



Heart of Iowa Regional Transit Agency HIRTA Public Transit

Boone, Dallas, Jasper, Madison, Marion, Story, and Warren Counties

AMENDED Agenda

Zoom Meeting: +1 312 626 6799 US (Chicago)

ID: 892 8108 5757 Password: 627357

Lisa Heddens, Board Chair, presiding

HIRTA April 2026 Board Meeting

Thursday, **04/23/2026 at 9:00 a.m.**

1. HIRTA Board Meeting Call to order
2. Roll call of members
3. Approve Agenda
4. Public comment
5. Public Hearing
 - A. **FY2027 Consolidated Transit Funding Plan**
6. Minutes
 - A. **March 26, 2026**
7. Financial report to receive and file
 - **February and March** (updated from previous packet) **2026**
8. Action Items
 - A. **FY2027 Consolidated Transit Funding Plan (Exhibit 1)**
 - *Consider Approval of the FY2027 Consolidated Transit Funding Plan.*
 - B. **FY2026 Certifications and Assurances (Exhibit 2)**
 - *Consider Approval of the Federal Certifications and Assurances*
 - C. **Aging Resources FY2027 Contract (Exhibit 3)**
 - *Consider Approval of the Aging Resources of Central Iowa FY2027 Contract.*
 - D. **City of Ames FY27 Contract (Exhibit 4)**
 - *Consider Approval of the City of Anes Human Services Contract \$49,634*
 - E. **Receive and File HIRTA's FY2025 Annual Audit Report (Exhibit 5)**
 - *Consider request to receive and file HIRTA's FY2025 Annual Audit Report*
9. Discussion / Informational Items
 - A. Kia minivans order from ICAM grant

CHAIR
Lisa Heddens
Story County

VICE CHAIR
Diane Fitch
Madison County

TREASURER
Scott Longhorn
Boone County

BOARD MEMBERS

Kim Chapman
Dallas County

Doug Cupples
Jasper County

Steve McCombs
Marion County

Brian Arnold
Warren County

CHIEF EXECUTIVE OFFICER
Julia Castillo

CHIEF OPERATING OFFICER
Brooke Ramsey

The Heart of Iowa Regional Transit Agency (HIRTA) Board of Director meetings are open to all individuals regardless of disability. Any person requiring a reasonable accommodation to participate HIRTA at (515) 309-9283 at least two business days prior to the Meeting.

10. Reports to the Board

A. CIRTPA – Regional Planning Agency Director: Andrew Collings / Alyssa Schaeffer

B. HIRTA – CEO: Julia Castillo

11. Other business

12. Next meeting: 05/28/2026

13. Adjourn

Meeting Minutes

Heart of Iowa Regional Transit Agency

March 26, 2026

1. **Call to Order:** Vice Chair, Diane Fitch, called meeting to order at 9:00AM
2. **Roll Call:**
 - Present:** Diane Fitch, Scott Longhorn, Kim Chapman, Steve McCombs
 - Employees:** Julia Castillo, Chief Executive Officer; Brooke Ramsey, Chief Operations Officer
 - Others:** Andrew Collings, CIRTPA Director; Alyssa Schaeffer
 - Absent:** Lisa Heddens, Doug Cupples, Brian Arnold
3. **Agenda Approval:** Motion by Scott Longhorn to approve agenda, seconded by Steve McCombs. Motion unanimously carried.
4. **Public Comment:** None
5. **Minutes:**
 - A. Motion by Steve McCombs to approve February 26, 2026 minutes, seconded by Kim Chapman. Motion unanimously carried.
 - B. Motion by Steve McCombs to approve March 18, 2026 special minutes, seconded by Scott Longhorn. Motion unanimously carried.
6. **Financial Report:** Motion by Steve McCombs to remove February 2026 Financial Report from agenda and move to next board meeting, seconded by Scott Longhorn. Motion unanimously carried.
7. **Action Items:**
 - A. Motion by Steve McCombs to approve Boone Human Services Grant FY2027 Application for \$30,600 to provide public transportation in and around the City of Boone, seconded by Scott Longhorn. Motion unanimously carried.
 - B. Motion by Scott Longhorn to approve Jasper County Community Foundation Grant FY2027 Application for \$10,000 to provide match funds to replace a Ford Transit within Jasper County, seconded by Steve McCombs. Motion unanimously carried.
 - C. Motion by Kim Chapman to approve GASB 75 Valuation / OPEB for HIRTA staff to schedule a roll-forward for FY2026, seconded by Steve McCombs. Motion unanimously carried.
 - D. Motion by Steve McCombs to approve transferring \$1,000 from Heart of Transit savings to new Heart of Transit checking account and authorize CEO and Treasurer as signers on new checking account, seconded by Scott Longhorn. Motion unanimously carried.
 - E. Motion by Steve McCombs to approve Attorney Engagement Letter for Consolidated Funding Plan to be signed by Vice Chair, seconded by Kim Chapman. Motion unanimously carried.

- F. Health Insurance Approvals:
 - 1. Motion by Scott Longhorn to approve New Health Insurance Plans, as presented, second by Kim Chapman. Motion unanimously carried.
 - 2. Motion by Scott Longhorn to amend Health Insurance Contribution Strategy, as presented, for the 2026 plan year, seconded by Steve McCombs. Motion unanimously carried.
- G. Motion by Scott Longhorn to authorize CEO to execute the Purchase Agreement for land acquisition for property located at 1635 and 1685 NW Vicksburg Court, Waukee, IA, at a cost of \$971,700, seconded by Kim Chapman. Motion unanimously carried.

