and the Prop 1B PTMISEA fund.

The Commission receives monies and allocates these monies for the planning, management, and operation of public transportation systems within the County of Mariposa. The Commission also has the authority to allocate monies for other transportation related activities including street and road projects.

The Commission is considered to be a component unit of the County of Mariposa. The Commission and County of Mariposa are legally separate entities for which the County is considered to be financially accountable and for which the nature and significance of the Commission's relationship with the County is such that exclusion would cause the combined financial statements to be misleading.

The Mariposa County Transportation Commission is presented as nonmajor governmental funds within the County of Mariposa's financial statements and when combined with all other component units, constitutes the reporting entity as defined in the County's annual financial report.

**B. Basis of Presentation**

**Government-Wide Financial Statements**

The statement of net position and statement of activities display information on all the activities of the Commission. These statements include only the financial activities of the Commission. Certain revenues and expenditures reported in the Commission financial statements were reclassified as interfund transfers on the County financial statements to minimize double counting of internal activities. These statements report the governmental activities of the Commission, which are normally supported by taxes and intergovernmental revenues. The Commission had no business-type activities at June 30, 2021.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the Commission's governmental activities. Direct expenses are those that are specifically associated with a program or function and therefore are clearly identifiable to a particular function. Program revenues include 1) charges paid by the recipients of goods and services offered by the program, 2) operating grants and contributions, and 3) capital grants and contributions. Taxes and other items not properly included among program revenues are presented instead as general revenues.

**Fund Financial Statements**

Fund financial statements of the Commission are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues, and expenditures. The funds of the Commission are organized into the governmental category. The emphasis is placed on major funds, each is displayed in a separate column.

**MARIPOSA COUNTY TRANSPORTATION COMMISSION**  
**(A Component Unit of the County of Mariposa, California)**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2021**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**B. Basis of Presentation (Continued)**

**Fund Financial Statements (Continued)**

The Commission reports the following major governmental funds:

- The Local Transportation Commission fund is a special revenue fund used to account for local transportation activities. Funding comes primarily from local transportation fund allocations.
- The State Transit Assistance fund is a special revenue fund used to account for the receipt and expenditure of State Transit Assistance funds. Funding comes primarily from state transit assistance fund allocations.
- The Transportation Planning fund is a special revenue fund used to account for monies expended in relation to the overall work program. Funding comes primarily from rural planning assistance and STIP grants.
- The Bicycle/Pedestrian fund is a special revenue fund used to account for activity related to pedestrian and bicycle pathways and bicycle education safety. Funding comes primarily from Commission allocations of local transportation funds.
- The PTMISEA Projects fund is a capital projects fund used to account for the receipt and expenditure of Prop 1B PTMISEA funds.

**C. Basis of Accounting and Measurement Focus**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the Commission gives (or receives) value without directly receiving (or giving) equal value in exchange, include sales tax, grants, entitlements, and donations. Under the accrual basis, revenues from sales tax are recognized when the underlying transactions take place. Revenues from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Sales taxes, interest, and certain state and federal grants are considered susceptible to accrual and are accrued when their receipt occurs within sixty days after the end of the fiscal year. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures as well as expenditures related to claims and judgments are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in the governmental funds. Proceeds of governmental long-term debt and acquisitions under capital leases are reported as other financing sources.

**D. Non-Current Governmental Assets/Liabilities**

Non-current governmental assets and liabilities, such as capital assets and long-term liabilities, are reported in the governmental activities column in the government-wide statement of net position.

**MARIPOSA COUNTY TRANSPORTATION COMMISSION**  
**(A Component Unit of the County of Mariposa, California)**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2021**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**E. Investments**

The Commission pools all cash and investments with the County of Mariposa. The Mariposa County Treasury is an external investment pool for the Commission and the Commission is considered an involuntary participant. The Commission's share in this pool is displayed in the accompanying financial statements as cash and investments.

Participant's equity in the investment pool is determined by the dollar amount of participant deposits, adjusted for withdrawals and distributed investment income. Investment income is determined on an amortized cost basis. Interest payments, accrued interest, accreted discounts, amortized premiums, and realized capital gains and losses, net of administrative fees, are apportioned to pool participants every quarter. This method differs from the fair value method used to value investments in these financial statements as unrealized gains or losses are not apportioned to pool participants.

**F. Receivables**

Receivables consist mainly of intergovernmental revenues. Management believes its receivables are fully collectible and, accordingly, no allowance for doubtful accounts is required.

