



AGENDA AND NOTICE OF MEETING
MINNESOTA RIVER VALLEY TRANSIT JOINT POWERS BOARD
Tuesday, July 14, 2020 – 2:30 p.m.
Virtual Meeting Only – See log-in information below

- I. CALL TO ORDER**
- II. APPROVAL OF AGENDA**
- III. ROLL CALL**
- IV. APPROVAL OF MINUTES/DISBURSEMENTS**
 - A. May 12, 2020 Regular Meeting
 - B. Disbursements List Approval – May 1, 2020 – June 30, 2020

- V. VISITORS**
 - A. Schedule of Visitor Comments on Agenda Items
 - B. General Visitor Comments

- VI. OLD BUSINESS**
 - None

- VII. NEW BUSINESS**
 - A. 2019 Audit Presentation and Formal Acceptance
 - B. Transit Operating Grant Amendment Authorization
 - C. Extension of Fare Waiver

- VIII. REPORTS**
 - 1. Operation Manager Report
 - 2. Compliance Manager Reports
 - 3. Administration Reports

- IX. ADJOURNMENT**

As provided for in M.S. 13D.021, public meetings may be conducted by telephone or other electronic means under certain conditions. This meeting of the Minnesota River Valley Transit Board will only be accessible electronically using GoToMeeting software which is available at no charge (link below) or by calling as indicated below. This works best utilizing Google Chrome or Microsoft Edge as your browser. Here is the information necessary to access the meeting electronically:

Please join meeting from your computer, tablet or smartphone at:

<https://global.gotomeeting.com/join/468583109>

or by phone at

(Toll Free) 1 877 568 4106 - One-touch: tel:+18775684106,,468583109#

Access Code: 468-583-109

MINNESOTA RIVER VALLEY TRANSIT

OFFICIAL PROCEEDINGS

MINUTES OF THE REGULAR BOARD MEETING MAY 12, 2020

Pursuant to due call and notice thereof, a regular meeting of the Board of the Minnesota River Valley Transit was conducted on May 12, 2020 through the virtual GoToMeeting platform. Under M.S. 13D.021, the Board is able to conduct meetings by electronic means in the event of a state-wide emergency. Governor Walz has declared a state-wide peacetime emergency and as such Minnesota River Valley Transit meetings will be conducted remotely using GoToMeeting software until further notice.

A quorum present, Chair Mark Huntington called the meeting to order at 2:30 p.m. The following members were present as verified by a roll call: Marvin Sullivan, Stephan Grams, Brad DeVos, and Mark Huntington. The following official was present: Saint Peter City Administrator Todd Prafke.

Approval of Agenda – A motion was made by Grams, seconded by Sullivan, to approve the agenda with the agenda. With all in favor, the motion carried and the agenda was approved as amended.

Approval of Minutes/Disbursements – A motion was made by Sullivan, seconded by DeVos, to approve the minutes of the March 10, 2020 regular meeting. With all in favor, the motion carried.

A motion was made by Sullivan, seconded by Grams, to approve the minutes of the April 24, 2020 special meeting. With all in favor, the motion carried.

A motion was made by DeVos, seconded by Sullivan, to approve the disbursements from March 1, 2020 – April 30. With all in favor, the motion carried.

Visitors – Melinda Estey, Minnesota River Valley Transit's representative with MnDOT, expressed her appreciation that Minnesota River Valley Transit continues to operate and her belief that the staff is doing a great job.

Member Grams asked about the impact of waiving the fares. Estey indicated the waiver in some places across the state resulted in increased ridership, which at this time is not preferred, but expressed no concerns about that.

Grams also asked if people are required to wear masks on the light rail. Estey indicated it was personal preference at this time and the State has declined to make mask wearing a requirement.

Surplus Property Declaration – City Administrator Prafke noted the recommendation in the packet to declare a 2008 El Dorado bus as surplus property based on the City of Saint Peter's surplus property policy and offered for public sale. In motion by Sullivan, seconded by Grams, Resolution No. 2020-11 entitled "Resolution Designating Bus As Surplus Property" was introduced. With all in favor, the Resolution was declared passed and adopted. A complete copy of Resolution No. 2020-11 is contained in the Minnesota River Valley Transit book entitled Board Actions 1.

Board Goal Session Schedule – City Administrator Prafke reviewed previous Board discussion for scheduling a goal session to establish goals and policies for future use on topics such as fares

(continual waiver of fares and the fare structure to provide more simplicity); service levels; additional/optional services; and what does transit do for the communities and whether Minnesota River Valley Transit is meeting those needs. Huntington suggested a fall goal session (September) would be the best. The consensus among Board members was that a goal session on September 15th would work.

A motion was made by DeVos, seconded by Sullivan, to modify the September meeting scheduled to reschedule the regular September 8th meeting to September 15th at 2:30 p.m. and then follow the regular meeting with the goal session. With all in favor, the motion carried.

Reports –

Operation Manager Report – St. Peter Finance Director Vogel and Operations Manager Owen presented information on ridership level comparisons between pre-COVID-19 and once the state-wide emergency had been declared. Owen indicated there had been a 86% reduction in rides and hours of operation have been decreased as a response.

Owen also provided an update on staffing, safety measures being utilized related to COVID-19 (screens between drivers and passengers, drivers wearing masks, etc....)

Compliance Manager Report – Compliance Manager Albers reported on Routematch software (RMPay) upgrades that will allow passengers to pay up front and debit from the account when using the system.

Albers also reported on online training programs that will allow drivers who are not engaged in driving to further their training requirements.

Albers reported MnDOT will be applying for a Federal Transit Administration grant program that will provide funding for a pilot program for software that will allow riders to book their ride from one website across all of the transit systems across Minnesota with transfers between them for one fare. Minnesota River Valley Transit has been asked to be part of a pilot program for the software along with VINE and True Transit.

Administration Report – City Administrator Prafke asked St. Peter Finance Director Vogel to report on the audit. Vogel stated the audit should finish in June and while revenues were down, but all costs being reimbursed at 100%.

Prafke noted little had been done to solicit for TAC membership and there were currently two vacancies on the Committee. Prafke also pointed out that the next scheduled meeting would be in July, but if the stay at home order was still in effect, he would suggest rescheduling the meeting to avoid having TAC members use virtual meeting software.

There being no further action, a motion was made by Grams, seconded by Sullivan, to adjourn. With all in favor, the meeting adjourned at 3:18 p.m.

Mark Huntington
Chairperson

ATTEST:

Todd Prafke
Saint Peter City Administrator

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MAY & JUNE, 2020 EXPENSES

Account	Account Name	Description	Vendor Name	Amount	Date
830-41800-100	INTERGOVERNMENTAL WAGES	PAYROLL PE 05-03-2020	CITY OF SAINT PETER	6,171.20	05/08/2020
830-41800-100	INTERGOVERNMENTAL WAGES	PAYROLL PE 05-03-2020	CITY OF SAINT PETER	4,003.20	05/08/2020
830-41800-100	INTERGOVERNMENTAL WAGES	PAYROLL PE 05-03-2020	CITY OF SAINT PETER	2,741.11	05/08/2020
830-41800-100	INTERGOVERNMENTAL WAGES	PAYROLL PE 05-03-2020	CITY OF SAINT PETER	16.97	05/08/2020
830-41800-100	INTERGOVERNMENTAL WAGES	PAYROLL PE 05-03-2020	CITY OF SAINT PETER	233.33	05/08/2020
830-41800-100	INTERGOVERNMENTAL WAGES	PAYROLL PE 05-17-2020	CITY OF SAINT PETER	5,706.39	05/22/2020
830-41800-100	INTERGOVERNMENTAL WAGES	PAYROLL PE 05-17-2020	CITY OF SAINT PETER	4,003.20	05/22/2020
830-41800-100	INTERGOVERNMENTAL WAGES	PAYROLL PE 05-17-2020	CITY OF SAINT PETER	3,461.59	05/22/2020
830-41800-100	INTERGOVERNMENTAL WAGES	PAYROLL PE 05-17-2020	CITY OF SAINT PETER	147.35	05/22/2020
830-41800-100	INTERGOVERNMENTAL WAGES	PAYROLL PE 05-31-2020	CITY OF SAINT PETER	5,259.97	06/05/2020
830-41800-100	INTERGOVERNMENTAL WAGES	PAYROLL PE 05-31-2020	CITY OF SAINT PETER	3,803.04	06/05/2020
830-41800-100	INTERGOVERNMENTAL WAGES	PAYROLL PE 05-31-2020	CITY OF SAINT PETER	3,332.15	06/05/2020
830-41800-100	INTERGOVERNMENTAL WAGES	PAYROLL PE 05-31-2020	CITY OF SAINT PETER	208.18	06/05/2020
830-41800-100	INTERGOVERNMENTAL WAGES	PAYROLL PE 06-14-2020	CITY OF SAINT PETER	5,801.55	06/19/2020
830-41800-100	INTERGOVERNMENTAL WAGES	PAYROLL PE 06-14-2020	CITY OF SAINT PETER	4,003.21	06/19/2020
830-41800-100	INTERGOVERNMENTAL WAGES	PAYROLL PE 06-14-2020	CITY OF SAINT PETER	2,723.60	06/19/2020
830-41800-100	INTERGOVERNMENTAL WAGES	PAYROLL PE 06-14-2020	CITY OF SAINT PETER	163.10	06/19/2020
830-41800-102	INTERGOVERNMENTAL - OVERTIME	PAYROLL PE 05-03-2020	CITY OF SAINT PETER	234.57	05/08/2020
830-41800-102	INTERGOVERNMENTAL - OVERTIME	PAYROLL PE 05-17-2020	CITY OF SAINT PETER	59.10	05/22/2020
830-41800-102	INTERGOVERNMENTAL - OVERTIME	PAYROLL PE 05-17-2020	CITY OF SAINT PETER	25.08	05/22/2020
830-41800-102	INTERGOVERNMENTAL - OVERTIME	PAYROLL PE 05-31-2020	CITY OF SAINT PETER	75.07	06/05/2020
830-41800-102	INTERGOVERNMENTAL - OVERTIME	PAYROLL PE 06-14-2020	CITY OF SAINT PETER	58.49	06/19/2020
830-41800-121	INTERGOVERNMENTAL PERA CONTRIB	PERA	PERA - PUBLIC EMPLOYEES R	841.56	05/13/2020
830-41800-121	INTERGOVERNMENTAL PERA CONTRIB	PERA	PERA - PUBLIC EMPLOYEES R	855.10	05/27/2020
830-41800-121	INTERGOVERNMENTAL PERA CONTRIB	PERA	PERA - PUBLIC EMPLOYEES R	796.55	06/10/2020
830-41800-121	INTERGOVERNMENTAL PERA CONTRIB	PERA	PERA - PUBLIC EMPLOYEES R	806.14	06/24/2020
830-41800-122	INTERGOVERNMENTAL FICA CONTRIB	FICA	INTERNAL REVENUE SERVICE	803.77	05/13/2020
830-41800-122	INTERGOVERNMENTAL FICA CONTRIB	FICA	INTERNAL REVENUE SERVICE	809.00	05/27/2020
830-41800-122	INTERGOVERNMENTAL FICA CONTRIB	FICA	INTERNAL REVENUE SERVICE	759.12	06/10/2020
830-41800-122	INTERGOVERNMENTAL FICA CONTRIB	FICA	INTERNAL REVENUE SERVICE	768.54	06/24/2020
830-41800-126	INTERGOVERNMENTAL MEDICARE CON	medicare withholding	INTERNAL REVENUE SERVICE	188.00	05/13/2020
830-41800-126	INTERGOVERNMENTAL MEDICARE CON	medicare withholding	INTERNAL REVENUE SERVICE	189.20	05/27/2020
830-41800-126	INTERGOVERNMENTAL MEDICARE CON	medicare withholding	INTERNAL REVENUE SERVICE	177.53	06/10/2020
830-41800-126	INTERGOVERNMENTAL MEDICARE CON	medicare withholding	INTERNAL REVENUE SERVICE	179.74	06/24/2020
830-41800-131	INTERGOVERNMENTAL HEALTH INSUR	health insurance premium	BLUE CROSS BLUE SHIELD OF	1,299.75	05/01/2020
830-41800-131	INTERGOVERNMENTAL HEALTH INSUR	health insurance premium	BLUE CROSS BLUE SHIELD OF	1,299.75	05/01/2020
830-41800-131	INTERGOVERNMENTAL HEALTH INSUR	health insurance premium	BLUE CROSS BLUE SHIELD OF	2,079.00	05/01/2020
830-41800-131	INTERGOVERNMENTAL HEALTH INSUR	health insurance premium	BLUE CROSS BLUE SHIELD OF	2,079.00	05/01/2020
830-41800-131	INTERGOVERNMENTAL HEALTH INSUR	health insurance premium	BLUE CROSS BLUE SHIELD OF	56.69	05/01/2020
830-41800-131	INTERGOVERNMENTAL HEALTH INSUR	health insurance premium	BLUE CROSS BLUE SHIELD OF	56.69	05/01/2020
830-41800-131	INTERGOVERNMENTAL HEALTH INSUR	PAYROLL PE 05-17-2020	CITY OF SAINT PETER	60.00	05/22/2020
830-41800-131	INTERGOVERNMENTAL HEALTH INSUR	PAYROLL PE 05-17-2020	CITY OF SAINT PETER	30.00	05/22/2020
830-41800-131	INTERGOVERNMENTAL HEALTH INSUR	monthly admin fee fsa	FURTHER	14.75	05/22/2020
830-41800-131	INTERGOVERNMENTAL HEALTH INSUR	ee assistance prog 20111	EMPLOYEE ASSISTANCE PROGRAM	5.00	05/29/2020
830-41800-131	INTERGOVERNMENTAL HEALTH INSUR	health insurance premium	BLUE CROSS BLUE SHIELD OF	1,299.75	06/01/2020
830-41800-131	INTERGOVERNMENTAL HEALTH INSUR	health insurance premium	BLUE CROSS BLUE SHIELD OF	1,299.75	06/01/2020
830-41800-131	INTERGOVERNMENTAL HEALTH INSUR	health insurance premium	BLUE CROSS BLUE SHIELD OF	2,079.00	06/01/2020
830-41800-131	INTERGOVERNMENTAL HEALTH INSUR	health insurance premium	BLUE CROSS BLUE SHIELD OF	2,079.00	06/01/2020
830-41800-131	INTERGOVERNMENTAL HEALTH INSUR	health insurance premium	BLUE CROSS BLUE SHIELD OF	14.15	06/01/2020
830-41800-131	INTERGOVERNMENTAL HEALTH INSUR	PAYROLL PE 06-14-2020	CITY OF SAINT PETER	60.00	06/19/2020
830-41800-131	INTERGOVERNMENTAL HEALTH INSUR	PAYROLL PE 06-14-2020	CITY OF SAINT PETER	30.00	06/19/2020
830-41800-131	INTERGOVERNMENTAL HEALTH INSUR	ee assistance prog 20111	EMPLOYEE ASSISTANCE PROGRAM	5.00	06/25/2020
830-41800-132	INTERGOVERNMENTAL DENTAL INSUR	Self Insurance	SIMPLE DENTAL BENEFITS	401.56	05/08/2020
830-41800-132	INTERGOVERNMENTAL DENTAL INSUR	Self Insurance	SIMPLE DENTAL BENEFITS	400.44	06/05/2020
830-41800-133	INTERGOVERNMENTAL LIFE INSURANCE	LIFE INSURANCE PREMIUM	SUN LIFE FINANCIAL	8.15	05/13/2020
830-41800-133	INTERGOVERNMENTAL LIFE INSURANCE	LIFE INSURANCE PREMIUM	SUN LIFE FINANCIAL	8.15	06/10/2020
830-41800-142	INTERGOVERNMENTAL UNEMPLOYMENT	1st qtr 2020 unemploymen	MN DEPT OF EMPLOYMENT & ECC	3,339.61	05/02/2020
830-41800-151	INTERGOVERNMENTAL WORKERS COMP	3rd qtr work comp. 2020	LEAGUE OF MN CITIES INSURANCE	3,224.34	06/22/2020
830-41800-200	INTERGOVERNMENTAL OFFICE SUPPLIES	cleaner	VISA	6.44	06/08/2020
830-41800-200	INTERGOVERNMENTAL OFFICE SUPPLIES	annual fee	VISA	15.00	06/08/2020
830-41800-200	INTERGOVERNMENTAL OFFICE SUPPLIES	annual fee	VISA	15.00	06/08/2020
830-41800-200	INTERGOVERNMENTAL OFFICE SUPPLIES	phone headset	COMPUTER TECHNOLOGY SOLUTI	260.00	06/08/2020
830-41800-200	INTERGOVERNMENTAL OFFICE SUPPLIES	cough shield	ST PETER LUMBER CO	114.99	06/22/2020
830-41800-200	INTERGOVERNMENTAL OFFICE SUPPLIES	cable tie, screws, power	ARROW ACE HARDWARE INC	16.58	06/22/2020
830-41800-211	INTERGOVERNMENTAL MOTOR FUELS	april fuel	HOLIDAY COMMERCIAL	282.81	05/26/2020