- 8. **Discussion / Informational Items:** None
- 9. **Reports to the Board:**
 - A. CIRTPA – Regional Planning Agency Director, Andrew Collings, and Alyssa Schaeffer
 - B. HIRTA – Chief Executive Officer, Julia Castillo
- 10. **Other Business:** None
- 11. **Next Meeting:** 04/26/2026
- 12. **Adjournment:** Motion by Kim Chapman to adjourn at 9:55AM, seconded by Scott Longhorn. Motion unanimously carried.

Chair

Date

**HIRTA Public Transit
A/P Aging Summary
As of March 31, 2026**

	Current	1 - 30	31 - 60	61 - 90	> 90	TOTAL
1 It Source	935.00	0.00	0.00	0.00	0.00	935.00
Ahlers & Cooney, P.C.	297.00	0.00	0.00	0.00	0.00	297.00
Amy Gadbow	78.00	0.00	0.00	0.00	0.00	78.00
Big Brand Tire & Service	241.42	0.00	0.00	0.00	0.00	241.42
Bluefin	151.58	0.00	0.00	0.00	0.00	151.58
Braintree Funding	687.83	0.00	0.00	0.00	0.00	687.83
Central Tire & Auto	78.00	42.00	0.00	0.00	0.00	120.00
CenturyLink	0.00	767.91	0.00	0.00	0.00	767.91
Cintas Loc 22M	27.18	0.00	0.00	0.00	0.00	27.18
Debbie Comito	225.00	0.00	0.00	0.00	0.00	225.00
Delta Dental	0.00	-1,973.34	0.00	0.00	0.00	-1,973.34
Donna Adams	26.00	0.00	0.00	0.00	0.00	26.00
Dutch Clean Auto Wash	18.27	0.00	0.00	0.00	0.00	18.27
Flexlynqs LLC	26,797.12	0.00	0.00	0.00	0.00	26,797.12
Freedom Tire & Auto Center	540.20	0.00	0.00	0.00	-480.00	60.20
Joanne Nordengren	5.20	0.00	0.00	0.00	0.00	5.20
Krisi Kranz	27.40	0.00	0.00	0.00	0.00	27.40
Language Link	0.00	0.00	64.24	0.00	59.22	123.46
Linda Akwa	241.92	0.00	0.00	0.00	0.00	241.92
Merchant Service	174.43	0.00	0.00	0.00	0.00	174.43
Moffitt's	11,498.68	0.00	0.00	0.00	0.00	11,498.68
NEORide	6,447.87	0.00	0.00	0.00	0.00	6,447.87
Newton Classic Car Wash	140.99	0.00	0.00	0.00	0.00	140.99
Summit Companies	0.00	0.00	0.00	0.00	-134.11	-134.11
The Standard	0.00	-1,794.03	0.00	0.00	0.00	-1,794.03
Thomas Bus Sales	0.00	0.00	0.00	0.00	-33.56	-33.56
Thomas Venner	61.80	0.00	0.00	0.00	0.00	61.80
Time Management Systems, Inc.	194.32	0.00	0.00	0.00	0.00	194.32
Wild Water Car Wash & Pet Wash	288.75	0.00	0.00	0.00	0.00	288.75
Windstream Iowa Communications	150.42	0.00	0.00	0.00	0.00	150.42
TOTAL	49,334.38	-2,957.46	64.24	0.00	-588.45	45,852.71

**HIRTA Public Transit
A/R Aging Summary
As of March 31, 2026**

	Current	1 - 30	31 - 60	61 - 90	> 90	TOTAL
Access2Care-MTM	14,475.00	0.00	29,406.61	14,291.70	10,838.43	69,011.74
Accura of Knoxville	96.00	132.00	0.00	0.00	0.00	228.00
Accura of Newton - East	804.00	0.00	648.00	0.00	0.00	1,452.00
Accura Riverside North	27.00	96.00	0.00	0.00	0.00	123.00
Aging Resources of Central Iowa	17,471.64	0.00	0.00	0.00	0.00	17,471.64
Americorp	12,104.72	0.00	0.00	0.00	0.00	12,104.72
Azria Health	1,342.34	0.00	0.00	0.00	0.00	1,342.34
Boone - Westhaven	42.00	0.00	126.00	0.00	0.00	168.00
Boone County Auditor.	3,750.00	0.00	3,750.00	0.00	0.00	7,500.00
Boone County Hospital	111.00	0.00	87.00	0.00	0.00	198.00
City of Ames - ASSET	4,113.25	8,226.50	0.00	0.00	0.00	12,339.75
City Of Boone	0.00	0.00	0.00	-6,375.00	0.00	-6,375.00
City of Grimes	1,470.43	3,500.13	1,056.55	5,759.40	3,500.13	15,286.64
City of Newton -	0.00	0.00	0.00	-8,812.75	0.00	-8,812.75
City of Pella, IA	0.00	1,803.34	1,803.33	1,803.33	0.00	5,410.00
City Of Waukee	0.00	0.00	0.00	7,500.00	0.00	7,500.00
City Of Winterset	833.34	0.00	1,666.66	0.00	0.00	2,500.00
CyRide/DAR	27,636.37	0.00	0.00	0.00	0.00	27,636.37
Fieldprint Equipment Corp	1,143.50	0.00	0.00	0.00	0.00	1,143.50
HIPP (IME)	1,624.89	0.00	2,787.40	0.00	0.00	4,412.29
Iowa DOT	0.00	0.00	-3,742.00	0.00	1,938.71	-1,803.29
IOWA DOT - FTA/STA	77,563.00	0.00	130,672.00	16,668.00	66,666.00	291,569.00
IOWA DOT - FUEL TAX	1,927.55	0.00	3,855.10	0.00	0.00	5,782.65
Jasper - Newton Health Care Center LLC	470.00	0.00	850.00	0.00	0.00	1,320.00
Marion - West Ridge Nursing Home	48.00	48.00	0.00	0.00	0.00	96.00
Marion Co Auditor	0.00	3,000.00	0.00	0.00	0.00	3,000.00
Norwalk Library	56.25	0.00	0.00	0.00	0.00	56.25
Pamela Peterson	0.00	0.00	0.00	0.00	45.00	45.00
Story County Asset	10,719.00	0.00	10,719.00	0.00	0.00	21,438.00
USDOT	28,351.31	0.00	69,275.87	0.00	0.00	97,627.18
Warren Co	0.00	0.00	11,910.00	0.00	0.00	11,910.00
TOTAL	206,180.59	16,805.97	264,871.52	30,834.68	82,988.27	601,681.03

