

**New Mexico Transit Association
Board Meeting
September 28, 2023
12:00 p.m.
1327 N. Riverside Drive
Española, NM 87532**

Standing Items:

1. Call to Order
2. Roll Call

Board Members:

| | |
|---|------------------------------|
| Elizabeth Carter (President), Director at Large | Present / Absent / Called In |
| James Barela (Vice President), Director at Large | Present / Absent / Called In |
| Ed Powers (Treasurer), Director at Large | Present / Absent / Called In |
| Rebecka Hicks, (Secretary), representing 5311 programs | Present / Absent / Called In |
| Kevin Olinger, (Ex-Officio representing NMDOT) | Present / Absent / Called In |
| Mike Bartholomew, representing 5307 programs | Present / Absent / Called In |
| Brent Roy, Business Member | Present / Absent / Called In |
| Todd Naktewa, Director at Large, representing Tribal Transit | Present / Absent / Called In |
| Tom Marking, Professional Business Member | Present / Absent / Called In |
| Flora Montoya, representing 5310 programs | Present / Absent / Called In |
| Anthony Mortillaro, representing Regional Transit Districts (RTD) | Present / Absent / Called In |

| | |
|---------------|---------------------|
| Guests: _____ | Present / Called In |
| _____ | Present / Called In |

3. Approval of the Agenda
4. Approval of Meeting Minutes – July 20, 2023
5. Approval of Treasurer’s Monthly Financial Reports for July – August 2023

Presentations:

1. FY 2023 Full Financial Audit, presentation provided by Farley Vener with Hinkle + Landers CPA

Action Items:

1. Approval of FY 2023 Full Financial Audit
2. Discussion and Approval of the 2024 Legislative One Sheet drafted by Sunny505
3. Non-member/non-state Training Registration fee

Discussion Items:

1. FY 2024 Training Update
2. 2024 Managers’ Leadership, Road-eo, Conference and Expo Update

Subcommittee Updates:

- Conference, Road-eo and Training
(Liz Carter, Ed Powers and James Barela)
- Legislative and Communications
(Tony Mortillaro, Tom Marking, Liz Carter and David Armijo)
- Membership and Sponsors
(Mike Bartholomew, Becky Hicks, Todd Naktewa and Brent Roy)

Board Member Announcements:

**Next Meeting Date/Time/Location: November 16, 2023 at 12pm: Roswell Transit - 515 N Main Street
Roswell, NM 88201**

**New Mexico Transit Association
Board Meeting Minutes
July 20, 2023 at 12:00PM
Rio Metro Regional Transit District
Mid-Region Council of Governments
809 Copper Ave NW, Albuquerque, NM 87102
In Person and Virtual**

STANDING ITEMS:

1. Call to Order

President Elizabeth Carter called the meeting to order at 12:00PM.

2. Roll Call

Board Members Present:

Elizabeth Carter, President, Director at Large

James Barela, Vice-President, Director at Large (Virtual at 12:03)

Ed Powers, Treasurer, Director at Large

Rebecka Hicks, Secretary, representing 5311 programs

Kevin Olinger, (Ex-Officio representing NMDOT) (Virtual)

Mike Bartholomew, representing 5307 programs (Virtual)

Todd Naktewa, Director at Large, representing Tribal Transit

Flora Montoya, representing 5310 programs (Virtual)

Anthony Mortillaro, representing Regional Transit Districts (RTD)

Guests Present: None.

NMTA Members Present: None.

Staff Present: Melissa Drake

Not Present: Brent Roy, Business Member; Tom Marking, Professional Business Member

3. Approval of Agenda

Motion: Becky Hicks; Second: Ed Powers

Vote: Passed 8-0

4. Approval of Meeting Minutes

February 16, 2023

Motion: Becky Hicks; Second: Tony Mortillaro

Vote: Passed 8-0

May 25, 2023

Motion: Becky Hicks; Second: Ed Powers

Vote: Passed 8-0

5. Approval of Treasurer's Monthly Financial Report

May and June 2023; Ed Powers presented

Motion: Becky Hicks; Second: Todd Naktewa

Vote: Passed 8-0

PRESENTATIONS:

None.

ACTION ITEMS:

None.

DISCUSSION ITEMS:

1. FY2024 Training Calendar

Discussed and added additional ideas and notes. Updated sheet attached; no dates confirmed yet.

2. 2024 Managers' Leadership, Road-eo, Conference and Expo Update

Nothing much to discuss. Melissa will have dates nailed down by December, January at the latest.

3. FY2023 Annual Audit Update

Liz, Ed and Melissa will have an entrance conference with Hinkle + Landers on 7/27/23.

4. FY2024 NMDOT MOA Update

The MOA was executed fully before July 1, 2023.

5. FY2024 NMTA Board Meeting Calendar and Hosting Agencies

Calendar was updated with hosting agencies (see attached).

SUBCOMMITTEE UPDATES:

1. Conference, Road-eo and Training

Nothing additional to report.

2. Legislative and Communications

JD working on Transit Fund legislation attached to another similar bill that has a sponsor for 2024.

We are contracted with Sunny505 to help with outreach to legislators and other stakeholders (no meeting yet). Considering adding driver assault legislation. We would like a response for why current legislation isn't sufficient. Does it need to be stricter/more enforceable? It should include ALL transportation related workers.

3. Membership and Sponsors

This committee needs to meet to talk about possible increases to member rates, sponsor rates and conference rates and possibly adding other categories to rates for NEMT providers or Federal Highway Administration. If we can make our support base broader, we may not need to increase rates as much, plus we can increase trainings and outreach. Updated brochure attached.

BOARD MEMBER ANNOUNCEMENTS:

Liz informed board that Latinos in Transit is offering scholarships for college funds. Las Cruces has received 5 electric buses but still needs infrastructure. These buses should go into service late September. Everyone still needs a lot of training in regards to electric vehicles including drivers, service technicians and EMT personnel. Todd is getting a new transit facility. He had taken a bus in for repair to Lonestar, but they released it to someone else. So essentially, his bus has been stolen!

NEXT MEETING DATE/TIME/LOCATION:

September 21, 2023. Tony Mortillaro volunteered to host it in Espanola at NCRTD, 1327 N. Riverside Dr. (Update: Date changed to September 28)

ADJOURNMENT

Motion made to adjourn at 1:26PM: Becky Hicks; Second: Tony Mortillaro.
Vote: Passed 8-0.