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MAY & JUNE, 2020 EXPENSES

830-41800-211	INTERGOVERNMENTAL MOTOR FUELS	april fuel	KWIK TRIP INC	1,071.29	05/26/2020
830-41800-211	INTERGOVERNMENTAL MOTOR FUELS	ST OF MN:TRANSIT FUEL REFUND / ST OF MN		(240.26)	05/27/2020
830-41800-211	INTERGOVERNMENTAL MOTOR FUELS	fuel	HOLIDAY COMMERCIAL	291.19	06/08/2020
830-41800-211	INTERGOVERNMENTAL MOTOR FUELS	may fuel	KWIK TRIP INC	1,142.78	06/22/2020
830-41800-211	INTERGOVERNMENTAL MOTOR FUELS	MN DEPT OF REV:MAY FUEL REFUND / ST OF MN		(246.53)	06/22/2020
830-41800-300	INTERGOVERNMENTAL PROFESSIONAL SER	deductible	LEAGUE OF MN CITIES INSURANCE	1,000.00	05/11/2020
830-41800-300	INTERGOVERNMENTAL PROFESSIONAL SER	MRVT ST PETER ACCTG FEE	CITY OF SAINT PETER	500.00	05/31/2020
830-41800-300	INTERGOVERNMENTAL PROFESSIONAL SER	MAYO CLINIC OVER PAYMENT	MAYO CLINIC	(193.00)	06/10/2020
830-41800-300	INTERGOVERNMENTAL PROFESSIONAL SER	lab testing	RIVER'S EDGE HOSPITAL & CLINIC	29.00	06/22/2020
830-41800-300	INTERGOVERNMENTAL PROFESSIONAL SER	4 uniform shirts	RAMBOW	188.43	06/22/2020
830-41800-300	INTERGOVERNMENTAL PROFESSIONAL SER	MRVT ST PETER ACCTG FEE	CITY OF SAINT PETER	500.00	06/30/2020
830-41800-321	INTERGOVERNMENTAL TELEPHONE	PAYROLL PE 05-03-2020	CITY OF SAINT PETER	93.00	05/08/2020
830-41800-321	INTERGOVERNMENTAL TELEPHONE	PAYROLL PE 05-31-2020	CITY OF SAINT PETER	93.00	06/05/2020
830-41800-340	INTERGOVERNMENTAL ADVERTISING	ad for bus drivers	ST PETER HERALD	221.80	06/22/2020
830-41800-380	INTERGOVERNMENTAL UTILITIES	cell phone & data	VERIZON WIRELESS	113.00	05/11/2020
830-41800-380	INTERGOVERNMENTAL UTILITIES	internet	MEDIACOM	164.62	05/26/2020
830-41800-380	INTERGOVERNMENTAL UTILITIES	fiberoptic data	JAGUAR COMMUNICATIONS	110.00	05/26/2020
830-41800-380	INTERGOVERNMENTAL UTILITIES	may data & cell bill	VERIZON WIRELESS	113.00	06/22/2020
830-41800-380	INTERGOVERNMENTAL UTILITIES	monthly internet bill	JAGUAR COMMUNICATIONS	110.00	06/22/2020
830-41800-404	INTERGOVERNMENTAL EQUIP-REP&MA	front end alignments	POMP'S TIRE SERVICE INC	368.09	05/26/2020
830-41800-404	INTERGOVERNMENTAL EQUIP-REP&MA	brooms	ARROW ACE HARDWARE INC	29.16	05/26/2020
830-41800-404	INTERGOVERNMENTAL EQUIP-REP&MA	MAY MECHANIC WORK ORDERS	CITY OF SAINT PETER	257.82	05/31/2020
830-41800-404	INTERGOVERNMENTAL EQUIP-REP&MA	MAY MECHANIC WORK ORDERS	CITY OF SAINT PETER	985.80	05/31/2020
830-41800-404	INTERGOVERNMENTAL EQUIP-REP&MA	cleaning towels	NAPA AUTO PARTS OF ST PETER	19.74	06/22/2020
830-41800-412	INTERGOVERNMENTAL BUILDING REN	april & may rental	CITY OF LESUEUR	272.54	05/26/2020
830-41800-412	INTERGOVERNMENTAL BUILDING REN	MRVT LEASE ST PETER CITY HALL	CITY OF SAINT PETER	85.85	05/31/2020
830-41800-412	INTERGOVERNMENTAL BUILDING REN	june rent for mrvt	CITY OF LESUEUR	136.27	06/08/2020
830-41800-412	INTERGOVERNMENTAL BUILDING REN	MRVT LEASE ST PETER CITY HALL	CITY OF SAINT PETER	85.85	06/30/2020
830-41800-415	INTERGOVERNMENTAL EQUIPMENT RE	april & may rental	CITY OF LESUEUR	3,154.60	05/26/2020
830-41800-415	INTERGOVERNMENTAL EQUIPMENT RE	MRVT LEASE ST PETER CITY HALL	CITY OF SAINT PETER	1,106.66	05/31/2020
830-41800-415	INTERGOVERNMENTAL EQUIPMENT RE	june rent for mrvt	CITY OF LESUEUR	1,577.30	06/08/2020
830-41800-415	INTERGOVERNMENTAL EQUIPMENT RE	MRVT LEASE ST PETER CITY HALL	CITY OF SAINT PETER	1,106.66	06/30/2020
				95,593.71	

SUMMARY

830-41800-100	INTERGOVERNMENTAL WAGES	51,779.14
830-41800-102	INTERGOVERNMENTAL - OVERTIM	452.31
830-41800-121	INTERGOVERNMENTAL PERA CON	3,299.35
830-41800-122	INTERGOVERNMENTAL FICA CONT	3,140.43
830-41800-126	INTERGOVERNMENTAL MEDICARE	734.47
830-41800-131	INTERGOVERNMENTAL HEALTH IN	13,847.28
830-41800-132	INTERGOVERNMENTAL DENTAL IN	802.00
830-41800-133	INTERGOVERNMENTAL LIFE INSUF	16.30
830-41800-142	INTERGOVERNMENTAL WORKERS	3,339.61
830-41800-151	INTERGOVERNMENTAL WORKERS	3,224.34
830-41800-200	INTERGOVERNMENTAL OFFICE SU	428.01
830-41800-211	INTERGOVERNMENTAL MOTOR FU	2,301.28
830-41800-300	INTERGOVERNMENTAL PROFESSIC	2,024.43
830-41800-321	INTERGOVERNMENTAL TELEPHON	186.00
830-41800-340	INTERGOVERNMENTAL ADVERTISI	221.80
830-41800-380	INTERGOVERNMENTAL UTILITIES	610.62
830-41800-404	INTERGOVERNMENTAL EQUIP-REF	1,660.61
830-41800-412	INTERGOVERNMENTAL BUILDING	580.51
830-41800-415	INTERGOVERNMENTAL EQUIPME	6,945.22
Grand Total		95,593.71

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APR., 2020 EXPENSES #2

Account	Account Name	Description	Vendor Name	Amount	Date
830-41800-131	INTERGOVERNMENTAL HEALTH INSUR	monthly admin fee fsa	FURTHER	14.75	04/27/2020
830-41800-300	INTERGOVERNMENTAL PROFESSIONAL SERVICE	MRVT ST PETER ACCTG FEE	CITY OF SAINT PETER	500.00	04/30/2020
830-41800-404	INTERGOVERNMENTAL EQUIP-REP&MA	APRIL MECHANIC WORK ORDE	CITY OF SAINT PETER	169.37	04/30/2020
830-41800-404	INTERGOVERNMENTAL EQUIP-REP&MA	APRIL MECHANIC WORK ORDE	CITY OF SAINT PETER	1,527.53	04/30/2020
830-41800-412	INTERGOVERNMENTAL BUILDING REN	MRVT LEASE ST PETER CITY HA	CITY OF SAINT PETER	85.85	04/30/2020
830-41800-415	INTERGOVERNMENTAL EQUIPMENT RE	MRVT LEASE ST PETER CITY HA	CITY OF SAINT PETER	1,106.66	04/30/2020
			TOTAL	3,404.16	

SUMMARY

830-41800-131	INTERGOVERNMENTAL HEALTH INSUR	14.75
830-41800-300	INTERGOVERNMENTAL PROFESSIONAL :	500.00
830-41800-404	INTERGOVERNMENTAL EQUIP-REP&MA	1,696.90
830-41800-412	INTERGOVERNMENTAL BUILDING REN	85.85
830-41800-415	INTERGOVERNMENTAL EQUIPMENT RE	1,106.66

Grand Total 3,404.16



TO: Chairperson Huntington
Members of the MRVT Board

DATE: 7/9/2020

FROM: Todd Prafke
City Administrator

RE: 2019 Audit Presentation and Acceptance

ACTION/RECOMMENDATION

Accept the 2019 audit as prepared and presented by Minnesota River Valley Transit's auditing firm of Malloy, Montague, Karnowski, Radosevich & Co., P.A. (MMKR) .