HIRTA Public Transit
Balance Sheet
As of March 31, 2026

	Mar 31, 26
ASSETS	
Current Assets	
Checking/Savings	
10100 · Heart of Iowa Regional Transit	347,327.30
10200 · Petty Cash	50.00
10300 · Certificate of Deposit	
10301 · CD - ICS	22,908.09
10302 · CD - ARS	1,185,115.00
10303 · CD - UBI	509,803.26
Total 10300 · Certificate of Deposit	1,717,826.35
Total Checking/Savings	2,065,203.65
Accounts Receivable	
11000 · QB - Accounts Receivable	601,681.03
Total Accounts Receivable	601,681.03
Total Current Assets	2,666,884.68
Fixed Assets	1,640,946.56
Other Assets	0.00
TOTAL ASSETS	4,307,831.24
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	64,338.26
Total Liabilities	64,338.26
Equity	4,243,492.98
TOTAL LIABILITIES & EQUITY	4,307,831.24

HIRTA Public Transit Profit & Loss Budget vs. Actual March 2026

	Mar 26	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
30100 · FTA				
30101 · 5311	44,229.00			
30105 · FTA - Special	0.00	26,666.66	-26,666.66	0.0%
30107 · FTA - ICAM	0.00	35,924.66	-35,924.66	0.0%
30108 · FTA - Facility Grant	0.00	81,000.00	-81,000.00	0.0%
30109 · FTA - STBG	16,668.00			
30100 · FTA - Other	0.00	44,228.41	-44,228.41	0.0%
Total 30100 · FTA	60,897.00	187,819.73	-126,922.73	32.4%
30200 · STA Grant	32,429.58	33,931.00	-1,501.42	95.6%
30300 · Passenger Revenue				
30301 · Passenger Revenue	19,550.96	22,916.66	-3,365.70	85.3%
30302 · Passenger Donations	276.50			
Total 30300 · Passenger Revenue	19,827.46	22,916.66	-3,089.20	86.5%
30400 · Contract Revenue				
30401 · Access2Care	14,475.00	15,666.66	-1,191.66	92.4%
30402 · Federal 3B	17,471.64	18,565.00	-1,093.36	94.1%
30404 · CICS	0.00	1,250.00	-1,250.00	0.0%
30405 · Accura	927.00			
30406 · Waiver	1,624.89	2,333.34	-708.45	69.6%
30413 · Story Asset	10,719.00	10,666.66	52.34	100.5%
30414 · City Of Ames ASSET	4,113.25	4,113.25	0.00	100.0%
30415 · Dial A Ride	27,636.37	26,750.00	886.37	103.3%
30416 · United Way Of Story County	729.17	729.17	0.00	100.0%
30418 · ITS4US	28,351.31	42,490.00	-14,138.69	66.7%
Total 30400 · Contract Revenue	106,047.63	122,564.08	-16,516.45	86.5%
30600 · Fuel Tax Refund	1,927.55	2,500.00	-572.45	77.1%
30700 · Vehicle Capital Purchase	0.00	34,416.68	-34,416.68	0.0%
30900 · Vehicle Revenue	0.00	1,083.34	-1,083.34	0.0%
31100 · Fellowship and Training Income	0.00	3,750.00	-3,750.00	0.0%
31300 · Grant Income				
31301 · Grant - revenue	0.00	833.34	-833.34	0.0%
31305 · United Way Of Boone County	0.00	500.00	-500.00	0.0%
31306 · United Way Of Central Iowa	2,500.00	1,666.66	833.34	150.0%
Total 31300 · Grant Income	2,500.00	3,000.00	-500.00	83.3%
31400 · NSF Items	0.00	7.50	-7.50	0.0%
31500 · Interest				
31503 · Finance Charge - ICS	34.01	750.00	-715.99	4.5%
31504 · Finance Charge - CDARS	0.00	6,250.00	-6,250.00	0.0%
31505 · Finance Charge - UBI	1,187.93			
31500 · Interest - Other	471.93	1,666.66	-1,194.73	28.3%
Total 31500 · Interest	1,693.87	8,666.66	-6,972.79	19.5%
31600 · Local Taxes				
31601 · Donations	0.00	16.66	-16.66	0.0%
31602 · Boone County	3,750.00	3,750.00	0.00	100.0%
31603 · Dallas County	4,229.16	4,229.16	0.00	100.0%
31604 · Jasper County	1,125.00	1,125.00	0.00	100.0%
31605 · City of Newton	0.00	2,937.50	-2,937.50	0.0%
31606 · Madison County	1,416.66	1,416.66	0.00	100.0%
31607 · Marion County	3,000.00	3,000.00	0.00	100.0%
31608 · Warren County	0.00	3,970.00	-3,970.00	0.0%
31609 · City Of Norwalk	1,333.34			
31610 · City Of Waukee	0.00	2,500.00	-2,500.00	0.0%
31618 · City Of Ogden	1,000.00	83.34	916.66	1,199.9%
31619 · City Of Winterset	833.34	833.34	0.00	100.0%
31620 · City Of Pleasantville	0.00	41.66	-41.66	0.0%
31621 · City Of Boone	0.00	2,125.00	-2,125.00	0.0%
31622 · City Of Grimes	1,470.43	6,250.00	-4,779.57	23.5%
31623 · City of Pella	1,803.34			
Total 31600 · Local Taxes	19,961.27	32,278.32	-12,317.05	61.8%