**G. Inventory**

Inventories are recorded as expenditures at the time the inventory is purchased rather than when consumed. Records are not maintained of inventory and supplies on hand, although these amounts are not considered material.

**H. Capital Assets**

Capital assets, including public domain infrastructure, are defined by the Commission as an asset with a cost of more than \$5,000 and an estimated useful life of more than three years. Capital assets are recorded at historical, or estimated historical cost if actual historical cost is unavailable. Contributed capital assets are recorded at their acquisition value at the date of donation.

Capital assets used in operations are depreciated or amortized using the straight-line method over the assets' estimated useful lives in the government-wide financial statements. The range of estimated useful lives by type of asset is as follows:

<u>Depreciable Asset</u>	<u>Estimated Lives</u>
Equipment	3 to 25 years

**I. Interfund Transactions**

Interfund transactions are reflected as either loans, services provided or used, reimbursements or transfers.

Loans reported as receivables and payables are referred to as either "due to/from other funds" (i.e. the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans) as appropriate and are subject to elimination upon consolidation. Advances between funds, as reported in the fund financial statements, are offset by a nonspendable fund balance account in applicable governmental funds to indicate that they are not in spendable form.

**MARIPOSA COUNTY TRANSPORTATION COMMISSION**  
**(A Component Unit of the County of Mariposa, California)**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2021**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**I. Interfund Transactions (Continued)**

Services provided or used, deemed to be at market or near market rates, are treated as revenues and expenditures or expenses. These services provide information on the net cost of each government function and therefore are not eliminated in the process of preparing the government-wide statement of activities.

Reimbursements occur when the funds responsible for particular expenditures or expenses repay the funds that initially paid for them. Such reimbursements are reflected as expenditures or expenses in the reimbursing fund and reductions to expenditures or expenses in the reimbursed fund.

All other interfund transactions are treated as transfers. Transfers between funds are netted as part of the reconciliation to the government-wide presentation.

**J. Unearned Revenue**

Under the accrual and modified accrual basis of accounting, revenue may be recognized only when it is earned. When assets are recognized in connection with a transaction before the earnings process is complete, those assets are offset by a corresponding liability for unearned revenue.

**K. Compensated Absences**

The Commission funds are funds of Mariposa County and as such their employees are covered under the compensated absences policy of the County of Mariposa. It is the County's policy to permit employees to accumulate a limited amount of earned but unused vacation leave. In the government-wide financial statements, the accrued compensated absences is recorded as an expense and related liability, with the current portion estimated based on historical trends. In the governmental fund financial statements, the expenditures and liabilities related to those obligations are recognized only when they mature. The Commission includes its share of payroll tax payable on behalf of the employee in the accrual for compensated absences.

**L. Pensions**

The Commission funds are funds of Mariposa County and a portion of the County's retirement plan costs have been allocated to the Commission. For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions and pension expense, information about the fiduciary net position of the County of Mariposa's California Public Employees' Retirement System (CalPERS) plan (Plan) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**MARIPOSA COUNTY TRANSPORTATION COMMISSION**  
**(A Component Unit of the County of Mariposa, California)**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2021**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**M. Other Postemployment Benefits (OPEB)**

The Commission funds are funds of Mariposa County and a portion of the County's OPEB costs have been allocated to the Commission. For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources, related to OPEB and OPEB expense information about the fiduciary net position of the County Retiree Benefits Plan (the Plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, the Plan recognizes benefit payments when due and payable in accordance with the benefit terms.

**N. Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense) until then. The Commission has two items that qualify for reporting in this category. These items relate to the outflows from changes in the net pension liability and net OPEB liability and are reportable on the Statement of Net Position.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The Commission has three items that qualify for reporting in this category. One item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues for receivables that have not been received within the modified accrual period. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The other items relate to inflows from changes in the net pension liability and net OPEB liability and are reportable on the Statement of Net Position.

**O. Estimates**

The preparation of basic financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**P. Implementation of Governmental Accounting Standards Board (GASB) Statements**

The following Governmental Accounting Standards Board (GASB) Statements have been implemented, if applicable, in the current financial statements.

**Statement No. 84, Fiduciary Activities.** This statement enhances consistency and comparability by (1) establishing specific criteria for identifying activities that should be reported as fiduciary activities and (2) clarifying whether and how business-type activities should report their fiduciary activities. Greater consistency and comparability enhance the value provided by the information reported in financial statements for assessing government accountability and stewardship.