FY 2024 Approved Training Topics

| Quarterly Training Title | Possible Presenters | Date and Location | Breakfast Sponsor |
|--|---|---|-------------------|
| Narcan Training | Bernalillo County Behavioral Health | TBD | TBD |
| *To go with Narcan Training - Stats/information on how many transit agencies now carry or have Narcan available. What changes have been made on policies/procedures and what is the liability? | Combine with Narcan Training listed above | TBD - Maybe not in-person Lots of Videos on YouTube | TBD |
| How to care for self and equipment during emergency evacuations? (Include Crisis Communication Plan) | TBD - Possibly Emergency Manager or Fire Department | Suggested for Quarterly Meeting | TBD |
| NTD Reporting using GTFS | Marcy Jaffee? | As Soon As Possible - Fall Quarterly Meeting? | TBD |
| | | | |
| Annual Conference/Remaining Requested Training Topics | Suggested Presenters | | |
| Risk Management Cost of Maintenance for Low/Zero Emissions | | | |
| Diversity, Equity and Inclusion (Equality) | | | |
| *Possibly include with Diversity, Equity and Inclusion Training: Title VI - Language Access Training for Transit Providers | Timothy Green with City of ABQ (?) | | |
| Leadership Development | Patrick Ibarra, Mejorando Group | | |
| Governement Succession Planning | Patrick Ibarra, Mejorando Group | | |
| Focus on Excellence for Leadership | RLS & Associates | | |
| Wheelchair Lift Maintenance/repair training with an emphasis on diagnostics | Braun/Ricon | | |
| Pre-trip Inspection--Preventative Maintenance for Drivers (including Electric Buses) | RLS & Associates or Halsey King | | |
| Toolbox for Transit Operator Fatigue – (NTI) | NTI | | |
| Train the Trainer | | | |

NMTA Board of Directors Meeting for FY 2024**Board Meetings are held on the 3rd Thursday every other month, unless canceled or rescheduled**

| <u>Date</u> | <u>Location</u> | <u>Main Focus for Meeting</u> |
|--------------------|--|---|
| July 20, 2023 | Rio Metro Regional Transit District Mid-Region Council of Governments 809 Copper Ave NW Albuquerque, NM 87102 | Fiscal Year Training Calendar: Update Board with NMDOT Suggested Topics, Managers Conference Venue/Dates and Topic selection |
| September 28, 2023 | North Central Regional Transit District 1327 N. Riverside Drive Española, NM 87532 | Approve Quarterly Training Calendar, approve/update CPA for Audit, approve Legislative Agenda |
| November 16, 2023 | Roswell Transit 515 N Main Street Roswell, NM 88201 | Annual Audit Presentation, Legislative Agenda and Conference Update, board election/nomination update |
| December 21, 2023 | Virtual | Legislative Update, Conference Update and Road-eo needs |
| January 18, 2024 | Santa Fe Trails 2931 Rufina St Santa Fe, NM 87507 (Need to confirm) | Legislative Update/Conference Update |
| February 15, 2024 | Model 1 5760 Pino Ave NE Albuquerque, NM 87109 (Need to confirm) | Legislative Update |
| TBD | This will more than likely be April 15th at the Santa Ana Star Hotel | Business Meeting at Conference (Approval of Proposed NMDOT/NMTA Budgets) |
| May 16, 2024 | A:shiwi Transit (Get address from Todd) | Melissa's Annual Review |

Sign Up Today

- ☐ I would like to become an NMTA member today!
- ☐ I would like to be added to the New Mexico Transit Association email list to receive updates
- ☐ I would like to volunteer to help public transportation succeed, please contact me.

NAME:

BUSINESS NAME:

ADDRESS:

PHONE:

BUSINESS PHONE:

EMAIL:

WEBSITE:

The Mission of New Mexico Transit Association is to:

- Maximize New Mexico’s use of Appointed Federal Funding in Federal Transit Administration’s transit reauthorizations
- Find a sustainable, permanent funding source for all public transit providers
- Create a seamless, state-of-the-art, coordinated transportation network which serves citizens from all types of communities, and provides diverse opportunities for multi-modalism
- Expand public transit service and multi-modal opportunities for all citizens across the state.

Contact Us

New Mexico Transit Association
PO Box 15272
Rio Rancho, NM 87174
(505)796-8377
Melissa Drake
mdrake@nm-ta.com

<https://nm-ta.com>



*Help Drive
New Mexico
Public Transportation
Into the Future*



| | | |
|--|--|---|
| <div><h3>Who We Are</h3><p>The New Mexico Transit Association – a non-profit corporation established in 1987 – represents public transportation providers, transit sector industries, and various non-profit organizations concerned about public transportation issues. NMTA is the most prominent and vocal advocate for all issues related to public transportation in New Mexico. NMTA provides a variety of vital service for its members, and acts as the collective voice of the public transportation sector.</p><div><h4>The Public Transportation Situation in New Mexico</h4><p>New Mexico is a state on the move. There are dozens of public transportation programs in our State providing over 18.5 million passenger trips per year. They provide a variety of essential multimodal services to the public, seniors, disabled individuals, low-income, students, and those without access to a personal vehicle or for those who choose not to own a personal vehicle.</p><p>These services provide demand response, fixed route, shuttle, park & ride, commuter, rideshare, and specialized services to New Mexico residents.</p><p>Currently, the majority of these services are funded through the sole participation of local governments who provide local match funding to access available funding from the Federal Transit Administration (FTA). The New Mexico Department of Transportation – Transit and Rail Division administers the federal transit funding that New Mexico receives from FTA.</p></div></div> | <p>Twenty-six out of thirty-three counties have some form of public transportation. There are urban transportation systems that operate in Albuquerque, Los Lunas, Santa Fe, Farmington, and Las Cruces. The remaining services provide rural public transportation and enhanced mobility to seniors and individuals with disabilities.</p> <div><h3>Our Goals</h3><div><div>I. Participation – NMTA believes that our success depends on the active participation of our membership. We believe that a strong and committed membership will ensure that we are adequately addressing the needs and issues of rural, urban, tribal, and suburban regions of New Mexico. An active transportation association is essential in determining successful outcomes.</div><div>II. Effective Professional Training – NMTA recognizes the value of providing training for association members. To attain this goal we offer frequent and diverse opportunities for training and education. NMTA attracts and utilizes only the very best in training services to provide our members with quality continuing education and certification.</div><div>III. Advocacy – NMTA believes in the power of public transportation to increase the quality of life of New Mexicans. As the collective voice of the public transit sector, we are committed to fostering a positive and progressive partnership with NMDOT, the transit community, and the public, to further the development and</div></div></div> | <p>expansion of public transit in New Mexico. We are striving to make successful public transportation a reality for all communities by encouraging financial investment in all forms of public transportation.</p> <div><h3>Benefits of NMTA Membership</h3><div><div><h4>Continuing Education and Professional Development Training</h4><p>NMTA hosts quarterly training sessions and the annual transit conference to bring commuters, transit industries, transportation providers, managers, and drivers together for professional workshops, training and networking opportunities.</p></div><div><h4>Policy Formation and Governmental Relations</h4><p>NMTA works strategically with lawmakers, state officials, and the public at-large to accomplish positive and progressive policy initiatives that benefit all transit providers and the citizens who utilize public transit.</p></div><div><h4>Liaison with National Associations</h4><p>The New Mexico Transit Association is a member of the American Public Transportation Association, the Community Transportation of America, and the Southwest Transit Association. In addition, the NMTA works closely with the Federal Transit Administration, the Federal Highway Administration, the New Mexico Department of Transportation, and the congressional and Senate members who represent New Mexico.</p></div></div></div> |
|--|--|---|

Membership Categories

Regular Members

- Public Transit
 - Regional Transit district (RTD) Members - \$500
 - Enhanced Mobility for Seniors and Individuals with Disabilities (5310 Programs) - \$200
 - Rural Transit (5311 Programs) - \$400
- Non-Transit
 - State, County, Municipal Agencies, including Metropolitan Planning Organizations - \$300
 - Professional Consultant, Vendor or Contractor - \$300

Associate Members

– This includes Agencies on Aging or similar types of Agencies and Educational Institutes.