HIRTA Public Transit
Profit & Loss Budget vs. Actual
March 2026

	Mar 26	Budget	\$ Over Budget	% of Budget
31700 · Other Revenue				
31703 · Fieldprint	1,143.50	833.34	310.16	137.2%
Total 31700 · Other Revenue	1,143.50	833.34	310.16	137.2%
31800 · RSVP				
31801 · Americorp	12,104.72	12,500.00	-395.28	96.8%
31802 · CDBG	1,247.34	1,247.34	0.00	100.0%
Total 31800 · RSVP	13,352.06	13,747.34	-395.28	97.1%
Total Income	259,779.92	467,514.65	-207,734.73	55.6%
Gross Profit	259,779.92	467,514.65	-207,734.73	55.6%
Expense				
40100 · Wage Expense	120,632.37	114,695.16	5,937.21	105.2%
40200 · Payroll Taxes	20,427.03	18,953.34	1,473.69	107.8%
40300 · Employee Benefits	19,190.75	17,345.82	1,844.93	110.6%
40400 · Professional Services				
40401 · CPA	0.00	58.34	-58.34	0.0%
40402 · IT	935.00	2,083.34	-1,148.34	44.9%
40403 · Legal	297.00	54.16	242.84	548.4%
40405 · Audit	0.00	1,833.34	-1,833.34	0.0%
40406 · Cleaning Service	1,179.36	1,625.00	-445.64	72.6%
40407 · AOD	194.32	250.00	-55.68	77.7%
40409 · Translations	0.00	20.84	-20.84	0.0%
40410 · VIA	6,447.87	7,250.00	-802.13	88.9%
40411 · Insurance - Broker Fees	0.00	2,083.34	-2,083.34	0.0%
40412 · Architecture	0.00	17,916.66	-17,916.66	0.0%
40413 · Actuary	0.00	125.00	-125.00	0.0%
Total 40400 · Professional Services	9,053.55	33,300.02	-24,246.47	27.2%
40500 · Office Supplies				
40501 · Office Supplies	470.77	1,125.00	-654.23	41.8%
40502 · Postage & Freight	0.00	83.34	-83.34	0.0%
40503 · Cleaning Supplies	0.00	83.34	-83.34	0.0%
Total 40500 · Office Supplies	470.77	1,291.68	-820.91	36.4%
40600 · Telephone				
40601 · Phone & Internet	3,957.40	2,666.66	1,290.74	148.4%
Total 40600 · Telephone	3,957.40	2,666.66	1,290.74	148.4%
40700 · Fellowship / Training Expense				
40701 · Training Expense	0.00	125.00	-125.00	0.0%
40702 · Fellowship - RTAP Approved Exp	1,280.59	3,750.00	-2,469.41	34.1%
Total 40700 · Fellowship / Training Expense	1,280.59	3,875.00	-2,594.41	33.0%
40800 · Insurance				
40801 · WC Insurance	3,299.40	2,916.66	382.74	113.1%
Total 40800 · Insurance	3,299.40	2,916.66	382.74	113.1%
40900 · Organizational Dues				
40901 · Membership Dues	2,995.00	691.66	2,303.34	433.0%
Total 40900 · Organizational Dues	2,995.00	691.66	2,303.34	433.0%
41000 · Employee Expenses				
41001 · Medical Testing	0.00	125.00	-125.00	0.0%
41002 · Background Checks	23.20	41.66	-18.46	55.7%
41005 · Drug Testing	0.00	91.66	-91.66	0.0%
41006 · Employee Events	0.00	250.00	-250.00	0.0%
Total 41000 · Employee Expenses	23.20	508.32	-485.12	4.6%
41100 · Advertising				
41101 · Advertising	0.00	166.66	-166.66	0.0%
41102 · Employment Ads	0.00	83.34	-83.34	0.0%
41103 · Marketing Campaign	209.84	2,083.34	-1,873.50	10.1%
41104 · Minutes/Public Hearing Notices	266.80	66.66	200.14	400.2%
Total 41100 · Advertising	476.64	2,400.00	-1,923.36	19.9%