BACKGROUND

Board members have been provided with a copy of the 2019 audit as prepared by Jim Eichten of, Malloy, Montague, Karnowski, Radosevich & Co., P.A. (MMKR). Mr. Eichten will be attending the Minnesota River Valley Transit meeting (virtually) to present and discuss your financial position. The Auditor has given an unmodified (clean) opinion on the 2019 Financial Statements and will be bringing the final report to the meeting.

Following the presentation it is appropriate for the Board to formally accept the audit for 2019.

FISCAL IMPACT:

There is no fiscal impact to acceptance of the audit.

ALTERNATIVES AND VARIATIONS

Do not act – It is our opinion that an audit is required under State law. MRVT is a Joint Powers entity and therefore falls under the requirements for local units of government. Timing is important but a delay for clarification is certainly available to the Board.

Negative vote. No further action will be taken without additional direction from the Board.
Modification of the Resolution - This is always an option of the Board

Please feel free to contact me if you have any questions or concerns on this agenda item.

TP/bal



PRINCIPALS

Thomas A. Karnowski, CPA
Paul A. Radosevich, CPA
William J. Lauer, CPA
James H. Eichten, CPA
Aaron J. Nielsen, CPA
Victoria L. Holinka, CPA/CMA
Jaclyn M. Huegel, CPA
Kalen T. Karnowski, CPA

June 24, 2020

To the Joint Powers Board and Management
Minnesota River Valley Transit
Saint Peter, Minnesota

The following is a summary of our audit work, key conclusions, and other information that we consider important or that is required to be communicated to the Joint Powers Board, administration, or those charged with governance of the Minnesota River Valley Transit (the Transit).

OUR RESPONSIBILITY UNDER AUDITING STANDARDS GENERALLY ACCEPTED IN THE UNITED STATES OF AMERICA AND *GOVERNMENT AUDITING STANDARDS*

We have audited the financial statements of the governmental activities and the major fund of the Transit as of and for the year ended December 31, 2019. Professional standards require that we provide you with information about our responsibilities under auditing standards generally accepted in the United States of America and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information to you verbally and in our audit engagement letter. Professional standards also require that we communicate the following information related to our audit.

PLANNED SCOPE AND TIMING OF THE AUDIT

We performed the audit according to the planned scope and timing previously discussed and coordinated in order to obtain sufficient audit evidence and complete an effective audit.

AUDIT OPINION AND FINDINGS

Based on our audit of the Transit's financial statements for the year ended December 31, 2019:

- We have issued an unmodified opinion on the Transit's financial statements. The Joint Powers Board has elected not to present management's discussion and analysis, which accounting principles generally accepted in the United States of America have determined necessary to supplement, although not
- financial reporting that we considered to be a significant deficiency:
- required to be a part of, the basic financial statements. Our opinion on the Transit's basic financial statements is not affected by this missing information.

We reported one deficiency in the Transit's internal control over

1. We reported that due to the small number of office staff, the Transit has limited segregation of duties in several areas, which we consider a significant deficiency in internal controls.
- The results of our testing disclosed no instances of noncompliance required to be reported under *Government Auditing Standards*.
 - We reported no findings based on our testing of the Transit's compliance with Minnesota laws and regulations.

OTHER OBSERVATIONS AND RECOMMENDATIONS

Impact of Novel Coronavirus (COVID-19)

Shortly after the end of the 2019 fiscal year, the onset of the novel coronavirus (COVID-19) pandemic caused substantial volatility in economic conditions and tremendous disruption in the way governments, businesses, and individuals function. Minnesota government entities may experience the impact of this pandemic in a myriad of financial areas, such as: declines in investment rates of return, cash flow issues, significant increases in the number and frequency of employees working remotely, challenges in processing general and payroll disbursements, disruption of prescribed internal control procedures, delays in internal and external financial reporting, and new compliance requirements attached to potential federal relief subsidies. As your entity adapts to the new normal of municipal operations in a post-COVID-19 world, the assessment of and responses to new risks that may accompany operational changes will be critical to the safeguarding of entity's resources and sound financial stewardship. We encourage management and governance to include a robust financial risk assessment process when planning responses to these challenges, and to reassess and adapt internal controls over financial transactions and reporting to align with significant changes made to daily operations, even those intended to be temporary.

SIGNIFICANT ACCOUNTING POLICIES

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Transit are described in Note 1 of the notes to basic financial statements. No new accounting policies were adopted, and the application of existing policies was not changed during the year.

We noted no transactions entered into by the Transit during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

ACCOUNTING ESTIMATES AND MANAGEMENT JUDGMENTS

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most significant estimate affecting the financial statements was:

Depreciation – The Transit is currently depreciating its capital assets over their estimated useful lives, as determine by management, using the straight-line method.

We evaluated the key factors and assumptions used to develop these accounting estimates in determining that they are reasonable in relation to the basic financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

CORRECTED AND UNCORRECTED MISSTATEMENTS

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. There were no misstatements detected as a result of audit procedures that were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

DIFFICULTIES ENCOUNTERED IN PERFORMING THE AUDIT

We encountered no significant difficulties in dealing with management in performing and completing our audit.

DISAGREEMENTS WITH MANAGEMENT

For purposes of this report, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

MANAGEMENT REPRESENTATIONS

We have requested certain representations from management that are included in the management representation letter dated June 24, 2020.

MANAGEMENT CONSULTATIONS WITH OTHER INDEPENDENT ACCOUNTANTS

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Transit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no consultations with other accountants.

OTHER AUDIT FINDINGS OR ISSUES

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Transit's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

OTHER MATTERS

We were not engaged to report on the introductory section, which accompanies the financial statements, but is not required supplementary information. Such information 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.

CLOSING

We would be pleased to further discuss any of the information contained in this report or any other concerns that you would like us to address. We would also like to express our thanks for the courtesy and assistance extended to us during the course of our audit.

The purpose of this report is solely to provide those charged with governance of the Transit, management, and those who have responsibility for oversight of the financial reporting process required communications related to our audit process. Accordingly, this report is not suitable for any other purpose.

Malloy, Montague, Karnowski, Radosevich & Co., P.A.

Minneapolis, Minnesota
June 24, 2020

MINNESOTA RIVER VALLEY TRANSIT

Financial Statements and
Supplemental Information

Year Ended
December 31, 2019

MINNESOTA RIVER VALLEY TRANSIT

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INTRODUCTORY SECTION

MINNESOTA RIVER VALLEY TRANSIT

**Joint Powers Board and Management
as of December 31, 2019**

JOINT POWERS BOARD

<u>Board Member</u>	<u>Position</u>	<u>Governmental Unit</u>
Mark Huntington	Chairman	City of Le Sueur
Stephen Grams	Board Member	City of Saint Peter
Marvin Sullivan	Board Member	City of Le Sueur
Chuck Ziemann	Board Member	City of Saint Peter

MANAGEMENT

Sally Rheume-Vogel	Director of Finance	City of Saint Peter
Jasper Kruggel	City Administrator	City of Le Sueur
Todd Prafke	City Administrator	City of Saint Peter
Wayne Albers	Compliance Manager	Minnesota River Valley Transit
Sandi Owens	Operations Manager	Minnesota River Valley Transit

FINANCIAL SECTION



PRINCIPALS

Thomas A. Karnowski, CPA
Paul A. Radosevich, CPA
William J. Lauer, CPA
James H. Eichten, CPA
Aaron J. Nielsen, CPA
Victoria L. Holinka, CPA/CMA
Jaclyn M. Huegel, CPA
Kalen T. Karnowski, CPA

INDEPENDENT AUDITOR'S REPORT

To the Joint Powers Board and Management
Minnesota River Valley Transit
Saint Peter, Minnesota

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of the governmental activities and the major fund of the Minnesota River Valley Transit (the Transit) as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the Transit'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 Transit'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 Transit'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.