- Educational Institution - \$200
- Non-Profit/Individual/Small Business - \$200
- Vendor/Exhibitor – R500 (Be an Exhibitor at the annual conference and your annual membership is included!)
- Affiliate - \$200

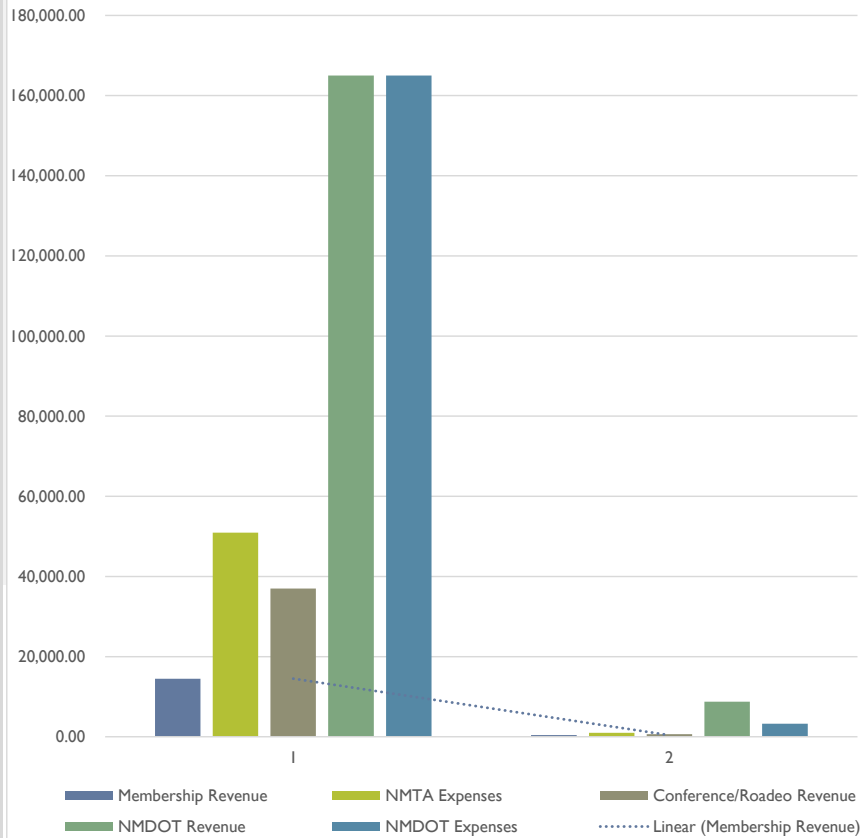
NMTA Monthly Activity Report

July 2023

| Line Item | Credits | Debits | Comments |
|-------------------------------------|-------------|-----------------|---|
| Income: | | | |
| NMTA Deposits: | | | |
| NMDOT Reimbursements | 8,745.35 | | May 2023 Reimbursement |
| Member Dues Deposits | 400.00 | | FY23 Member Dues for Navajo Transit |
| Conference/Road-eo deposits: | 650.00 | | 2023 Rodeo/Conf. Fee for Rio Metro and ABQ Ride |
| Misc. Deposits | <u>0.00</u> | | |
| Total Deposits: | 9,795.35 | | |
| Expenses: | | | |
| NMDOT Reimbursable Expenses: | | | |
| Administrator - 1 | | 2,398.53 | |
| Employment Taxes - 1 | | 743.26 | |
| Postage - 1 | | 0.00 | |
| Cell Phone - 1 | | 85.70 | |
| Audit - 1 | | 0.00 | |
| Contract Services - 1 | | 0.00 | |
| Dues and Subscriptions - 1 | | 21.48 | Adobe Acrobat Monthly Subscription |
| Equipment | | 0.00 | |
| Insurance - 1 | | 0.00 | |
| Occupancy Cost | | 0.00 | |
| Printing | | 0.00 | |
| Office Supplies - 1 | | 0.00 | |
| Training - 1 | | 0.00 | |
| Travel - 1 | | 0.00 | |
| Rodeo/Conference - 1 | | 0.00 | |
| Total NMDOT Reimbursable Expenses: | | <u>3,248.97</u> | |
| NMTA Expenses: | | | |
| Administrator - 2 | | 599.64 | |
| Employment Taxes - 2 | | 185.82 | |
| Postage - 2 | | 0.00 | |
| Cell Phone - 2 | | 21.43 | |
| Audit - 2 | | 0.00 | |
| Contract Services - 2 | | 0.00 | |
| Insurance - 2 | | 0.00 | |
| Office Supplies - 2 | | 0.00 | |
| Training - 2 | | 0.00 | |
| Travel - 2 | | 0.00 | |
| Rodeo/Conference - 2 | | 0.00 | |
| National Rodeo Winners Sponsorship | | 0.00 | |
| NMTA Meetings | | 161.06 | Jason's Deli lunch for June 20th Meeting |
| Legislative Services | | 0.00 | |
| Legislative Advocacy Plan | | <u>0.00</u> | |
| Total NMTA Expenses: | | 967.95 | |

| BUDGET TOTALS | ESTIMATED | YTD ACTUAL | DIFFERENCE |
|---------------------------------|------------|------------|------------|
| Membership Revenue | 14,500.00 | 400.00 | 14,100.00 |
| Conference/Rodeo Revenue | 37,000.00 | 650.00 | 36,350.00 |
| NMDOT Revenue | 165,000.00 | 8,745.35 | 156,254.65 |
| NMDOT Expenses | 165,000.00 | 3,248.97 | 168,248.97 |
| NMTA Expenses | 50,937.00 | 967.95 | 51,904.95 |
| Balance (Income minus Expenses) | 563.00 | 14,012.27 | 14,575.27 |

BUDGET OVERVIEW



Bank Reconciled Balances:

| | |
|-----------------|-------------|
| B of A Checking | \$45,802.90 |
| B of A Savings | \$48,127.27 |
| Combined total: | \$93,930.17 |

| INCOME | ESTIMATED | YTD ACTUAL | DIFFERENCE | VARIANCE % |
|--------------------------|------------|------------|--------------|------------|
| Membership Revenue | 15,000.00 | 400.00 | (14,600.00) | -97.33% |
| Conference/Rodeo Revenue | 35,000.00 | 650.00 | (34,350.00) | -98.14% |
| NMDOT Revenue | 165,000.00 | 8,745.35 | (156,254.65) | -94.70% |
| Total | 215,000.00 | 9,795.35 | (205,204.65) | -95.44% |

| NMDOT OPERATING EXPENSES | Annual Budget | YTD ACTUAL | DIFFERENCE | VARIANCE % |
|----------------------------------|---------------|------------|------------|------------|
| Administrator | 36,616.00 | 2,398.53 | 34,217.47 | 93.45% |
| Administrative Prof. Development | 0.00 | 0.00 | 0.00 | 0.00% |
| Employment Taxes | 10,342.40 | 743.26 | 9,599.14 | 92.81% |
| Internet Subscription Service | 0.00 | 0.00 | 0.00 | 0.00% |
| Postage | 100.00 | 0.00 | 100.00 | 0.00% |
| Cell Phone | 1,000.00 | 85.70 | 914.30 | 91.43% |
| Audit | 3,965.00 | 0.00 | 3,965.00 | 100.00% |
| Advertisement | 0.00 | 0.00 | 0.00 | 0.00% |
| Contract Services | 1,750.00 | 0.00 | 1,750.00 | 100.00% |
| Dues and Subscriptions | 1,500.00 | 21.48 | 1,478.52 | 98.57% |
| Equipment | 0.00 | 0.00 | 0.00 | 0.00% |
| Insurance | 900.00 | 0.00 | 900.00 | 100.00% |
| Occupancy Costs | 960.00 | 0.00 | 960.00 | 100.00% |
| Printing/Copying | 4,000.00 | 0.00 | 4,000.00 | 100.00% |
| Office Supplies | 720.00 | 0.00 | 720.00 | 100.00% |
| Office Furniture | 0.00 | 0.00 | 0.00 | 0.00% |
| Travel | 1,104.00 | 0.00 | 1,104.00 | 100.00% |
| Trainings | 46,042.60 | 0.00 | 46,042.60 | 100.00% |
| Rodeo and Conference | 56,000.00 | 0.00 | 56,000.00 | 100.00% |
| Total Operating | 165,000.00 | 3,248.97 | 161,751.03 | 98.03% |