HIRTA Public Transit
Profit & Loss Budget vs. Actual
March 2026

	Mar 26	Budget	\$ Over Budget	% of Budget
41200 · Rent				
41201 · Rent	10,923.73	11,583.75	-660.02	94.3%
Total 41200 · Rent	10,923.73	11,583.75	-660.02	94.3%
41300 · Office Equipment				
41301 · Office Eq Maint/Repairs	0.00	291.66	-291.66	0.0%
41302 · Office Equipment	1,496.93			
Total 41300 · Office Equipment	1,496.93	291.66	1,205.27	513.2%
41400 · Subscriptions	180.03	1,333.34	-1,153.31	13.5%
41500 · Meeting / Mileage Expenses				
41502 · Meeting Expense	0.00	12.50	-12.50	0.0%
41503 · Mileage Reimbursement	61.80	33.34	28.46	185.4%
41504 · Meal Expense	0.00	250.00	-250.00	0.0%
41505 · Volunteer Mileage Reimbursement	378.52	1,000.00	-621.48	37.9%
Total 41500 · Meeting / Mileage Expenses	440.32	1,295.84	-855.52	34.0%
41600 · Contracted Services				
41601 · Website - Domain Registration	0.00	29.16	-29.16	0.0%
41603 · Quickbook Expenses	552.79	375.00	177.79	147.4%
41604 · ITS4US - CTAA	0.00	1,458.34	-1,458.34	0.0%
41606 · ITS4US - VIA	0.00	416.66	-416.66	0.0%
41607 · ITS4US - Capture Management	0.00	2,083.34	-2,083.34	0.0%
41608 · ITS4US - Flexlynqs	26,797.12	39,166.66	-12,369.54	68.4%
41610 · ITS4US - Legal	0.00	20.84	-20.84	0.0%
41611 · ITS4US - ISU	0.00	9,583.34	-9,583.34	0.0%
41612 · ITS4US - KIOSK	0.00	83.34	-83.34	0.0%
41613 · ITS4US - Navilens	0.00	8.34	-8.34	0.0%
41614 · ITS4US - Events	0.00	291.66	-291.66	0.0%
41615 · Hosting	505.49			
41621 · GVSS	0.00	291.66	-291.66	0.0%
Total 41600 · Contracted Services	27,855.40	53,808.34	-25,952.94	51.8%
41700 · Premise Expense				
41701 · Utilities	1,287.28	2,083.34	-796.06	61.8%
41702 · Building Maint & Repairs	0.00	16.66	-16.66	0.0%
Total 41700 · Premise Expense	1,287.28	2,100.00	-812.72	61.3%
41800 · Vehicle Expense				
41801 · Vehicle Repairs & Maint	12,140.10	20,833.34	-8,693.24	58.3%
41802 · Op/Vehicle Supplies	0.00	125.00	-125.00	0.0%
41803 · Auto Insurance	0.00	29,166.66	-29,166.66	0.0%
41804 · Fuel	0.00	20,833.34	-20,833.34	0.0%
41806 · Radio	0.00	208.34	-208.34	0.0%
41807 · Tires	1,080.40	1,250.00	-169.60	86.4%
41808 · Bus Washing	448.01	333.34	114.67	134.4%
41809 · Deductible & Accident	0.00	1,666.66	-1,666.66	0.0%
Total 41800 · Vehicle Expense	13,668.51	74,416.68	-60,748.17	18.4%
41900 · Vehicle and Equipment Capital				
41901 · Vehicle Capital	89,370.00	41,666.66	47,703.34	214.5%
41902 · Make Ready	0.00	1,083.34	-1,083.34	0.0%
Total 41900 · Vehicle and Equipment Capital	89,370.00	42,750.00	46,620.00	209.1%
41910 · Facilities	0.00	83,333.34	-83,333.34	0.0%
42000 · Bank Charges				
42003 · Returned Check	0.00	4.16	-4.16	0.0%
42004 · Merchant Service Merch Fee	1,013.84	666.66	347.18	152.1%
42000 · Bank Charges - Other	6.66	6.66	0.00	100.0%
Total 42000 · Bank Charges	1,020.50	677.48	343.02	150.6%
42100 · Grant Expense	0.00	1,041.66	-1,041.66	0.0%
Total Expense	328,049.40	471,276.41	-143,227.01	69.6%
Net Ordinary Income	-68,269.48	-3,761.76	-64,507.72	1,814.8%
Net Income	-68,269.48	-3,761.76	-64,507.72	1,814.8%