(continued)

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Malloy, Montague, Karnowski, Radosevich & Co., P.A.

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OPINIONS

In our opinion, the financial statements referred to on the previous page present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of the Transit as of December 31, 2019, the respective changes in financial position thereof, and the budgetary comparison for the General Fund for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

OTHER MATTERS

Required Supplementary Information

Management has omitted the management’s discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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. Our opinion on the basic financial statements is not affected by this missing information.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Transit’s basic financial statements. The introductory section, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. 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.

OTHER REPORTING REQUIRED BY GOVERNMENT AUDITING STANDARDS

In accordance with *Government Auditing Standards*, we have also issued our report dated June 24, 2020 on our consideration of the Transit’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, 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 Transit’s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Transit’s internal control over financial reporting and compliance.

Malloy, Montague, Karnowski, Radosevich & Co., P. A.

Minneapolis, Minnesota
June 24, 2020

BASIC FINANCIAL STATEMENTS

MINNESOTA RIVER VALLEY TRANSIT

**Statement of Net Position
as of December 31, 2019**

	<u>Governmental Activities</u>
Assets	
Cash and investments	\$ 102,686
Receivables (net of allowance)	
Accounts	24,807
Due from other governmental units	75,899
Inventory	3,081
Capital assets	
Vehicles and equipment	516,685
Less accumulated depreciation	<u>(213,506)</u>
Total capital assets, net of depreciation	<u>303,179</u>
Total assets	<u>\$ 509,652</u>
Liabilities	
Accounts and contracts payable	\$ 10,968
Salaries and withholdings payable	19,470
Due to other governmental units	84,647
Compensated absences	
Due within one year	15,901
Due in more than one year	<u>18,491</u>
Total long-term liabilities	<u>34,392</u>
Total liabilities	149,477
Net position	
Net investment in capital assets	303,179
Unrestricted	<u>56,996</u>
Total net position	<u>360,175</u>
Total liabilities and net position	<u>\$ 509,652</u>

MINNESOTA RIVER VALLEY TRANSIT

Statement of Activities
Year Ended December 31, 2019

Functions/Programs	Expenses	Program Revenues			Net (Expense)
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Changes in Net Position
					Total Governmental Activities
Governmental activities Transit	\$ 969,721	\$ 177,623	\$ 542,415	\$ 63,430	\$ (186,253)
		General revenues			
		Miscellaneous			956
		Investment earnings			917
		Gain on sale of assets			3,915
		Total general revenues			5,788
		Change in net position			(180,465)
		Net position – beginning			540,640
		Net position – ending			\$ 360,175

MINNESOTA RIVER VALLEY TRANSIT

Balance Sheet
Governmental Funds
as of December 31, 2019

	<u>General Fund</u>
Assets	
Cash and investments	\$ 102,686
Receivables	
Accounts	24,807
Due from other governmental units	75,899
Inventory	<u>3,081</u>
Total assets	<u><u>\$ 206,473</u></u>
Liabilities	
Accounts and contracts payable	\$ 10,968
Salaries and withholdings payable	19,470
Due to other governmental units	<u>84,647</u>
Total liabilities	115,085
Fund balances	
Nonspendable	3,081
Unassigned	<u>88,307</u>
Total fund balances	<u><u>91,388</u></u>
Total liabilities and fund balances	<u><u>\$ 206,473</u></u>

MINNESOTA RIVER VALLEY TRANSIT

Reconciliation of the Balance Sheet to the
Statement of Net Position
Governmental Funds
as of December 31, 2019

Total fund balances – governmental funds	\$	91,388
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported as assets in governmental funds.		
Cost of capital assets		516,685
Less accumulated depreciation		(213,506)
Long-term liabilities are included in net position, but are excluded from fund balances until due and payable.		
Compensated absences payable		<u>(34,392)</u>
Total net position – governmental activities	\$	<u>360,175</u>

MINNESOTA RIVER VALLEY TRANSIT

Statement of Revenue, Expenditures, and Changes in Fund Balances
Governmental Funds
Year Ended December 31, 2019

	<u>General Fund</u>
Revenue	
Intergovernmental	\$ 820,781
Charges for services	177,623
Investment earnings	917
Other	956
Total revenue	<u>1,000,277</u>
Expenditures	
Personnel	644,178
Administrative	64,213
Vehicle	
Operations	119,218
Insurance	20,680
Capital outlay	
Vehicles	<u>79,288</u>
Total expenditures	<u>927,577</u>
Excess of revenue over expenditures	72,700
Other financing sources	
Sale of assets	<u>3,915</u>
Net change in fund balances	76,615
Fund balances	
Beginning of year	<u>14,773</u>
End of year	<u>\$ 91,388</u>

MINNESOTA RIVER VALLEY TRANSIT

Reconciliation of the Statement of
Revenues, Expenditures, and Changes in Fund Balances
to the Statement of Activities
Governmental Funds
Year Ended December 31, 2019

Total net change in fund balances – governmental funds \$ 76,615

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

Capital outlays are reported in governmental funds as expenditures; however, in the Statement of Activities, the cost of those assets is allocated over the estimated useful lives as depreciation expense.

Capital outlay	79,288
Depreciation expense	(87,040)

Deferred receivables are not available to pay for current expenditures and, therefore, are deferred in the funds.

Deferred grants receivable	(214,936)
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Certain expenses are included in the change in net position, but do not require the use of current financial resources, and are not reported as expenditures in governmental funds, until actually due.

Compensated absences	<u>(34,392)</u>
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Change in net position – governmental activities	<u><u>\$ (180,465)</u></u>
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MINNESOTA RIVER VALLEY TRANSIT

Statement of Revenue, Expenditures, and Changes in Fund Balances
 Budget and Actual
 General Fund
 Year Ended December 31, 2019

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Over (Under) Final Budget</u>
Revenue			
Intergovernmental	\$ -	\$ 820,781	\$ 820,781
Charges for services	156,000	177,623	21,623
Investment earnings	-	917	917
Other	-	956	956
Total revenue	<u>156,000</u>	<u>1,000,277</u>	<u>844,277</u>
Expenditures			
Personnel	622,520	644,178	21,658
Administrative	47,366	64,213	16,847
Vehicle			
Operations	128,008	119,218	(8,790)
Insurance	25,000	20,680	(4,320)
Capital outlay			
Vehicles	-	79,288	79,288
Total expenditures	<u>822,894</u>	<u>927,577</u>	<u>104,683</u>
Excess (deficiency) of revenues over expenditures	(666,894)	72,700	739,594
Other financing sources			
Sale of capital assets	-	3,915	3,915
Net change in fund balances	<u>\$ (666,894)</u>	<u>76,615</u>	<u>\$ 743,509</u>
Fund balances			
Beginning of year		<u>14,773</u>	
End of year		<u>\$ 91,388</u>	

MINNESOTA RIVER VALLEY TRANSIT

Notes to Basic Financial Statements
December 31, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Organization

Minnesota River Valley Transit (the Transit) was established in 2017 through a joint powers agreement, combining the public transit operations of the City of Saint Peter and the City of Le Sueur. The Transit is governed by four boardmembers who are appointed by the member entities. The Joint Powers Board consists of two member representatives from the City Council of each city. The joint powers agreement shall continue in force until a party gives the other contracting parties 12 months' written notice of its termination, delivered to the city administrator of each city. The termination will be effective on January 1st of the next calendar year.

The purpose of the Transit is to provide a coordinated service delivery and funding source for public transportation throughout the City of Le Sueur and the City of Saint Peter.

For financial reporting purposes, the Transit's financial statements are not included within the member cities' financial statements because the Transit is not a component unit of the cities. In addition, the Transit has no component units.

B. Reporting Entity

A joint venture is a legal entity resulting from a contractual agreement that is owned, operated, or governed by two or more participants as a separate and specific activity subject to joint control, in which the participants retain either an ongoing financial interest or an ongoing financial responsibility. The Transit, as described above, is considered a joint venture of the member cities.

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 when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

C. Government-Wide Financial Statements

The government-wide financial statements (Statement of Net Position and Statement of Activities) display information about the reporting government as a whole. These statements include all of the financial activities of the Transit. The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment; 2) operating grants and contributions; and 3) capital grants and contributions. Any taxes and other internally directed revenues are reported as general revenues.