**MARIPOSA COUNTY TRANSPORTATION COMMISSION**  
**(A Component Unit of the County of Mariposa, California)**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2021**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**P. Implementation of Governmental Accounting Standards Board (GASB) Statements (Continued)**

**Statement No. 90**, Majority Equity Interests. This statement improves financial reporting by providing users of financial statements with essential information related to presentation of majority equity interests in legally separate organizations that previously was reported inconsistently. In addition, requiring reporting of information about component units if the government acquires a 100 percent equity interest provides information about the cost of services to be provided by the component unit in relation to the consideration provided to acquire the component unit.

**Q. Future Accounting Pronouncements**

The following GASB Statements will be implemented in future financial statements:

Statement No. 87 “Leases” The requirements of this statement are effective for periods beginning after June 15, 2021. (FY 21/22)

Statement No. 89 “Accounting for Interest Cost Incurred Before the End of a Construction Period”. The requirements of this statement are effective for periods beginning after December 15, 2020. (FY 21/22)

Statement No. 91 “Conduit Debt Obligations” The requirements of this statement are effective for periods beginning after December 15, 2021. (FY 22/23)

Statement No. 92 “Omnibus 2020” The requirements of this statement are effective for periods beginning after June 15, 2021. (FY 21/22)

Statement No. 93 “Replacement of Interbank Offered Rates” The requirements of this statement are effective for periods beginning after June 15, 2021. (FY 21/22)

Statement No. 94 “Public-Private and Public-Public Partnerships and Availability Payment Arrangements” The requirements of this statement are effective for periods beginning after June 15, 2022. (FY 22/23)

Statement No. 96 “Subscription-Based Information Technology Arrangements” The requirements of this statement are effective for periods beginning after June 15, 2022. (FY 22/23)

Statement No. 97 “Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans” The requirements of this statement are effective for periods beginning after June 15, 2021. (FY 21/22)

**NOTE 2: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**A. Deficit Fund Balance**

The Local Transportation Commission fund had a fund balance deficit of \$22,423, which is expected to be eliminated in future years through recognition of local transportation fund revenues.

**MARIPOSA COUNTY TRANSPORTATION COMMISSION**  
**(A Component Unit of the County of Mariposa, California)**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2021**

**NOTE 3: CASH AND INVESTMENTS**

**A. Financial Statement Presentation**

As of June 30, 2021, the Commission's cash and investments consisted of the following:

Investments:	
Mariposa County Treasurer's pool	\$ <u>305,606</u>
Total Investments	\$ <u>305,606</u>

**B. Investments**

The Commission does not have a formal investment policy. At June 30, 2021, all investments of the Commission were in the County of Mariposa investment pool. Under the provisions of the County's investment policy and the California Government Code, the County may invest or deposit in the following:

- United States Treasury Securities
- United States Government Agency Securities
- Municipal Securities of local and state entities within the State of California
- Banker's Acceptances
- Certificates of Deposit
- Commercial Paper
- Medium-Term Notes
- Asset Backed Securities
- Repurchase and Reverse Repurchase Agreements
- Local Agency Investment Fund (LAIF)

Fair Value of Investments - The Commission measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles. These guidelines recognize a three-tiered fair value hierarchy as follows:

- Level 1: Quoted prices for identical investments in active markets;
- Level 2: Observable inputs other than quoted market prices; and,
- Level 3: Unobservable inputs

As of June 30, 2021, the Commission held no individual investments. Accordingly, the measurement of fair value for the Commission's proportionate share of investments in the County investment pool is based on uncategorized inputs not defined as Level 1, Level 2, or Level 3. Required disclosure information regarding categorization of investments and other deposit and investment risk disclosures can be found in the County's financial statements. The County of Mariposa's financial statements may be obtained by contacting the County of Mariposa Auditor-Controller's office at 4982 10<sup>th</sup> Street, Mariposa, CA 95338.

Interest Rate Risk - Interest rate risk is the risk of loss due to the fair value of an investment falling due to interest rates rising. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. To limit exposure to fair value losses from increases in interest rates, the County's investment policy limits investment maturities to a term appropriate to the need for funds so as to permit the County to meet all projected obligations.