HIRTA Public Transit Journal Entry Report March 2026

Type	Date	Num	Memo	Account	Amount	Balance
Mar 26						
General J...	03/12/20	DON...	BILL FAIR VIA DONATI...	30301 · Pas...	3.00	3.00
General J...	03/12/20	DON...	BILL FAIR VIA DONATI...	30302 · Pas...	-3.00	0.00
General J...	03/13/20	DON...	LORI HARMISON VIA D...	30301 · Pas...	10.00	10.00
General J...	03/13/20	DON...	LORI HARMISON VIA D...	30302 · Pas...	-10.00	0.00
General J...	03/13/20	DON...	KIMBERLY TURNER VI...	30301 · Pas...	20.00	20.00
General J...	03/13/20	DON...	KIMBERLY TURNER VI...	30302 · Pas...	-20.00	0.00
General J...	03/13/20	DON...	KRISTIE BACUS VIA D...	30301 · Pas...	3.00	3.00
General J...	03/13/20	DON...	KRISTIE BACUS VIA D...	30302 · Pas...	-3.00	0.00
General J...	03/13/20	DON...	JOE LAWLOR VIA DON...	30301 · Pas...	6.00	6.00
General J...	03/13/20	DON...	JOE LAWLOR VIA DON...	30302 · Pas...	-6.00	0.00
General J...	03/17/20	DON...	JOHN SANDEN VIA DO...	30301 · Pas...	50.00	50.00
General J...	03/17/20	DON...	JOHN SANDEN VIA DO...	30302 · Pas...	-50.00	0.00
General J...	03/17/20	DON...	MICHAEL CARLTON VI...	30301 · Pas...	3.00	3.00
General J...	03/17/20	DON...	MICHAEL CARLTON VI...	30302 · Pas...	-3.00	0.00
General J...	03/19/20	DON...	MARGO BRICE VIA DO...	30301 · Pas...	10.00	10.00
General J...	03/19/20	DON...	MARGO BRICE VIA DO...	30302 · Pas...	-10.00	0.00
General J...	03/20/20	DON...	LAUREL LONG VIA DO...	30301 · Pas...	1.00	1.00
General J...	03/20/20	DON...	LAUREL LONG VIA DO...	30302 · Pas...	-1.00	0.00
General J...	03/20/20	DON...	RODNEY SWENSON VI...	30301 · Pas...	20.00	20.00
General J...	03/20/20	DON...	RODNEY SWENSON VI...	30302 · Pas...	-20.00	0.00
General J...	03/23/20	DON...	TONIA SAUZAMEDA VI...	30301 · Pas...	1.50	1.50
General J...	03/23/20	DON...	TONIA SAUZAMEDA VI...	30302 · Pas...	-1.50	0.00
General J...	03/23/20	DON...	MICHAEL ADAMS VIA D...	30301 · Pas...	1.00	1.00
General J...	03/23/20	DON...	MICHAEL ADAMS VIA D...	30302 · Pas...	-1.00	0.00
General J...	03/23/20	DON...	JOYCE ECKLEY VIA D...	30301 · Pas...	2.00	2.00
General J...	03/23/20	DON...	JOYCE ECKLEY VIA D...	30302 · Pas...	-2.00	0.00
General J...	03/23/20	DON...	CHRIS SIMPSON VIA D...	30301 · Pas...	3.00	3.00
General J...	03/23/20	DON...	CHRIS SIMPSON VIA D...	30302 · Pas...	-3.00	0.00
General J...	03/25/20	DON...	PAM DRISCOLL VIA DO...	30301 · Pas...	5.00	5.00
General J...	03/25/20	DON...	PAM DRISCOLL VIA DO...	30302 · Pas...	-5.00	0.00
General J...	03/26/20	DON...	DEE VIEIRA VIA DONA...	30301 · Pas...	96.00	96.00
General J...	03/26/20	DON...	DEE VIEIRA VIA DONA...	30302 · Pas...	-96.00	0.00
General J...	03/31/20	DON...	TERRY WORLEY VIA D...	30301 · Pas...	10.00	10.00
General J...	03/31/20	DON...	TERRY WORLEY VIA D...	30302 · Pas...	-10.00	0.00
General J...	03/31/20	DON...	DONNA BARNES-HICK...	30301 · Pas...	2.00	2.00
General J...	03/31/20	DON...	DONNA BARNES-HICK...	30302 · Pas...	-2.00	0.00
Mar 26					0.00	0.00

HIRTA Public Transit Expenses by Vendor Summary March 2026

	Mar 26
1 It Source	935.00
Accident Fund Insurance Company	3,299.40
Ahlers & Cooney, P.C.	297.00
Amy Gadbow	78.00
Big Brand Tire & Service	241.42
Braintree Funding	687.83
Central Tire & Auto	120.00
CenturyLink	1,295.39
Cintas Loc 22M	54.36
City Of Boone Airport	4,861.41
Crystal Clear Water	74.00
Debbie Comito	1,125.00
Delta Dental	1,973.34
Donna Adams	26.00
Dutch Clean Auto Wash	18.27
Flexlynqs LLC	26,797.12
Freedom Tire & Auto Center	1,080.40
Heart Of Transit	1,763.56
Indianola Municipal Utilities	88.00
Iowa State University Parking	1,810.17
Jasper County Treasurer	500.00
Joanne Nordengren	5.20
Kia Of Des Moines	89,370.00
Krisi Kranz	27.40
Linda Akwa	241.92
LISCO	153.00
Mediacom	393.50
Merchant Service	-4,815.62
Midwest Office Technology	157.65
Moffitt's	11,498.68
NEORide	6,447.87
Newton Classic Car Wash	140.99
Nick's Greenhouse	150.00
QuickBooks Payroll Service	552.79
RAMP	7,197.00
The Standard	1,794.03
Thomas Venner	61.80
Time Management Systems, Inc.	194.32
U.S. Cellular	2,502.96
Unplugged Wireless	280.00
Wellmark	21,200.62
Wild Water Car Wash & Pet Wash	288.75
Windstream Iowa Communications	150.42
TOTAL	<u>185,118.95</u>