The operating grants and contributions include operating specific and discretionary grants, while the capital grants and contributions include capital specific grants and contributions.

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 when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue when all eligibility requirements imposed by the provider have been met.

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net position represents the difference between assets and liabilities in the government-wide financial statements. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any long-term debt used to build or acquire the capital assets. Net position is reported as restricted in the government-wide financial statements when there are limitations on use through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

D. Fund Financial Statement Presentation

The accounts of the Transit are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenue, and expenditures. The resources of the Transit are accounted for in one fund:

General Fund – The General Fund is the primary operating account of the Transit and is used to account for all financial resources except those required to be accounted for in another fund.

Separate fund financial statements are provided for governmental funds, with major individual governmental funds reported in separate columns. Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities generally are included on the Balance Sheet. Operating statements of this fund present increases (revenue and other financing sources) and decreases (expenditures and other financing uses) in fund balances. Under this basis of accounting, transactions are recorded in the following manner:

- 1. Revenue Recognition** – Revenue is recognized when it becomes measurable and available. “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the Transit considers revenues to be available if collected within 60 days after year-end. Grants and similar items are recognized as revenue when all eligibility requirements imposed by the provider have been met. Grant advances received for which not all eligibility requirements have been met are reported as unearned revenue at year-end. All significant revenue sources are considered susceptible to accrual.
- 2. Recording of Expenditures** – Expenditures are generally recorded when a liability is incurred. Capital asset acquisitions are reported as capital outlay expenditures in the governmental funds. Compensated absences are recorded only when due.

E. Budget

The Transit’s Joint Powers Board adopts an annual budget for the General Fund on the modified accrual basis of accounting. Budgetary control is at the fund level. All appropriations lapse at year-end.

The Joint Powers Board prepares an annual budget presented to each member unit of government for review and comment no later than July 31 of each year. The Joint Powers Board considers any such comments received by a member unit of government in good faith; however, the Joint Powers Board shall have exclusive and final decision-making authority with respect to its budget. The budget is effective January 1 of each year and is adopted on a basis consistent with accounting principles generally accepted in the United States of America. Expenditures exceeded budgeted amounts in the General Fund by \$104,683 during the year.

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenue and expenditures/expense during the reporting period. Actual results could differ from those estimates.

G. Cash and Investments

The Transit categorizes its fair value measurements within the fair value hierarchy established by accounting principles generally accepted in the United States of America. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. Debt securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

H. Receivables

The Transit utilizes an allowance for uncollectible accounts to value its receivables; however, it considers all of its current receivables to be collectible.

I. Inventories

Inventories are stated at cost for supplies and at the lower cost or acquisition value for inventory held for resale, cost being determined by the first-in, first-out method.

J. Compensated Absences

It is the Transit's policy to permit employees to accumulate earned, but unused, vacation and sick pay benefits. In the government-wide financial statements, sick leave is expensed as used or when it becomes likely it will be paid as termination pay and vacation is expensed when incurred. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. Compensated absences are paid by the General Fund.

Paid vacation and sick leave are granted to all permanent, full-time employees of the Transit. Vacation benefits vary with the length of service of the employee. Sick leave can be accumulated up to 130 working days.

An employee of the Transit with more than six months of service who leaves the Transit in good standing, is paid for all unused and accrued vacation time. An employee who leaves the Transit may also receive pay for a percentage of accumulated sick days, up to 60 percent.

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. Net Position

In the government-wide financial statements, net position represents the difference between assets and liabilities, and is displayed in the following components:

- **Net Investment in Capital Assets** – Consists of capital assets, net of accumulated depreciation, reduced by any outstanding debt attributable to acquire capital assets.
- **Restricted Net Position** – Consists of net position restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.
- **Unrestricted Net Position** – All other net position that do not meet the definition of “restricted” or “net investment in capital assets.”

The Transit applies restricted resources first when an expense is incurred for which both restricted and unrestricted resources are available.

L. Fund Balance Classifications

In the fund financial statements, governmental funds report fund balance in classifications that disclose constraints for which amounts in those funds can be spent. These classifications are as follows:

- **Nonspendable** – Consists of amounts that are not in spendable form, such as prepaid items, inventory, and other long-term assets.
- **Restricted** – Consists of amounts related to externally imposed constraints established by creditors, grantors, or contributors; or constraints imposed by state statutory provisions.
- **Committed** – Consists of internally imposed constraints that are established by resolution of the Joint Powers Board. Those committed amounts cannot be used for any other purpose unless the Joint Powers Board removes or changes the specified use by taking the same type of action it employed to previously commit those amounts.
- **Assigned** – Consists of internally imposed constraints consisting of amounts intended to be used by the Transit for specific purposes that do not meet the criteria to be classified as restricted or committed. In governmental funds, assigned amounts represent intended uses established by the governing body itself or by an official to which the governing body delegates the authority.
- **Unassigned** – The residual classification for the General Fund.

When both restricted and unrestricted resources are available for use, it is the Transit’s policy to first use restricted resources, and then use unrestricted resources as they are needed. When committed, assigned, or unassigned resources are available for use, it is the Transit’s policy to use resources in the following order: 1) committed, 2) assigned, and 3) unassigned.

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Risk Management

The Transit is exposed to various risks of loss related to torts: theft of, damage to, and destruction of assets; error and omissions; and natural disasters. The Transit participates in the League of Minnesota Cities Insurance Trust (LMCIT), a public entity risk pool for its general property, casualty, and other miscellaneous insurance coverages. The LMCIT operates as a common risk management and insurance program for a large number of cities in Minnesota. The Transit pays an annual premium to the LMCIT for insurance coverage. The LMCIT agreement provides that the trust will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of certain limits for each insured event. The Transit also carries commercial insurance for certain other risks of loss, including employee health insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. There were no significant reductions in insurance coverage during 2019.

NOTE 2 – CASH AND INVESTMENTS

Cash balances of the Transit's funds are combined (pooled) and held by the City of Saint Peter on behalf of the Transit, and are invested to the extent available in various investments authorized by Minnesota Statutes. None of these amounts represent deposits with financial institutions. As such, the Transit does not have a formal deposit or investment policy.

NOTE 3 – CAPITAL ASSETS

Capital assets, which include property, plant, and equipment, are reported in the government-wide financial statements. Such assets are recorded at historical cost. The costs of normal maintenance and repairs that do not add to the value of the asset are not capitalized. Donated capital assets are recorded at estimated acquisition value at the date of donation.

Capital asset amounts reported for governmental activities in the Statement of Net position are different than the balances in the governmental funds Balance Sheet because capital assets used in governmental activities are not financial resources and, therefore, are not reported in the General Fund. The General Fund reports capital outlay as expenditures. In the governmental activities Statement of Activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense.

For financial statement purposes only, a capitalization threshold is established for each capital asset category as follows:

Land and land improvements	\$	25,000
Other improvements	\$	50,000
Buildings	\$	50,000
Building improvements	\$	50,000
Machinery and equipment	\$	5,000
Vehicles	\$	5,000
Infrastructure	\$	100,000
Other assets	\$	5,000

NOTE 3 – CAPITAL ASSETS (CONTINUED)

Property, plant, and equipment are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Land improvements	15–20
Buildings and improvements	10–40
System improvements/infrastructure	15–50
Machinery and equipment	5–15
Vehicles	5–15
Other assets	5–15

Capital asset activity for the year ended December 31, 2019 was as follows:

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NOTE 4 – RELATED PARTIES

The Transit utilizes personnel assigned to the Transit by certain members of its member agencies. Under the terms of the joint powers agreement established by the Transit, the Joint Powers Board may enter into interagency agreements or otherwise provide for the establishment, funding, coordination, administration, financial reporting, human resource management, and operation of public transportation services. The value of the contributed services not reimbursed to the member agencies has not been recognized in the Statement of Revenues, Expenditures, and Changes in Fund Balances or the Statement of Activities.

NOTE 5 – COMMITMENTS

On December 15, 2016, the Transit (lessee) signed a lease for use of the transit joint services building with the City of Le Sueur (lessor). The term of this lease commenced on January 1, 2017, and will terminate when indicated by either party providing a 120-day notice.