| NMTA OPERATING EXPENSES | Annual Budget | YTD ACTUAL | DIFFERENCE | VARIANCE % |
|------------------------------------|---------------|------------|------------|------------|
| Administrator - 2 | 9,154.00 | 599.64 | 8,554.36 | 93.45% |
| Employment Taxes - 2 | 2,585.60 | 185.82 | 2,399.78 | 92.81% |
| Postage - 2 | 25.00 | 0.00 | 25.00 | 100.00% |
| Cell Phone - 2 | 250.00 | 21.43 | 228.57 | 91.43% |
| Audit - 2 | 3,965.00 | 0.00 | 3,965.00 | 100.00% |
| Contract Services - 2 | 1,750.00 | 0.00 | 1,750.00 | 100.00% |
| Insurance - 2 | 900.00 | 0.00 | 900.00 | 100.00% |
| Office Supplies - 2 | 180.00 | 0.00 | 180.00 | 100.00% |
| Travel - 2 | 276.00 | 0.00 | 276.00 | 100.00% |
| Training - 2 | 349.00 | 0.00 | 349.00 | 100.00% |
| NMTA Meetings/Retreat | 1,100.00 | 161.06 | 938.94 | 85.36% |
| Rodeo & Conference | 3,500.00 | 0.00 | 3,500.00 | 100.00% |
| National Rodeo Winners Sponsorship | 7,045.00 | 0.00 | 7,045.00 | 100.00% |
| Legislative Services | 10,000.00 | 0.00 | 10,000.00 | 100.00% |
| Legislative Advocacy | 10,000.00 | 0.00 | 10,000.00 | 100.00% |
| Total Operating | 51,079.60 | 967.95 | 50,111.65 | 98.11% |

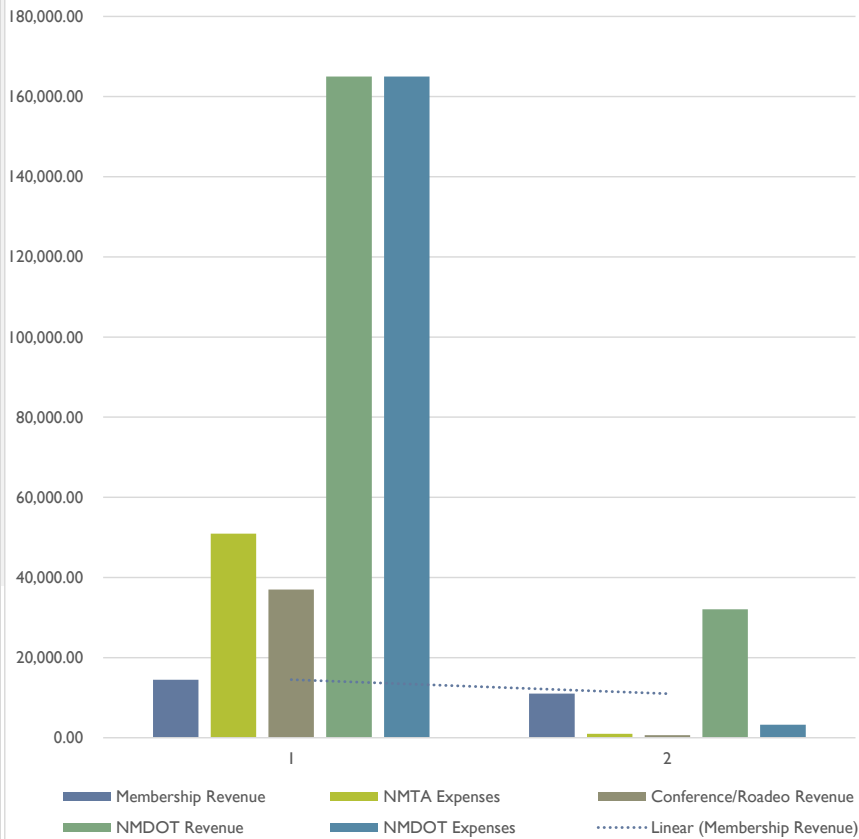
NMTA Monthly Activity Report

August 2023

| Line Item | Credits | Debits | Comments |
|--------------------------------------|-------------|-----------------|--|
| Income: | | | |
| NMTA Deposits: | | | |
| NMDOT Reimbursements | 23,282.74 | | May 2023 Reimbursement |
| Member Dues Deposits | 10,600.00 | | FY24 Member Dues received |
| Conference/Road-eo deposits: | 0.00 | | |
| Misc. Deposits | <u>0.00</u> | | |
| Total Deposits: | 33,882.74 | | |
| Expenses: | | | |
| NMDOT Reimbursable Expenses: | | | |
| Administrator - 1 | | 2,472.77 | |
| Employment Taxes - 1 | | 771.84 | |
| Postage - 1 | | 0.00 | |
| Cell Phone - 1 | | 85.70 | |
| Audit - 1 | | 0.00 | |
| Contract Services - 1 | | 188.34 | Hinkle + Landers: Payroll Services |
| | | | Adobe Acrobat Monthly Subscription, |
| | | | DropBox Annual Subscription, Microsoft |
| | | | 365 Annual Subscription, CTAA Member |
| Dues and Subscriptions - 1 | | 697.30 | Dues |
| Equipment | | 0.00 | |
| Insurance - 1 | | 0.00 | |
| Occupancy Cost | | 240.00 | Storage unit fee for July - September 2024 |
| Printing | | 0.00 | |
| Office Supplies - 1 | | 0.00 | |
| Training - 1 | | 0.00 | |
| Travel - 1 | | 0.00 | |
| Road-eo/Conference - 1 | | 0.00 | |
| Total NMDOT Reimbursable Expenses: | | <u>4,455.95</u> | |
| NMTA Expenses: | | | |
| Administrator - 2 | | 618.20 | |
| Employment Taxes - 2 | | 192.96 | |
| Postage - 2 | | 0.00 | |
| Cell Phone - 2 | | 21.43 | |
| Audit - 2 | | 0.00 | |
| Contract Services - 2 | | 188.35 | |
| Insurance - 2 | | 0.00 | |
| Office Supplies - 2 | | 0.00 | |
| Training - 2 | | 0.00 | |
| Travel - 2 | | 0.00 | |
| Road-eo/Conference - 2 | | 0.00 | |
| National Road-eo Winners Sponsorship | | 0.00 | |
| NMTA Meetings | | 0.00 | |
| Legislative Services | | 0.00 | |
| Legislative Advocacy Plan | | 0.00 | |
| Total NMTA Expenses: | | <u>1,020.94</u> | |

| BUDGET TOTALS | ESTIMATED | YTD ACTUAL | DIFFERENCE |
|---------------------------------|------------|------------|------------|
| Membership Revenue | 14,500.00 | 11,000.00 | 3,500.00 |
| Conference/Rodeo Revenue | 37,000.00 | 650.00 | 36,350.00 |
| NMDOT Revenue | 165,000.00 | 32,028.09 | 132,971.91 |
| NMDOT Expenses | 165,000.00 | 3,248.97 | 168,248.97 |
| NMTA Expenses | 50,937.00 | 967.95 | 51,904.95 |
| Balance (Income minus Expenses) | 563.00 | 47,895.01 | 48,458.01 |