**HIRTA Public Transit
A/P Aging Summary
As of February 28, 2026**

	Current	1 - 30	31 - 60	61 - 90	> 90	TOTAL
1 It Source	485.00	0.00	0.00	0.00	0.00	485.00
Amy Gadbow	312.00	0.00	0.00	0.00	0.00	312.00
Barney's Services Inc	178.00	0.00	0.00	0.00	0.00	178.00
Bluefin	150.86	0.00	0.00	0.00	0.00	150.86
Braintree Funding	688.19	0.00	0.00	0.00	0.00	688.19
Casey's Business Advantage	14,822.42	0.00	0.00	0.00	0.00	14,822.42
CenturyLink	719.63	658.85	0.00	0.00	0.00	1,378.48
Cintas Loc 22M	27.18	0.00	0.00	0.00	0.00	27.18
Community Transportation Assoc.	2,700.00	0.00	0.00	0.00	0.00	2,700.00
Delta Dental	0.00	-1,973.34	0.00	0.00	0.00	-1,973.34
Donna Adams	26.00	52.00	0.00	0.00	0.00	78.00
Dutch Clean Auto Wash	31.70	0.00	0.00	0.00	0.00	31.70
Flexlynqs LLC	22,975.00	0.00	0.00	0.00	0.00	22,975.00
Freedom Tire & Auto Center	545.08	0.00	0.00	0.00	-480.00	65.08
Heart Of Transit	0.00	-4,263.56	0.00	0.00	0.00	-4,263.56
Iowa Communities Assurance Pool	3,945.00	0.00	0.00	0.00	0.00	3,945.00
Iowa State University Science & Tech	11,924.11	0.00	0.00	0.00	0.00	11,924.11
Joanne Nordengren	0.00	23.96	0.00	0.00	0.00	23.96
Krisi Kranz	40.88	0.00	0.00	0.00	0.00	40.88
Language Link	0.00	64.24	0.00	0.00	59.22	123.46
Larry Lubinus	35.36	0.00	0.00	0.00	0.00	35.36
Libbe Bolton	110.76	67.84	0.00	0.00	0.00	178.60
Linda Akwa	221.48	168.04	0.00	0.00	0.00	389.52
Merchant Service	183.29	0.00	0.00	0.00	0.00	183.29
Mid American Energy	305.92	0.00	0.00	0.00	0.00	305.92
Moffitt's	45,858.51	0.00	0.00	0.00	0.00	45,858.51
Napa Auto Parts - Des Moines COJ	34.68	0.00	0.00	0.00	0.00	34.68
NEORide	6,682.50	0.00	0.00	0.00	0.00	6,682.50
Stanley's Service LLC	0.00	0.00	51.99	0.00	0.00	51.99
Summit Companies	0.00	0.00	0.00	0.00	-134.11	-134.11
The Standard	0.00	-1,794.03	0.00	0.00	0.00	-1,794.03
Thomas Bus Sales	0.00	0.00	0.00	0.00	-33.56	-33.56
Thomas Venner	55.56	0.00	0.00	0.00	0.00	55.56
Time Management Systems, Inc.	194.32	0.00	0.00	0.00	0.00	194.32
Wild Water Car Wash & Pet Wash	277.50	0.00	0.00	0.00	0.00	277.50
TOTAL	113,530.93	-6,996.00	51.99	0.00	-588.45	105,998.47

HIRTA Public Transit A/R Aging Summary As of February 28, 2026

	Current	1 - 30	31 - 60	61 - 90	> 90	TOTAL
Access2Care-MTM	14,475.00	18,147.79	14,291.70	13,558.35	16,966.38	77,439.22
Accura of Knoxville	192.00	0.00	0.00	0.00	0.00	192.00
Accura of Newton - East	648.00	768.00	0.00	0.00	0.00	1,416.00
Accura Riverside North	159.00	0.00	0.00	0.00	0.00	159.00
Aging Resources of Central Iowa	30,304.96	0.00	0.00	0.00	0.00	30,304.96
Americorp	11,307.38	61.05	0.00	0.00	0.00	11,368.43
Boone - Westhaven	48.00	78.00	0.00	0.00	0.00	126.00
Boone County Auditor.	3,750.00	0.00	0.00	0.00	0.00	3,750.00
Boone County Hospital	87.00	27.00	0.00	0.00	0.00	114.00
City of Ames - ASSET	8,226.50	0.00	0.00	0.00	0.00	8,226.50
City Of Boone	0.00	0.00	-6,375.00	0.00	0.00	-6,375.00
City of Grimes	3,500.13	1,056.55	5,759.40	0.00	3,500.13	13,816.21
City of Newton -	0.00	0.00	-8,812.75	0.00	0.00	-8,812.75
City Of Norwalk	0.00	0.00	-1,333.34	0.00	0.00	-1,333.34
City of Pella, IA	0.00	1,803.33	1,803.33	0.00	0.00	3,606.66
City Of Waukee	0.00	0.00	7,500.00	0.00	0.00	7,500.00
City Of Winterset	833.33	833.33	0.00	0.00	0.00	1,666.66
CyRide/DAR	24,932.36	0.00	0.00	0.00	0.00	24,932.36
Dallas County	0.00	0.00	-4,229.16	0.00	0.00	-4,229.16
Fieldprint Equipment Corp	1,119.50	0.00	0.00	0.00	0.00	1,119.50
HIPP (IME)	1,603.11	1,184.29	0.00	0.00	0.00	2,787.40
HyVee - Pella	250.00	0.00	0.00	0.00	0.00	250.00
Iowa DOT	0.00	-4,989.34	0.00	0.00	1,938.71	-3,050.63
IOWA DOT - FTA/STA	82,002.00	65,336.00	60,897.00	44,228.00	270,894.00	523,357.00
IOWA DOT - FUEL TAX	1,927.55	1,927.55	0.00	0.00	0.00	3,855.10
Jasper - Newton Health Care Center LLC	500.00	350.00	0.00	0.00	0.00	850.00
Jasper Co. Auditor	0.00	1,125.00	1,125.00	0.00	0.00	2,250.00
Madison County Auditor	0.00	0.00	-1,416.66	0.00	0.00	-1,416.66
Marion - West Ridge Nursing Home	93.00	0.00	0.00	0.00	0.00	93.00
Pamela Peterson	0.00	0.00	0.00	0.00	45.00	45.00
Story County Asset	10,719.00	10,719.00	0.00	0.00	0.00	21,438.00
USDOT	31,278.53	37,997.34	0.00	0.00	0.00	69,275.87
Warren Co	0.00	11,910.00	0.00	0.00	0.00	11,910.00
TOTAL	227,956.35	148,334.89	69,209.52	57,786.35	293,344.22	796,631.33