The lessee shall pay to the lessor, as rent under this lease agreement, the sum of \$20,563 per year to be paid in equal monthly installments commencing January 1, 2017, in the amount of \$1,714, with succeeding installments in like amounts to be due monthly thereafter during the term of this lease. Any installment of rent accruing under the provisions of this lease that shall not be paid when due, shall require the lessee, at lessor's option, to pay in addition to such rent, a late payment penalty of 5 percent of such rental payment. During 2019, the Transit paid \$20,563 relating to this lease agreement.

NOTE 5 – COMMITMENTS (CONTINUED)

On November 9, 2016, the Transit (lessee) signed a lease for use of the City Hall building with the City of Saint Peter (lessor). The terms of this lease commenced on January 1, 2017, and will terminate when indicated by either party providing a 120-day notice.

The lessee shall pay to the lessor, as rent under this lease agreement, the sum of \$14,310 per year to be paid in equal monthly installments commencing January 1, 2017, in the amount of \$1,193, with succeeding installments in like amounts to be due monthly thereafter during the term of this lease. Any installment of rent accruing under the provisions of this lease that shall not be paid when due, shall require the lessee, at the lessor's option, to pay in addition to such rent, a late payment penalty of 5 percent of such rental payment. During 2019, the Transit paid \$14,310 relating to this lease agreement.

NOTE 6 – SUBSEQUENT EVENT

Shortly after the fiscal year-end, the spread of the novel coronavirus (COVID-19) around the world has caused significant volatility in the U.S. economy and financial markets. There is significant uncertainty around the breadth and duration of business disruptions related to COVID-19, as well as its impact on the U.S. and international economies. At this time, the Transit is unable to determine what effect this may have on its future financial condition and operations.

OTHER REQUIRED REPORTS

PRINCIPALS

Thomas A. Karnowski, CPA
Paul A. Radosevich, CPA
William J. Lauer, CPA
James H. Eichten, CPA
Aaron J. Nielsen, CPA
Victoria L. Holinka, CPA/CMA
Jaclyn M. Huegel, CPA
Kalen T. Karnowski, CPA

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

To the Joint Powers Board and Management
Minnesota River Valley Transit
Saint Peter, Minnesota

We have audited, 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, the financial statements of the governmental activities and the major fund of the Minnesota River Valley Transit (the Transit) as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the Transit's basic financial statements, and have issued our report thereon dated June 24, 2020.

INTERNAL CONTROL OVER FINANCIAL REPORTING

In planning and performing our audit of the financial statements, we considered the Transit's internal control over financial reporting (internal control) to determine the 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 Transit's internal control. Accordingly, we do not express an opinion on the effectiveness of the Transit's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified a deficiency in internal controls that we consider to be a significant deficiency.

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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Transit's financial statements will not be prevented, or detected and corrected, on a timely basis. We did not identify any deficiencies in internal control that we consider to be material weaknesses.

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. We consider the deficiency in internal control described in the accompanying Schedule of Findings as finding 2019-001, to be a significant deficiency.

(continued)

COMPLIANCE AND OTHER MATTERS

As part of obtaining reasonable assurance about whether the Transit'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 determination of financial statement amounts. 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*.

RESPONSE TO THE FINDING

The Transit's response to the finding identified in our audit is described in the accompanying Schedule of Findings. The Transit's response was not subjected to the auditing procedures applied in the audit of the financial statements and accordingly, we express no opinion on it.

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 Transit'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 Transit's internal control and compliance. Accordingly, this report is not suitable for any other purpose.

Malloy, Montague, Karnowski, Radosevich & Co., P. A.

Minneapolis, Minnesota
June 24, 2020



PRINCIPALS

Thomas A. Karnowski, CPA
Paul A. Radosevich, CPA
William J. Lauer, CPA
James H. Eichten, CPA
Aaron J. Nielsen, CPA
Victoria L. Holinka, CPA/CMA
Jaclyn M. Huegel, CPA
Kalen T. Karnowski, CPA

INDEPENDENT AUDITOR'S REPORT
ON MINNESOTA LEGAL COMPLIANCE

To the Joint Powers Board and Management
Minnesota River Valley Transit
Saint Peter, Minnesota

We have audited, 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, the financial statements of the governmental activities and the major fund of the Minnesota River Valley Transit (the Transit) as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the Transit's basic financial statements, and have issued our report thereon dated June 24, 2020.

MINNESOTA LEGAL COMPLIANCE

In connection with our audit, nothing came to our attention that caused us to believe that the Transit failed to comply with the provisions of the claims and disbursements, deposits and investments, contracting and bidding, conflicts of interest, and miscellaneous provisions sections of the *Minnesota Legal Compliance Audit Guide for Other Political Subdivisions*, promulgated by the State Auditor pursuant to Minnesota Statutes § 6.65, insofar as they relate to accounting matters. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the Transit's noncompliance with the above referenced provisions, insofar as they relate to accounting matters.

PURPOSE OF THIS REPORT

The purpose of this report is solely to describe the scope of our testing of compliance and the results of that testing, and not to provide an opinion on compliance. Accordingly, this is not suitable for any other purpose.

Malloy, Montague, Karnowski, Radosevich & Co., P.A.

Minneapolis, Minnesota
June 24, 2020

MINNESOTA RIVER VALLEY TRANSIT

Schedule of Findings
December 31, 2019

FINDINGS – INTERNAL CONTROLS – SIGNIFICANT DEFICIENCY

SIGNIFICANT DEFICIENCY IN INTERNAL CONTROL OVER FINANCIAL REPORTING

2019-001 Segregation of Duties

Criteria – Internal control over financial reporting.

Condition – The Minnesota River Valley Transit (the Transit) has limited segregation of duties in several areas, including the processing of payroll transactions, cash receipts, and cash disbursements.

Cause – The limited segregation of duties is primarily caused by the limited size of the Transit's finance department staff.

Effect – One important element of internal accounting controls is an adequate segregation of duties such that no one individual should have responsibility to execute a transaction, have physical access to the related assets, and have responsibility or authority to record the transaction. A lack of segregation of duties subjects the Transit to a higher risk that errors or fraud could occur and not be detected in a timely manner in the normal course of business.

Context – This is a current year finding.

Recommendation – This condition is common to organizations of your size. We recommend that the Transit segregate duties as best it can within the limits of the staff available. Any modifications in internal control in this area should be viewed from a cost-benefit perspective.

Management's Response– The Transit reviews and makes improvements to its internal control structure on an ongoing basis and attempts to maximize the segregation of duties in all areas within the limits of the staff available. However, the Transit does not consider it cost-beneficial at this time to increase the size of its staff in order to further segregate accounting functions. Management of the Transit will continue to monitor this deficiency and segregate duties as best as it can within the limits of the staff available.

CITY OF SAINT PETER, MINNESOTA

RESOLUTION NO. 2020-

**STATE OF MINNESOTA)
COUNTY OF NICOLLET)
CITY OF SAINT PETER)**

**RESOLUTION ACCEPTING 2019 FINANCIAL STATEMENTS TOGETHER WITH
INDEPENDENT AUDITOR'S REPORT**

WHEREAS, preparation of the financial statements has been completed for the fiscal year ended December 31, 2019; and

WHEREAS, the content of these statements has been disclosed to the City Council and to the public in a public presentation; and

WHEREAS, the information contained in these statements will be available for public review at the Saint Peter Public Library and on the City of Saint Peter website.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SAINT PETER, NICOLLET COUNTY, MINNESOTA, THAT:

1. The "City of Saint Peter, Minnesota - Financial Statements together with the Independent Auditor's Report" with opinion dated June 25, 2020 for the fiscal year ended December 31, 2019 are hereby accepted as an official and permanent record.
2. The closing entries and adjusting transactions made in connection with the audit of the financial statements are also accepted and approved.

Adopted by the City Council of the City of Saint Peter, Nicollet County, Minnesota, this the 13th day of July, 2020.

Chuck Zieman
Mayor

ATTEST:

Todd Prafke
City Administrator



TO: Chairperson Huntington
Members of the MRVT Board

DATE: 7/9/2020

FROM: Todd Prafke
City Administrator

RE: Budget Amendment Authorization

ACTION/RECOMMENDATION

Grant authority to the City of Saint Peter Finance Director and MRVT Compliance Manager to sign grant agreements and modifications amending the 2020-2021 Grant Agreement with the Minnesota Department of Transportation Office of Transit (OT).

BACKGROUND

As members may recall, OT has confirmed Federal CARES funds will be utilized by the OT and can be used by MRVT to provide funding for the remainder of the 2020 year and part of the 2021 year. You may also recall that based on that confirmation the MRVT Board has waived fares through the end of August of 2020.