BUDGET OVERVIEW



| | |
|---------------------------|-------------|
| Bank Reconciled Balances: | |
| B of A Checking | \$45,802.90 |
| B of A Savings | \$48,127.27 |
| Combined total: | \$93,930.17 |

| INCOME | ESTIMATED | YTD ACTUAL | DIFFERENCE | VARIANCE % |
|--------------------------|------------|------------|--------------|------------|
| Membership Revenue | 15,000.00 | 11,000.00 | (4,000.00) | -26.67% |
| Conference/Rodeo Revenue | 35,000.00 | 650.00 | (34,350.00) | -98.14% |
| NMDOT Revenue | 165,000.00 | 32,028.09 | (132,971.91) | -80.59% |
| Total | 215,000.00 | 43,678.09 | (171,321.91) | -79.68% |

| NMDOT OPERATING EXPENSES | Annual Budget | YTD ACTUAL | DIFFERENCE | VARIANCE % |
|----------------------------------|---------------|------------|------------|------------|
| Administrator | 36,616.00 | 4,871.30 | 31,744.70 | 86.70% |
| Administrative Prof. Development | 0.00 | 0.00 | 0.00 | 0.00% |
| Employment Taxes | 10,342.40 | 1,515.10 | 8,827.30 | 85.35% |
| Internet Subscription Service | 0.00 | 0.00 | 0.00 | 0.00% |
| Postage | 100.00 | 0.00 | 100.00 | 0.00% |
| Cell Phone | 1,000.00 | 171.40 | 828.60 | 82.86% |
| Audit | 3,965.00 | 0.00 | 3,965.00 | 100.00% |
| Advertisement | 0.00 | 0.00 | 0.00 | 0.00% |
| Contract Services | 1,750.00 | 188.34 | 1,561.66 | 89.24% |
| Dues and Subscriptions | 1,500.00 | 718.78 | 781.22 | 52.08% |
| Equipment | 0.00 | 0.00 | 0.00 | 0.00% |
| Insurance | 900.00 | 0.00 | 900.00 | 100.00% |
| Occupancy Costs | 960.00 | 240.00 | 720.00 | 75.00% |
| Printing/Copying | 4,000.00 | 0.00 | 4,000.00 | 100.00% |
| Office Supplies | 720.00 | 0.00 | 720.00 | 100.00% |
| Office Furniture | 0.00 | 0.00 | 0.00 | 0.00% |
| Travel | 1,104.00 | 0.00 | 1,104.00 | 100.00% |
| Trainings | 46,042.60 | 0.00 | 46,042.60 | 100.00% |
| Rodeo and Conference | 56,000.00 | 0.00 | 56,000.00 | 100.00% |
| Total Operating | 165,000.00 | 7,704.92 | 157,295.08 | 95.33% |

| NMTA OPERATING EXPENSES | Annual Budget | YTD ACTUAL | DIFFERENCE | VARIANCE % |
|----------------------------------|---------------|------------|------------|------------|
| Administrator - 2 | 9,154.00 | 1,217.84 | 7,936.16 | 86.70% |
| Employment Taxes - 2 | 2,585.60 | 378.78 | 2,206.82 | 85.35% |
| Postage - 2 | 25.00 | 0.00 | 25.00 | 100.00% |
| Cell Phone - 2 | 250.00 | 42.86 | 207.14 | 82.86% |
| Audit - 2 | 3,965.00 | 0.00 | 3,965.00 | 100.00% |
| Contract Services - 2 | 1,750.00 | 188.35 | 1,561.65 | 89.24% |
| Insurance - 2 | 900.00 | 0.00 | 900.00 | 100.00% |
| Office Supplies - 2 | 180.00 | 0.00 | 180.00 | 100.00% |
| Travel - 2 | 276.00 | 0.00 | 276.00 | 100.00% |
| Training - 2 | 349.00 | 0.00 | 349.00 | 100.00% |
| NMTA Meetings/Retreat | 1,100.00 | 161.06 | 938.94 | 85.36% |
| Rodeo & Conference | 3,500.00 | 0.00 | 3,500.00 | 100.00% |
| National Rodeo Winners Sponsorst | 7,045.00 | 0.00 | 7,045.00 | 100.00% |
| Legislative Services | 10,000.00 | 0.00 | 10,000.00 | 100.00% |
| Legislative Advocacy | 10,000.00 | 0.00 | 10,000.00 | 100.00% |
| Total Operating | 51,079.60 | 1,988.89 | 49,090.71 | 96.11% |



**NEW MEXICO
TRANSIT ASSOCIATION**

**INDEPENDENT AUDITOR'S REPORT AND
FINANCIAL STATEMENTS**

**For The Year Ended June 30, 2023, with
Comparative Totals for 2022**

2500 9th St. NW
Albuquerque, NM 87102
505.883.8788
www.HL-cpas.com

NEW MEXICO TRANSIT ASSOCIATION
INDEPENDENT AUDITOR'S REPORT AND FINANCIAL STATEMENTS
For the Year Ended June 30, 2023, With Comparative Totals for 2022

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NEW MEXICO TRANSIT ASSOCIATION
OFFICIAL ROSTER
As of Year Ended June 30, 2023

BOARD OF DIRECTORS

| | |
|---------------------|--------------------------------|
| Elizabeth Carter | President |
| James Barela | Vice President |
| Ed Powers | Treasurer |
| Rebecka Hicks | Secretary |
| Anthony Mortillaro | Director |
| Flora Montoya | Director |
| Michael Bartholomew | Director |
| Todd Naktewa | Director |
| Thomas Marking | Professional Business Director |
| Brent Roy | Business Director |
| Kevin Olinger | Ex-Officio |

**INDEPENDENT AUDITOR'S REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS**

Board of Directors and Management
New Mexico Transit Association
Rio Rancho, NM

Opinion

We have audited the accompanying financial statements of New Mexico Transit Association, Inc. (NMTA), a nonprofit organization, which comprise the statement of financial position as of June 30, 2023, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of New Mexico Transit Association as June 30, 2023, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of New Mexico Transit Association, and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As discussed in Note B to the financial statements, New Mexico Transit Association has adopted the new accounting guidance ASU 2016-02, Leases (Topic 842). Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about New Mexico Transit Association's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibility for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive

to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of New Mexico Transit Association's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about New Mexico Transit Association's ability to continue as a going concern for a reasonable period of time.

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

Report on Prior Year Summarized Comparative Information

We have previously audited New Mexico Transit Association's 2022 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated November 17, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2022, is consistent, in all material respects, with the audited financial statements from which it has been derived.



Hinkle + Landers, P.C.