**MARIPOSA COUNTY TRANSPORTATION COMMISSION**  
**(A Component Unit of the County of Mariposa, California)**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2021**

**NOTE 3: CASH AND INVESTMENTS (CONTINUED)**

**B. Investments (Continued)**

Credit Risk - Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The County's investment policy sets specific parameters by type of investment to be met at the time of purchase. As of June 30, 2021, the Commission's investments were all held with the County of Mariposa investment pool which is not rated by a nationally recognized statistical rating organization.

Custodial Credit Risk - Custodial credit risk for investments is the risk that, in the event of the failure of a depository financial institution, the Commission will not be able to recover its deposits or collateral securities that are in the possession of an outside party. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investments in securities through the use of mutual funds or government investment pools.

Concentration of Credit Risk - Concentration of credit risk is the risk of loss attributed to the magnitude of the Commission's investment in a single issuer of securities. When investments are concentrated in one issuer, this concentration presents a heightened risk of potential loss. State law and the investment policy of the County contain limitations on the amount that can be invested in any one issuer. All investments of the Commission were in the Mariposa County investment pool which contains a diversification of investments.

**NOTE 4: CAPITAL ASSETS**

Capital assets activity for the year ended June 30, 2021, was as follows:

	Balance <u>July 1, 2020</u>	<u>Additions</u>	<u>Retirements</u>	Balance <u>June 30, 2021</u>
Capital Assets, Being Depreciated:				
Improvements	\$ 320,381	\$ 275,353	\$ -	\$ 595,734
Equipment	<u>193,659</u>	<u>115,889</u>	<u>-</u>	<u>309,548</u>
Total Capital Assets, Being Depreciated	<u>514,040</u>	<u>391,242</u>	<u>-</u>	<u>905,282</u>
Less Accumulated Depreciation For:				
Improvements	( 136,024)	( 35,671)	-	( 171,695)
Equipment	<u>( 161,690)</u>	<u>( 25,401)</u>	<u>-</u>	<u>( 187,091)</u>
Total Accumulated Depreciation	<u>( 297,714)</u>	<u>( 61,072)</u>	<u>-</u>	<u>( 358,786)</u>
Total Capital Assets, Being Depreciated, Net	<u>216,326</u>	<u>330,170</u>	<u>-</u>	<u>546,496</u>
Total Capital Assets, Net	<u>\$ 216,326</u>	<u>\$ 330,170</u>	<u>\$ -</u>	<u>\$ 546,496</u>

**Depreciation**

Depreciation expense was charged to governmental functions as follows:

Transportation	<u>\$ 61,072</u>
Total Depreciation Expense	<u>\$ 61,072</u>

**MARIPOSA COUNTY TRANSPORTATION COMMISSION**  
**(A Component Unit of the County of Mariposa, California)**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2021**

**NOTE 5: LONG-TERM LIABILITIES**

The following is a summary of changes in long-term liabilities for the year ended June 30, 2021:

<u>Type of Indebtedness</u>	<u>Balance July 1, 2020</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance June 30, 2021</u>	<u>Amounts Due Within One Year</u>
Compensated Absences	\$ 10,589	\$ 6,304	(\$ 10,589)	\$ 6,304	\$ 538
Total	<u>\$ 10,589</u>	<u>\$ 6,304</u>	<u>(\$ 10,589)</u>	<u>\$ 6,304</u>	<u>\$ 538</u>

**NOTE 6: NET POSITION**

The government-wide financial statements utilize a net position presentation. Net position is categorized as net investment in capital assets, restricted and unrestricted.

- **Net investment in capital assets** - consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets.
- **Restricted net position** - consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- **Unrestricted net position** - all other net position that does not meet the definition of “restricted” or “net investment in capital assets”.

**Net Position Flow Assumption**

When a government funds outlays for a particular purpose from both restricted and unrestricted resources, a flow assumption must be made about the order in which the resources are considered to be applied. When both restricted and unrestricted net position are available, it is considered that restricted resources are used first, followed by the unrestricted resources.

**NOTE 7: FUND BALANCES**

As prescribed by GASB Statement No. 54, governmental funds report fund balance in classifications based primarily on the extent to which the Commission is bound to honor constraints on the specific purposes for which amounts in the funds can be spent. As of June 30, 2021, fund balance for governmental funds is made up of the following:

- **Nonspendable fund balance** - amounts that cannot be spent because they are either (a) not in spendable form, or (b) legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash, for example: inventories and prepaid amounts.
- **Restricted fund balance** - amounts with constraints placed on their use that are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation..