OT is asking for a new resolution that authorizes designees to sign grant amendments. Your previous resolution only allowed the approval of the grant and not any modifications or amendments.

FISCAL IMPACT:

The grant amendment would provide for roughly 20 percent (your local share of grant) to be funded by CARES funds. That local share would have previously been funded by fares.

ALTERNATIVES AND VARIATIONS

Do not act - If you do not approve this or a similar resolution, the MRVT grant will not be modified and we are then likely not eligible for the CARES funds that are supporting your revenue and fare structure. Staff will wait for further direction, but if you do not take action, your current budget is not sustainable and a fare change would also be needed.

Negative vote. If you do not approve this or a similar resolution, the MRVT Grant will not be modified and we are then likely not eligible for the CARES funds that are supporting your revenue

and fare structure. Staff will wait for further direction, but if you do not take action, your current budget is not sustainable and a fare change would also be needed.
Modification of the Resolution - This is always an option of the Board

Please feel free to contact me if you have any questions or concerns on this agenda item.

TP/bal

MINNESOTA RIVER VALLEY TRANSIT

RESOLUTION NO. 2020-

**STATE OF MINNESOTA
COUNTY OF NICOLLET)
CITY OF SAINT PETER)**

**RESOLUTION AUTHORIZING AMENDMENT TO AND DESIGNATING AUTHORIZED
SIGNATORIES FOR THE TRANSIT OPERATING GRANT FOR 2020-2021**

WHEREAS, Minnesota River Valley Transit (MRVT) operates a transit system that is funded by a combination of State Department of Transportation funds and fares; and

WHEREAS, in order to continue operation of the transit system it is necessary to secure additional funding through the State of Minnesota; and

WHEREAS, grant funds are available through the State for operation and capital purchases of the transit system; and

WHEREAS, the grant for the year 2020-2021 has been adopted which outlines the budget for the transit system; and

WHEREAS, the Minnesota River Valley Transit finds the transit system to be a valuable benefit to the residents of the communities; and

WHEREAS, Federal CARES Act funds have provided additional funding for transit systems; and

WHEREAS, the Minnesota Department of Transportation has requested a modification to Resolution No. 2019-06 to allow for execution of amendments to the original contract and designation of those individuals with authority to execute such amendment(s).

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF THE MINNESOTA RIVER VALLEY TRANSIT, THAT:

1. Minnesota River Valley Transit does hereby resolve to enter into an Agreement and any and all Amendments as may be required with the State of Minnesota to provide public transit service and staff is hereby authorized to submit a grant application to the Minnesota Department of Transportation, Office of Transit for operation of the transit system in 2020-2021.
2. The MRVT Transit Compliance Manager and City of Saint Peter Finance Director are hereby authorized to execute such documents as may be necessary for MRVT to amend or modify the transit operations grant with the Office of Transit for the 2020-2021 budget cycle.

Adopted by the Board of the Minnesota River Valley Transit this 14th day of July, 2020.

Mark Huntington
Chairperson

ATTEST:

Todd Prafke
Saint Peter City Administrator



TO: Chairperson Huntington
Members of the MRVT Board

DATE: 7/9/2020

FROM: Todd Prafke
City Administrator

RE: Fare Modification

ACTION/RECOMMENDATION

Approve an elimination of fares in specific fare classifications from September 1, 2020 to February 28, 2021.

BACKGROUND

As members may recall the Office of Transit (OT) has confirmed that Federal CARES funds will be utilized by the OT and can be used by MRVT to provide funding for the remainder of the 2020 year and part of the 2021 year. You may also recall that based on that confirmation, the MRVT Board has waived some fares and reduce others through the end of August of 2020.

It is important to note that the Board, based on the recommendation of Staff, did not make all fares and contract charges free. Some were set at have their January 1, 2020 rate. Please note that this resolution extends the free fares to student fares, but maintains Preschool, the Gus Bus, and the contract hourly rate at half price.

The thinking behind these having a reduction but not being free lies in the fact that there continues to be "value" in these services and we certainly want our users to have some benefit from the availability of CARES money but without some cost, people might contract in a fashion that does not "commit" them to the utilization of the service. We need that "commitment" or frankly, we may be chasing a lot of people and services down and expending lots of resource when people are not using the services. Gus Bus, preschool contracts and hourly rates service are the three we are intending to carve out of the list and in the resolution are still listed as half price.

FISCAL IMPACT

This action reduces roughly twenty percent (20%) of your revenues which will be funded by CARES funds.

ALTERNATIVES AND VARIATIONS

Do not act - Staff will wait for additional direction.

Negative vote - With no action prior to August 31, 2020, staff will go back to the structure in place as of January 1, 2020.

Modification of the Resolution: This is always an option of the Board

Please feel free to contact me if you have any questions or concerns on this agenda item.

TP/bal

5/14/2020

CARES Act Funding for Minnesota Public Transit

The Coronavirus Aid, Relief, and Economic Security (CARES) Act includes a total of **\$54,432,229** for providing rural public transit services in Minnesota to help recover from the severe social and economic impacts of COVID-19. This also includes COVID-19 emergency response services and wages for employees on paid administrative leave due to service reductions.

Funding Distribution

The Federal Transit Administration (FTA) requires 15% of these Rural Section 5311 CARES Act funds to be allocated to Intercity Bus Operations; 10% of these funds are for state administrative costs; and the remaining **\$40,824,173** to existing Rural Public Transit systems throughout Greater Minnesota.

- Intercity Bus Services \$8,164,835 (15%)
- State Administrative Costs \$5,443,221 (10%)
- Rural Public Transit Operations \$40,824,173

No Local Share through February 2021

The current 2020-2021 Public Transit Operating Grant Agreements will be amended to 1) add a proportional share of CARES Act funds for each Section 5311 transit system; 2) reduce by 75% the previously estimated fare and system revenues as submitted in your original application budget, and; 3) **eliminate local share requirements from March 1, 2020 through February 28, 2021**. MnDOT Office of Transit and Active Transportation will distribute CARES Act funds based on 2020-2021 Public Transit Operating Grant Applications already submitted and approved in 2019. There will be no need to submit a separate application for CARES Act funding. These grant agreements are still based on reimbursement of operating deficit, meaning total eligible operating expenses minus any operating revenue. Additionally, expenses from January and February 2020 that may have been eligible under CARES Act will not be reimbursed. While individual transit system may spend their CARES Act funds at different rates, MnDOT will reimburse 100% of the operating deficit through February 28, 2021.

Reevaluation in October 2020

OTAT will revisit public transit operating funding in October 2020. Based on both realized and projected state revenue, and transit agency expenditure rates, OTAT will consider additional amendments.

For more information visit: mndot.gov/transit

Or contact: Michael Johnson, Programs Unit Supervisor, 651-366-4199
michael.allan.johnson@state.mn.us

MINNESOTA RIVER VALLEY TRANSIT

RESOLUTION NO. 2020-

**STATE OF MINNESOTA
COUNTY OF NICOLLET)
CITY OF SAINT PETER)**

RESOLUTION EXTENDING FARE MODIFICATIONS TO FEBRUARY 28, 2021

WHEREAS, Minnesota River Valley Transit (MRVT) operates a transit system that is funded by a combination of Minnesota Department of Transportation funds and fares; and

WHEREAS, the State of Minnesota will receive additional funding for transit through the Federal CARES Act; and

WHEREAS, the State Office of Transportation has indicated that those funds will pay local share of costs; and

WHEREAS, the Minnesota River Valley Transit Board believes that these additional CARES funds should help reduce the cost to passengers; and

WHEREAS, fares were originally modified through August 31, 2020; and

WHEREAS, with funding assured, it is appropriate to continue the fare modifications through February 28, 2021.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF THE MINNESOTA RIVER VALLEY TRANSIT, THAT: Fares for MRVT use and riders shall be set as follows through the end of December, 31, 2020:

Dial a Ride (St Peter, Le Sueur and Kasota)	No Fare/Free Rides
Le Sueur/St Peter/Mankato Route	No Fare/Free Rides
Student Fare	No Fare/Free Rides
Pre-school (½ the 01/01/2020 fare
Gustavus Contract (Gus Bus)	½ the 01/01/2020 contract rate
Hourly Rate	½ the 01/01/2020 rate

Adopted by the Board of the Minnesota River Valley Transit this 14th day of July, 2020.

Mark Huntington
Chairperson

ATTEST:

Todd Prafke
Saint Peter City Administrator