Albuquerque, NM

August 15, 2023

NEW MEXICO TRANSIT ASSOCIATION
Statement of Financial Position
As of June 30, 2023, With Comparative Totals for 2022

| ASSETS | <u>2023</u> | <u>2022</u> |
|--|-------------------------|----------------------|
| Current Assets | | |
| Cash and cash equivalents | \$ 60,726 | 53,751 |
| Membership receivables | 2,250 | 1,525 |
| Department of Transportation receivables | 32,028 | 30,496 |
| Prepaid expenses | <u>1,318</u> | <u>1,252</u> |
| Total current assets | <u>96,322</u> | <u>87,024</u> |
| Total assets | <u><u>\$ 96,322</u></u> | <u><u>87,024</u></u> |
| | | |
| LIABILITIES AND NET ASSETS | | |
| Current Liabilities | | |
| Accounts payable | \$ 755 | 3,273 |
| Accrued liabilities | <u>948</u> | <u>759</u> |
| Total current liabilities | 1,703 | 4,032 |
| Net Assets | | |
| Net assets without donor restrictions | <u>94,619</u> | <u>82,992</u> |
| Total net assets | <u>94,619</u> | <u>82,992</u> |
| Total liabilities and net assets | <u><u>\$ 96,322</u></u> | <u><u>87,024</u></u> |

SEE INDEPENDENT AUDITOR'S REPORT

The accompanying notes are an integral part of these financial statements

NEW MEXICO TRANSIT ASSOCIATION

Statement of Activities

For The Year Ended June 30, 2023, With Comparative Totals for 2022

| | <u>2023</u> | <u>2022</u> |
|---------------------------------------|-------------------------|----------------------|
| Revenues and Support | | |
| Conference | \$ 36,508 | 37,624 |
| Less: costs of conference | <u>(52,157)</u> | <u>(42,805)</u> |
| Net conference revenue | (15,649) | (5,181) |
| Federal grant (passed-through NM DOT) | 165,000 | 140,250 |
| Memberships | 14,600 | 15,300 |
| Miscellaneous revenue | <u>13</u> | <u>14</u> |
| Total revenues and support | 163,964 | 150,383 |
| Expenses and Losses | | |
| Program services | 117,537 | 95,675 |
| General & administrative | 26,416 | 24,033 |
| Fundraising | <u>8,384</u> | <u>8,129</u> |
| Total expenses | <u>152,337</u> | <u>127,837</u> |
| Change in net assets | 11,627 | 22,546 |
| Net assets, beginning of period | <u>82,992</u> | <u>60,446</u> |
| Net assets, end of period | \$ <u><u>94,619</u></u> | <u><u>82,992</u></u> |

SEE INDEPENDENT AUDITOR'S REPORT

The accompanying notes are an integral part of these financial statements

NEW MEXICO TRANSIT ASSOCIATION

Statement of Functional Expenses

For The Year Ended June 30, 2023, With Comparative Totals for 2022

| | Program Services | General & Admin | Fundraising | 2023 Total | 2022 Total |
|--|---------------------|--------------------|-------------|---------------|---------------|
| Wages | \$ 33,815 | 7,246 | 7,246 | 48,307 | 44,539 |
| Taxes | 2,711 | 581 | 581 | 3,873 | 5,263 |
| Total wages | 36,526 | 7,827 | 7,827 | 52,180 | 49,802 |
| Training | 53,417 | 13,354 | - | 66,771 | 53,336 |
| Road-ee & conference | 52,157 | - | - | 52,157 | 42,805 |
| Professional service fees | 12,358 | - | - | 12,358 | 9,161 |
| Legislative services/public relations | 7,870 | 1,230 | - | 9,100 | 5,200 |
| Postage and printing | 2,757 | 306 | - | 3,063 | 1,282 |
| Insurance | 1,237 | 825 | - | 2,062 | 1,940 |
| Subscriptions, dues, & memberships | - | 1,709 | - | 1,709 | 3,306 |
| Office supplies and expenses | 1,169 | 292 | - | 1,461 | 659 |
| Cell phone | 571 | 381 | 317 | 1,269 | 1,216 |
| Occupancy | 432 | 288 | 240 | 960 | 880 |
| Travel & lodging | 824 | 43 | - | 867 | 380 |
| Meetings and conferences | 376 | 161 | - | 537 | 136 |
| Equipment | - | - | - | - | 539 |
| Less expenses included in revenue on the statement of activities: | | | | | |
| Direct expenses of conference | (52,157) | - | - | (52,157) | (42,805) |
| Total expenses | \$ 117,537 | 26,416 | 8,384 | 152,337 | 127,837 |

SEE INDEPENDENT AUDITOR'S REPORT

The accompanying notes are an integral part of these financial statements

NEW MEXICO TRANSIT ASSOCIATION

Statement of Cash Flows

For The Year Ended June 30, 2023, With Comparative Totals for 2022

| | 2023 | 2022 |
|--|-------------------------|-----------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Cash received from conference | \$ 36,508 | 24,714 |
| Cash received from grants | 162,743 | 140,250 |
| Cash received from memberships | 14,600 | 15,300 |
| Cash received from miscellaneous revenues | 13 | 14 |
| Cash paid to and on behalf of employees | (51,991) | (51,014) |
| Cash paid for conference | (52,157) | (42,805) |
| Cash paid for operating expenses | (102,741) | (92,224) |
| Net cash provided (used) by operating activities | <u>6,975</u> | <u>(5,765)</u> |
| Net increase (decrease) in cash and cash equivalents | 6,975 | (5,765) |
| Cash and cash equivalents at beginning of year | <u>53,751</u> | <u>59,516</u> |
| Cash and cash equivalents at end of year | <u><u>\$ 60,726</u></u> | <u><u>53,751</u></u> |
| RECONCILIATION OF CHANGE IN NET ASSETS | | |
| TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES | | |
| Change in net assets | \$ 11,627 | 22,546 |
| Adjustments to reconcile changes in net assets to cash provided by operating activities: | | |
| (Increase) Decrease in accounts receivable | (2,257) | (17,462) |
| (Increase) Decrease in prepaids | (66) | - |
| Increase (Decrease) in accounts payable | (2,518) | 3,273 |
| Increase (Decrease) in deferred revenue | - | (12,910) |
| Increase (Decrease) in accrued liabilities | 189 | (1,212) |
| Net cash provided (used) by operating activities | <u><u>\$ 6,975</u></u> | <u><u>(5,765)</u></u> |

SEE INDEPENDENT AUDITOR'S REPORT

The accompanying notes are an integral part of these financial statements

NEW MEXICO TRANSIT ASSOCIATION

Notes To Financial Statements

For The Year Ended June 30, 2023, With Comparative Totals for 2022

NOTE A—NATURE OF OPERATIONS

New Mexico Transit Association (NMTA) was established as a nonprofit corporation in 1987. NMTA's purpose is to be the collective voice for both public and private transportation providers in both rural and urban areas across New Mexico.

Under an agreement with the New Mexico Department of Transportation's Transit Bureau, NMTA coordinates training and provides technical support for New Mexico's rural transit providers and sub-grantees. Training and support are directed primarily to transit programs funded through the Federal Transit Administration's 5310 program, which serves senior and disabled populations, and the 5311 program, which provides transit for any rural area or small town. In addition, NMTA publishes quarterly newsletters, coordinates Board development and meetings, arranges training for members and non-members, and organizes the annual NMTA Conference and Van/Bus Road-eo.