**MARIPOSA COUNTY TRANSPORTATION COMMISSION**  
**(A Component Unit of the County of Mariposa, California)**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2021**

**NOTE 7: FUND BALANCES (CONTINUED)**

- **Committed fund balance** - amounts that can only be used for the specific purposes determined by formal action of the Commission’s highest level of decision-making authority. The Board of Commissioners is the highest level of decision making authority for the Commission that can, by Board action commit fund balance. Once adopted, the limitation imposed remains in place until a similar action is taken to remove or revise the limitation. The underlying action that imposed the limitation needs to occur no later than the close of the reporting period.
- **Assigned fund balance** - amounts that are constrained by the Commission’s intent to be used for specific purposes. The intent can be established at either the highest level of decision-making, or by a body or an official designated for that purpose.
- **Unassigned fund balance** - the unassigned classification is used only if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes.

The fund balances for all governmental funds as of June 30, 2021, were distributed as follows:

	Local Transportation <u>Commission</u>	State Transit <u>Assistance</u>	Transportation <u>Planning</u>	Bicycle/ Pedestrian <u>Fund</u>	PTMISEA <u>Projects</u>	<u>Total</u>
<b>Restricted for:</b>						
PTMISEA	\$ -	\$ -	\$ -	\$ -	\$ 4,349	\$ 4,349
Transportation	<u>-</u>	<u>37,278</u>	<u>41,011</u>	<u>166,775</u>	<u>-</u>	<u>245,064</u>
Total Restricted	<u>-</u>	<u>37,278</u>	<u>41,011</u>	<u>166,775</u>	<u>4,349</u>	<u>249,413</u>
<b>Unassigned</b>	( <u>22,423</u> )	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	( <u>22,423</u> )
Total	<u>(\$ 22,423)</u>	<u>\$ 37,278</u>	<u>\$ 41,011</u>	<u>\$ 166,775</u>	<u>\$ 4,349</u>	<u>\$ 226,990</u>

**Fund Balance Flow Assumption**

When a government funds outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance), a flow assumption must be made about the order in which the resources are considered to be applied. When both restricted and unrestricted fund balance are available, it is considered that restricted fund balance is depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

**Fund Balance Policy**

The Board of Commissioners adopted a fund balance policy for financial statement reporting in June 2012. The policy establishes procedures for reporting fund balance classifications.

**NOTE 8: EMPLOYEE BENEFITS**

**A. Employee’s Retirement Plan**

The Commission funds are funds of the County of Mariposa and as such the Commission’s employees are covered under the retirement plan of the County of Mariposa.

**MARIPOSA COUNTY TRANSPORTATION COMMISSION**  
**(A Component Unit of the County of Mariposa, California)**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2021**

**NOTE 8: EMPLOYEE BENEFITS (CONTINUED)**

**A. Employee's Retirement Plan (Continued)**

The County of Mariposa contributes to the California Public Employees Retirement System (CalPERS), an agent multiple-employer public employee defined benefit pension plan. CalPERS provides retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. CalPERS acts as a common investment and administrative agent for participating public entities within the State of California. Benefit provisions and all other requirements are established by statute. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

A portion of the County's retirement plan costs have been allocated to the Commission as follows:

Net Pension Liability at Fiscal Year Ending June 30, 2020	\$ 8,674
Changes for the year:	
Service costs	9,707
Interest on total pension liability	26,156
Differences between expected and actual experience	3,229
Contributions – employer	( 14,150)
Contributions – employee	( 4,907)
Net investment income	( 12,983)
Administrative expense	<u>364</u>
Net Changes	<u>7,416</u>
Net Pension Liability at Fiscal Year Ending June 30, 2021	<u>\$ 16,090</u>

Required disclosure information regarding the employee's retirement plan can be found in the County's audited financial statements.

**B. Other Postemployment Benefits (OPEB)**

The Commission funds are funds of the County of Mariposa and as such the Commission's employees are covered under the postemployment benefit plan of the County of Mariposa.

The County of Mariposa provides integrated medical/prescription drug coverage through CalPERS under the Public Employees' Medical and Hospital Care Act (PEMHCA). Employees may choose from one of six medical plan options: Blue Shield HMO, Blue Shield Net Value, Kaiser, PERSChoice, PERSSelect, or PERSCare; a seventh option, PORAC, is also available to safety employees.