Training

NMTA recognizes the value of providing training for Association members. To attain this goal, NMTA, through its partnership with Transit Bureau, funds quarterly training for drivers and management. NMTA connects communities throughout the state by sponsoring its annual conference, providing the most current safety updates, and hosting the annual Van/Bus Road-eo.

Education

Education of industry members and affected stakeholders is key in developing and maintaining a strong public transportation system. NMTA develops informational literature and strong public education tools to keep members up to date on issues affecting the industry. NMTA analyzes the impacts of national and statewide agency and legislative actions and publishes a quarterly newsletter.

NEW MEXICO TRANSIT ASSOCIATION

Notes To Financial Statements

For The Year Ended June 30, 2023, With Comparative Totals for 2022

Advocacy

NMTA identifies and disseminates information to our members that may be used for promoting additional funding at the federal, state and local levels. NMTA provides member training for effective grant writing, and monitors and evaluates state legislation affecting our members.

NOTE B—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant policies followed are described below:

Accounting Method

The accompanying financial statements of NMTA have been prepared on the accrual basis of accounting and conform to accounting principles generally accepted in the United States of America (U.S. GAAP) as applicable to not-for-profit organizations.

Adoption of New Accounting Principle

NMTA has adopted Accounting Standards Update (ASU) 2016-02, Leases (Topic 842), a new accounting standard which requires a change in accounting principle related to recognition of lease liabilities and assets for non-cancellable agreements greater than one year in duration. New Mexico Transit Association does not have any leases that need to be added to the balance sheet for the year ended June 30, 2023.

Basis of Presentation

NMTA is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions, and net assets with donor restrictions. Accordingly, net assets of the NMTA and changes therein are classified and reported as follows:

NEW MEXICO TRANSIT ASSOCIATION

Notes To Financial Statements

For The Year Ended June 30, 2023, With Comparative Totals for 2022

- **Net Assets without Donor Restrictions**—represent net assets that are not subject to donor-imposed stipulations. Net assets without donor restrictions have arisen from exchange transactions and receipt of unrestricted contributions.
- **Net Assets with Donor Restrictions**—arise from contributions whose use by the NMTA have been limited by donors. Some donor restrictions are temporary in nature; those purpose/time restrictions can be fulfilled and removed by actions of the organization pursuant to those stipulations or by the passage of time. Other donor restrictions are perpetual in nature. Contributions with donor restrictions are recorded as net assets without donor restrictions to the extent that the restrictions are satisfied in the same reporting period. NMTA has no net assets with donor restrictions for the years ended June 30, 2023 and 2022.
- **Net Assets with Donor Restrictions-Perpetual in Nature**—represent net assets subject to donor-imposed stipulations that must be maintained permanently by the NMTA. NMTA has no net assets with donor restrictions perpetual in nature for the years ended June 30, 2023 and 2022.

Liquidity and Availability of Financial Resources

NMTA regularly monitors liquidity to meet cash flow requirements and operating needs. The availability of financial assets is primarily affected by management designations, the nature of the underlying assets, external limitations imposed by donors or contracts with others. NMTA is not substantially supported by restricted grants. Because a donor's restriction requires resources to be used in a particular manner or in a future period, NMTA must maintain sufficient resources to meet those responsibilities to its donors. These financial assets may not be available for general expenditure within one year. As part of NMTA's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. In addition, NMTA may invest cash in excess of daily requirements in short-term investments.

NEW MEXICO TRANSIT ASSOCIATION

Notes To Financial Statements

For The Year Ended June 30, 2023, With Comparative Totals for 2022

Occasionally, the board designates a portion of any operating surplus to its liquidity reserve.

Liquidity is as follows:

| Financial assets at year end | | 2023 | 2022 |
|--|----|--------|--------|
| Cash and cash equivalents | \$ | 60,726 | 53,751 |
| Receivables expected to be received during the next year | | 34,278 | 32,021 |
| | | 95,004 | 85,772 |
| Less those unavailable for general expenditures with in year, due to: | | | |
| Restricted by donor with purpose restrictions | | - | - |
| Current assets available to meet cash needs for general expenditures within one year | \$ | 95,004 | 85,772 |

Income Taxes

NMTA has been established as a nonprofit corporation exempt from federal income tax under Section 501(c)(6) of the Internal Revenue Code. The Internal Revenue Service has classified NMTA as other than a private foundation.

NMTA files its Federal Form 990 tax returns in the U.S. federal jurisdiction. Management believes that they are operating within their tax-exempt purpose.

Fair Value Measurements

FASB ASC 820-10 and subsections establish a framework for measuring fair value.

The carrying amounts of cash and cash equivalents, receivables, payables, accrued expenses and other liabilities approximate fair value due to the short maturity periods of these instruments.

Use of Estimates in Preparing Financial Statements

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions

NEW MEXICO TRANSIT ASSOCIATION

Notes To Financial Statements

For The Year Ended June 30, 2023, With Comparative Totals for 2022

that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash held in checking and money market accounts with maturities of less than 90 days. As of June 30, 2023 and 2022, NMTA had deposits with one depository institution, which is insured by the Federal Deposit Insurance Corporation with a \$250,000 limit.

Accounts Receivables

Accounts receivables are stated as unpaid balances, less an allowance for doubtful accounts. Management estimates the adequacy of the allowance for uncollectible receivables based on historical collections, specific impaired receivables, and other situations that may affect the collection of the receivable. Receivables are charged off in the period in which management determines the receivable to be uncollectable. As of June 30, 2023 and 2022, management estimates all receivables to be fully collectible; therefore, no provision for an allowance for uncollectible receivables has been recorded.

Revenue Recognition

NMTA accounts for revenue under ASC 606 "Revenue from Contracts with Customers" and ASU 2018-08, "Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made" in accordance with accounting principles generally accepted in the United States of America. The following summarizes the revenue recognition policies for major classifications of revenue:

- Conference/Road-eo Registration – NMTA earns revenue through an annual conference. This revenue is reported at the amount that reflects the consideration to which NMTA expects to be entitled in exchange for

NEW MEXICO TRANSIT ASSOCIATION

Notes To Financial Statements

For The Year Ended June 30, 2023, With Comparative Totals for 2022

providing the conference to the participants. Conference fees cover training sessions, information sessions for Federal Transit Association and NM Department of Transportation updates, and interactions with participating vendors. Performance obligations are determined based on the nature of the conference provided by NMTA. Performance obligations are met, and revenue is recognized, when the conference is held. Unearned conference revenue is reflected as deferred revenue on the statement of financial position.

- Membership Dues – Membership dues are billed on an annual basis with the bills sent out in the beginning of the fiscal year, in the month of July or August. Revenue related to membership is recognized based on a fiscal year ending June 30. Management has determined the benefits (performance obligations) match the membership revenue and there is no unearned revenue as of the year end, June 30. Management reviews the membership revenue activity each year to determine if this method continues to be reasonable.

Management has adopted the practical expedient whereby costs to obtain membership contracts are not capitalized as the average length of a membership contract is less than one year. NMTA provides a wide variety of services, which are considered performance obligations to membership. Significant benefits are as follows:

- continuing education and professional development training,
- quarterly training and networking session,
- government relations and input on transportation policy, and
- a discounted registration fee for the annual conference.