**MARIPOSA COUNTY TRANSPORTATION COMMISSION**  
**(A Component Unit of the County of Mariposa, California)**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2021**

**NOTE 8: EMPLOYEE BENEFITS (CONTINUED)**

**B. Other Postemployment Benefits (OPEB) (Continued)**

A portion of the County's postemployment benefit costs have been allocated to the Commission as follows:

Net OPEB Liability at Fiscal Year Ending June 30, 2020	\$ 244,385
Changes for the year:	
Service costs	10,284
Interest on total OPEB liability	4,979
Differences between expected and actual experience	669
Change in assumptions	18,370
Benefit payments, including refunds of employee contributions	( 5,130)
Implicit rate subsidy fulfilled	( 1)
Change in allocation	( 93,010)
Net Changes	( 63,839)
Net OPEB Liability at Fiscal Year Ending June 30, 2021	<u>\$ 180,546</u>

**NOTE 9: RISK MANAGEMENT**

The Commission 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 Commission is covered under the County of Mariposa's risk management programs.

**NOTE 10: RELATED PARTY TRANSACTIONS**

The County of Mariposa provides various administrative functions for the Commission. Employee cost from the County of Mariposa is charged at a calculated rate which includes all benefits and overhead. The total charges for the year ended June 30, 2021 were \$143,575.

**NOTE 11: OTHER INFORMATION**

**A. Subsequent Events**

Management has evaluated events subsequent to June 30, 2021 through February 6, 2022, the date on which the financial statements were available for issuance. Management has determined no subsequent events requiring disclosure have occurred.

**B. PTMISEA**

The Public Transportation Modernization, Improvement, and Service Enhancement Account Program (PTMISEA) was created by Proposition 1B, the Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006. Of the 19.925 billion available to Transportation, \$3.6 billion dollars was used for transit rehabilitation, safety or modernization improvements, capital service enhancements or expansions, new capital projects, bus rapid transit improvements, or rolling stock (buses and rail cars) procurement, rehabilitation or replacement. Funds in this account are appropriated annually by the Legislature to the State Controller's Office (SCO) for allocation in accordance with Public Utilities Code formula distributions.

**MARIPOSA COUNTY TRANSPORTATION COMMISSION**  
**(A Component Unit of the County of Mariposa, California)**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2021**

**NOTE 11: OTHER INFORMATION (CONTINUED)**

**B. PTMISEA (Continued)**

During the year ended June 30, 2021, the Commission had a carryover balance of \$385,332 plus interest earnings of \$7,160 for a total amount available of \$392,492. For the year ended June 30, 2021, qualifying expenditures of \$391,242 were incurred and the remaining carryover balance of \$4,349 was recorded as restricted fund balance/net position.

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**Required Supplementary Information  
(Unaudited)**

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**MARIPOSA COUNTY TRANSPORTATION COMMISSION**  
**(A Component Unit of the County of Mariposa, California)**  
**Required Supplementary Information**  
**Budgetary Comparison Schedule**  
**Local Transportation Commission - Major Special Revenue Fund**  
**For the Year Ended June 30, 2021**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>REVENUES</b>				
Intergovernmental:				
Local transportation fund allocation	\$ 450,000	\$ 450,000	\$ 426,812	\$ (23,188)
Use of money	1,500	1,500	2,265	765
<b>Total Revenues</b>	<u>451,500</u>	<u>451,500</u>	<u>429,077</u>	<u>(22,423)</u>
<b>EXPENDITURES</b>				
Current:				
Regional Transit Services	191,000	191,000	191,000	-
Streets and roads	335,589	335,589	335,589	-
Mariposa Transit Agency	12,244	12,244	12,244	-
Bicycle/pedestrian pathways	8,000	8,000	8,000	-
Unmet needs	5,000	5,000	5,000	-
<b>Total Expenditures</b>	<u>551,833</u>	<u>551,833</u>	<u>551,833</u>	<u>-</u>
<b>Net Change in Fund Balances</b>	(100,333)	(100,333)	(122,756)	(22,423)
<b>Fund Balances - Beginning</b>	<u>100,333</u>	<u>100,333</u>	<u>100,333</u>	<u>-</u>
<b>Fund Balances - Ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (22,423)</u>	<u>\$ (22,423)</u>

**MARIPOSA COUNTY TRANSPORTATION COMMISSION**  
**(A Component Unit of the County of Mariposa, California)**  
**Required Supplementary Information**  
**Budgetary Comparison Schedule**  
**State Transit Assistance - Major Special Revenue Fund**  
**For the Year Ended June 30, 2021**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<b>Variance with Final Budget Positive (Negative)</b>
<b>REVENUES</b>				
Intergovernmental:				
State Transit Assistance allocation	\$ 160,809	\$ 160,809	\$ 127,192	\$ (33,617)
State of Good Repair	25,727	25,727	26,632	905
Use of money	400	400	1,097	697
<b>Total Revenues</b>	<u>186,936</u>	<u>186,936</u>	<u>154,921</u>	<u>(32,015)</u>
<b>EXPENDITURES</b>				
Current:				
Mariposa Transit Agency	<u>255,529</u>	<u>255,529</u>	<u>186,236</u>	<u>69,293</u>
<b>Total Expenditures</b>	<u>255,529</u>	<u>255,529</u>	<u>186,236</u>	<u>69,293</u>
<b>Net Change in Fund Balances</b>	(68,593)	(68,593)	(31,315)	37,278
<b>Fund Balances - Beginning</b>	<u>68,593</u>	<u>68,593</u>	<u>68,593</u>	<u>-</u>
<b>Fund Balances - Ending</b>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 37,278</u></u>	<u><u>\$ 37,278</u></u>

**MARIPOSA COUNTY TRANSPORTATION COMMISSION**  
**(A Component Unit of the County of Mariposa, California)**  
**Required Supplementary Information**  
**Budgetary Comparison Schedule**  
**Transportation Planning - Major Special Revenue Fund**  
**For the Year Ended June 30, 2021**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>REVENUES</b>				
Intergovernmental:				
Rural Planning Assistance	\$ 158,000	\$ 158,000	\$ 126,658	\$ (31,342)
Federal CMAQ	-	-	9,866	9,866
STIP-PPM	35,000	35,000	28,568	(6,432)
Unmet needs	5,000	5,000	5,000	-
FTA 5311	104,387	104,387	-	(104,387)
Use of money	3,000	3,000	2,182	(818)
<b>Total Revenues</b>	<u>305,387</u>	<u>305,387</u>	<u>172,274</u>	<u>(133,113)</u>
<b>EXPENDITURES</b>				
Current:				
Transportation planning services	506,625	506,625	332,501	174,124
<b>Total Expenditures</b>	<u>506,625</u>	<u>506,625</u>	<u>332,501</u>	<u>174,124</u>
<b>Net Change in Fund Balances</b>	(201,238)	(201,238)	(160,227)	41,011
<b>Fund Balances - Beginning</b>	<u>201,238</u>	<u>201,238</u>	<u>201,238</u>	<u>-</u>
<b>Fund Balances - Ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 41,011</u>	<u>\$ 41,011</u>

**MARIPOSA COUNTY TRANSPORTATION COMMISSION**  
**(A Component Unit of the County of Mariposa, California)**  
**Required Supplementary Information**  
**Budgetary Comparison Schedule**  
**Bicycle/Pedestrian Fund - Major Special Revenue Fund**  
**For the Year Ended June 30, 2021**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>REVENUES</b>				
Intergovernmental:				
Bicycle /pedestrian	\$ 8,000	\$ 8,000	\$ 8,000	\$ -
Use of money	2,000	2,000	1,815	(185)
<b>Total Revenues</b>	<u>10,000</u>	<u>10,000</u>	<u>9,815</u>	<u>(185)</u>
<b>EXPENDITURES</b>				
Current:				
Bicycle/pedestrian pathways	166,960	166,960	-	166,960
<b>Total Expenditures</b>	<u>166,960</u>	<u>166,960</u>	<u>-</u>	<u>166,960</u>
<b>Net Change in Fund Balances</b>	(156,960)	(156,960)	9,815	166,775
<b>Fund Balances - Beginning</b>	<u>156,960</u>	<u>156,960</u>	<u>156,960</u>	<u>-</u>
<b>Fund Balances - Ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 166,775</u>	<u>\$ 166,775</u>

**MARIPOSA COUNTY TRANSPORTATION COMMISSION**  
**(A Component Unit of the County of Mariposa, California)**  
**Required Supplementary Information**  
**Note to Budgetary Comparison Schedules**  
**For the Year Ended June 30, 2021**

**NOTE 1: BUDGETARY BASIS OF ACCOUNTING**

Formal budgetary integration is employed as a management control device during the year. The Commission presents a comparison of annual budget to actual results for all special revenue funds. The amounts reported on the budgetary basis are generally on a basis consistent with accounting principles generally accepted in the United States of America (GAAP).