NEW MEXICO TRANSIT ASSOCIATION

Notes To Financial Statements

For The Year Ended June 30, 2023, With Comparative Totals for 2022

- Conditional Contributions – NMTA receives governmental grants to provide services to the public. The terms of these grants specify that NMTA must incur certain qualifying expenses or costs in compliance with the rules and regulations established by the grantor. These grant funds are paid predominately on a cost-reimbursement basis, but there can be upfront payments received at the beginning of the grant cycle. The advance payments are considered unearned revenue until services are provided. For expedient purposes, these amounts are recorded as revenue as the services will soon be provided and “trued up” at year-end, if necessary. Any advances of upfront payments must be returned, if unused. Any unused assets are forfeited, and any unallowed costs that have been drawn down by NMTA are required to be refunded. These grants are determined to be conditional as they are required to be spent on qualifying expenses and therefore the revenue is recognized once NMTA has incurred those qualifying expenses. These grants are recorded without donor restrictions. Federal grants are this type of revenue.

Property, Equipment and Depreciation

NMTA defines equipment as nonexpendable personal property having a useful life of more than one year and an acquisition cost of \$5,000 or more with an estimated life greater than one year. Property and equipment is depreciated using the straight-line method over the estimated useful life of the asset. Maintenance, repairs and renewals which neither materially add to the value of the property nor appreciably prolong its life are charged to expenses as incurred. Gains or losses on dispositions of property and equipment are included in revenue. As of June 30, 2023 and June 30, 2022, NMTA had no property or equipment.

NEW MEXICO TRANSIT ASSOCIATION

Notes To Financial Statements

For The Year Ended June 30, 2023, With Comparative Totals for 2022

Functional Classification of Expenses

The financial statements report certain categories of expenses that are attributable to one or more services provided by the organization. Expenses and support services that can be identified with a specific service are charged directly to a program according to the natural expenditure classification. Direct costs are recorded to the functional classification the expense relates to. All other expenses require allocation on a reasonable basis that is consistently applied.

These expenses are allocated among the services on the following basis:

| Type of Expense | Basis * |
|---|---------|
| Employees | A |
| Space, occupancy, repairs, insurance, dues and fees | B |
| Office supplies, equipment, furniture, telephone | C |
| Program travel, training, and professional fees | C |
| Other | D |

* Legend for Basis of Allocation of Expenses

- A. Time and effort
- B. Ratio of program expenses
- C. Direct to program
- D. Appropriate allocation

The functional expense allocation ratios for the years ended June 30 are:

| Expense Allocation | 2023 | 2022 |
|--------------------------|-------------|-------------|
| Program | 77% | 75% |
| General & administrative | 17% | 19% |
| Fundraising | 6% | 6% |
| | <u>100%</u> | <u>100%</u> |

NEW MEXICO TRANSIT ASSOCIATION

Notes To Financial Statements

For The Year Ended June 30, 2023, With Comparative Totals for 2022

Prior Year Comparative Totals

The financial statements include certain prior-year summarized comparative information in total but not in each net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with NMTA's financial statements for the year ended June 30, 2022.

Reclassifications

Certain reclassifications may have been made to the 2022 summarized financial statement information to conform to the current year presentation.

NOTE C—CASH AND CASH EQUIVALENTS

Cash and cash equivalents consisted of the following at June 30:

| <u>Cash & Cash Equivalents</u> | <u>2023</u> | <u>2022</u> |
|------------------------------------|------------------|---------------|
| Bank of America | \$ <u>60,726</u> | <u>53,751</u> |

All deposits with financial institutions are fully insured by the Federal Deposit Insurance Corporation (FDIC).

NOTE D—RECEIVABLES

Receivables consisted of the following at June 30:

| <u>Receivables</u> | <u>2023</u> | <u>2022</u> |
|------------------------|------------------|---------------|
| Membership receivables | \$ 2,250 | 1,525 |
| DOT receivables | <u>32,028</u> | <u>30,496</u> |
| | \$ <u>34,278</u> | <u>32,021</u> |

NEW MEXICO TRANSIT ASSOCIATION

Notes To Financial Statements

For The Year Ended June 30, 2023, With Comparative Totals for 2022

NOTE E – PREPAID EXPENSES

Prepaid expenses consisted of the following at June 30:

| | 2023 | 2022 |
|-------------------|----------|-------|
| Prepaid insurance | \$ 1,318 | 1,252 |
| | \$ 1,318 | 1,252 |

NOTE F—CONTINGENCY AND CONCENTRATION

NMTA receives monies from grants for specific purposes that are subject to review and audit by the funding agencies. Such audits could result in a request for reimbursement by the funding agencies for expenditures disallowed under the terms and conditions of the appropriate agency. As of June 30, 2023 and June, 30 2022, there were no disallowed expenditures identified.

A significant portion of NMTA's revenues is from a government award. Please see the concentration of revenue as follows:

| Revenue Concentration | 2023 | 2022 |
|-----------------------|--------|------|
| % of revenue from DOT | \$ 76% | 73% |

NOTE G—EVALUATION OF SUBSEQUENT EVENTS

Subsequent events are events or transactions that occur after the statement of financial position date but before the financial statements are issued. NMTA recognizes in the financial statements the effects of all subsequent events that provide additional evidence about conditions that existed at the date of the statement of financial position, including the estimates inherent in the process of preparing the financial statements. NMTA's financial statements do not recognize subsequent events that provide evidence about conditions that did not exist at the date of the statement of financial position but arose after the statement of financial position date and before financial statements are available to be issued. NMTA has evaluated subsequent events through August 15, 2023, which is the date the financial statements were available to be issued.

THE NEED FOR PERMANENT PUBLIC FUNDING FOR TRANSIT SYSTEMS



The proposed Transportation Trust Fund would allow the New Mexico Department of Transportation to fund approved public transit projects.

BACKGROUND:

- Most municipalities and counties do not get capital outlay for buses as their city or county has other capital outlay requests that buses cannot compete with.
- According to the Federal Transit Administration's National Transit Data (NTD), every year, there is at least \$84 million in funding needed for buses and facilities, with \$23 million needed to replace and update aging fleets in New Mexico.
- Prior to the pandemic, there were more than 15 million transit trips on buses, fixed route buses, commuter buses, door-to-door small bus service, complementary van service for disabled residents, seniors, social and human services transportation, and many other key mobility services necessary for daily lifeline needs.
- People use transit to get to work, school, medical appointments or to shop, with the majority being in non-urban areas. Many are need based, they either do not own a vehicle or are unable to drive a car for various reasons. Other people choose to take public transit to lower their carbon footprint.

WHY THE PROPOSED TRANSPORTATION TRUST FUND?

- To create a stable, recurring source of funding for road construction and maintenance as well as transit capital needs including purchasing buses, build facilities and support operations and maintenance needs.
- With additional funding, public transit providers could expand their weekday and weekend hours, clearing up roads and increasing public safety.
- With additional funding, public transit systems could offer free Internet service so people can work while riding.

WHAT THE LEGISLATION PROVIDES

- The proposed legislation creates a new transportation trust fund within the state treasury. Money in the trust fund can be used for two primary purposes:
 1. Transfers money to the state road fund for road construction, maintenance and other transportation projects prioritized and approved by the NM Department of Transportation.
 2. Allocates money to the NM Department of Transportation for approved, non-rail public transit projects.

SUPPORTERS:



City of Socorro
New Mexico



CITY OF LAS CRUCES
ROADRUNNER
TRANSIT



South Central
Regional Transit



RIO METRO
REGIONAL TRANSIT DISTRICT



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