The following procedures are performed by the Commission in establishing the budgetary data reflected in the financial statements:

- (1) The Transportation Planner submits to the Board of Commissioners a recommended budget for the fiscal year commencing the following July 1. The budget includes recommended expenditures and the means of financing them.
- (2) The Board of Commissioners reviews the recommended budget at regularly scheduled meetings, which are open to the public. The Board also conducts a public hearing on the recommended budget to obtain comments from interested persons.
- (3) Prior to July 1, the budget is adopted through the passage of a resolution.
- (4) The Board of Commissioners may amend the budget by motion during the fiscal year.

The Commission does not use encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation.

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## **Supplementary Information**

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**MARIPOSA COUNTY TRANSPORTATION COMMISSION**  
**(A Component Unit of the County of Mariposa, California)**  
**Schedule of Allocations and Expenditures**  
**Local Transportation Fund**  
**For the Year Ended June 30, 2021**

	<u>Beginning Allocations</u>	<u>Allocated</u>	<u>Expended</u>	<u>Ending Allocations</u>
<b>Mariposa County Transportation Commission</b>				
99233.2	\$ -	\$ 125,000	\$ -	\$ 125,000
99233.3	-	8,000	8,000	-
99401.5	-	5,000	5,000	-
<b>Total Mariposa County Transportation Commission</b>	<u>-</u>	<u>138,000</u>	<u>13,000</u>	<u>125,000</u>
<b>County of Mariposa</b>				
99400c	-	191,000	191,000	-
99402	-	345,833	335,589	10,244
<b>Total County of Mariposa</b>	<u>-</u>	<u>536,833</u>	<u>526,589</u>	<u>10,244</u>
<b>Mariposa Transit Agency</b>				
99275	-	15,000	12,244	2,756
<b>Total Mariposa Transit Agency</b>	<u>-</u>	<u>15,000</u>	<u>12,244</u>	<u>2,756</u>
<b>Total</b>	<u>\$ -</u>	<u>\$ 689,833</u>	<u>\$ 551,833</u>	<u>\$ 138,000</u>

**MARIPOSA COUNTY TRANSPORTATION COMMISSION**  
**(A Component Unit of the County of Mariposa, California)**  
**Schedule of Allocations and Expenditures**  
**State Transit Assistance Fund**  
**For the Year Ended June 30, 2021**

	<b>Beginning Allocations</b>	<b>Allocated</b>	<b>Expended</b>	<b>Ending Allocations</b>
<b>Mariposa Transit Agency</b> 99313.3	\$ -	\$ 186,236	\$ 186,236	\$ -

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**OTHER REPORT**

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**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 AND THE RULES AND  
REGULATIONS OF THE TRANSPORTATION DEVELOPMENT ACT**

To the Mariposa County Transportation Commission  
County of Mariposa  
Mariposa, California

We have audited, in accordance with the 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 and the applicable fiscal audit requirements of the Transportation Development Act including Public Utilities Code Section 99245 and the California Code of Regulations Title 21, Section 6662, the financial statements of the governmental activities and each major fund of the Mariposa County Transportation Commission (Commission), a component unit of the County of Mariposa, California, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements and have issued our report thereon dated February 6, 2022.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Commission'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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control. Accordingly, we do not express an opinion on the effectiveness of the Commission'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 entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

To the Mariposa County Transportation Commission  
County of Mariposa  
Mariposa, California

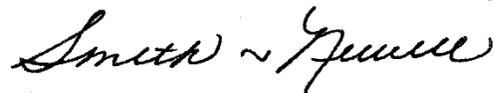
### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Commission's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

Additionally, we performed tests to determine that allocations made and expenditures paid by the Commission were made in accordance with the allocation instructions and resolutions of the Commission and in conformance with the California Transportation Development Act. Specifically, we performed each of the specific tasks identified in the California Code of Regulations Title 21, Section 6666 that are applicable to the Commission and tests to determine that certain state funds were received and expended in accordance with applicable bond act and state accounting requirements. However, our objective was not to provide an opinion on overall compliance with such provisions. Accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Smith & Newell CPAs  
Yuba City, California  
February 6, 2022