HIRTA Public Transit
Balance Sheet
 As of February 28, 2026

	Feb 28, 26
ASSETS	
Current Assets	
Checking/Savings	
10100 · Heart of Iowa Regional Transit	275,946.59
10200 · Petty Cash	50.00
10300 · Certificate of Deposit	
10301 · CD - ICS	22,874.08
10302 · CD - ARS	1,185,115.00
10303 · CD - UBI	508,615.33
Total 10300 · Certificate of Deposit	1,716,604.41
Total Checking/Savings	1,992,601.00
Accounts Receivable	
11000 · QB - Accounts Receivable	770,053.99
Total Accounts Receivable	770,053.99
Total Current Assets	2,762,654.99
Fixed Assets	
12000 · Radios and Equipment	40,471.82
12100 · Vehicles and Equipment	4,683,604.50
12200 · Accumulated Depreciation	-3,083,129.76
Total Fixed Assets	1,640,946.56
Other Assets	0.00
TOTAL ASSETS	4,403,601.55
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
20000 · Accounts Payable	105,875.01
Total Accounts Payable	105,875.01
Credit Cards	
20100 · Credit Card	-29,998.54
Total Credit Cards	-29,998.54
Other Current Liabilities	42,416.50
Total Current Liabilities	118,292.97
Total Liabilities	118,292.97
Equity	4,285,308.58
TOTAL LIABILITIES & EQUITY	4,403,601.55

HIRTA Public Transit Profit & Loss Budget vs. Actual February 2026

	Feb 26	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
30100 · FTA				
30101 · 5311	44,228.00			
30105 · FTA - Special	0.00	26,666.67	-26,666.67	0.0%
30107 · FTA - ICAM	4,442.00	35,924.67	-31,482.67	12.4%
30108 · FTA - Facility Grant	29,600.00	81,000.00	-51,400.00	36.5%
30109 · FTA - STBG	16,666.00			
30100 · FTA - Other	0.00	44,228.42	-44,228.42	0.0%
Total 30100 · FTA	94,936.00	187,819.76	-92,883.76	50.5%
30200 · STA Grant	26,569.43	33,931.00	-7,361.57	78.3%
30300 · Passenger Revenue				
30301 · Passenger Revenue	19,339.20	22,916.67	-3,577.47	84.4%
30302 · Passenger Donations	45.00			
Total 30300 · Passenger Revenue	19,384.20	22,916.67	-3,532.47	84.6%
30400 · Contract Revenue				
30401 · Access2Care	14,475.00	15,666.67	-1,191.67	92.4%
30402 · Federal 3B	14,334.26	18,565.00	-4,230.74	77.2%
30404 · CICS	0.00	1,250.00	-1,250.00	0.0%
30405 · Accura	876.00			
30406 · Waiver	1,603.11	2,333.33	-730.22	68.7%
30413 · Story Asset	10,719.00	10,666.67	52.33	100.5%
30414 · City Of Ames ASSET	4,113.25	4,113.25	0.00	100.0%
30415 · Dial A Ride	24,932.36	26,750.00	-1,817.64	93.2%
30416 · United Way Of Story County	729.17	729.17	0.00	100.0%
30418 · ITS4US	31,278.53	42,490.00	-11,211.47	73.6%
Total 30400 · Contract Revenue	103,060.68	122,564.09	-19,503.41	84.1%
30600 · Fuel Tax Refund	0.00	2,500.00	-2,500.00	0.0%
30700 · Vehicle Capital Purchase				
30701 · Vehicle Capital	0.00	33,333.33	-33,333.33	0.0%
30702 · Make Ready	0.00	1,083.33	-1,083.33	0.0%
Total 30700 · Vehicle Capital Purchase	0.00	34,416.66	-34,416.66	0.0%
30900 · Vehicle Revenue				
30903 · Salvaged Vehicle Revenue	0.00	250.00	-250.00	0.0%
30904 · Insurance Settlement - Vehicles	0.00	833.33	-833.33	0.0%
Total 30900 · Vehicle Revenue	0.00	1,083.33	-1,083.33	0.0%
31100 · Fellowship and Training Income				
31102 · Fellowship Reimbursements RTAP	0.00	3,750.00	-3,750.00	0.0%
Total 31100 · Fellowship and Training Income	0.00	3,750.00	-3,750.00	0.0%
31300 · Grant Income				
31301 · Grant - revenue	0.00	833.33	-833.33	0.0%
31305 · United Way Of Boone County	0.00	500.00	-500.00	0.0%
31306 · United Way Of Central Iowa	0.00	1,666.67	-1,666.67	0.0%
Total 31300 · Grant Income	0.00	3,000.00	-3,000.00	0.0%
31400 · NSF Items				
31410 · Returned Check	0.00	4.17	-4.17	0.0%
31420 · Returned Check Fee	0.00	3.33	-3.33	0.0%
Total 31400 · NSF Items	0.00	7.50	-7.50	0.0%
31500 · Interest				
31503 · Finance Charge - ICS	30.67	750.00	-719.33	4.1%
31504 · Finance Charge - CDARS	0.00	6,250.00	-6,250.00	0.0%
31505 · Finance Charge - UBI	1,070.71			
31500 · Interest - Other	408.94	1,666.67	-1,257.73	24.5%
Total 31500 · Interest	1,510.32	8,666.67	-7,156.35	17.4%

HIRTA Public Transit Profit & Loss Budget vs. Actual February 2026

	Feb 26	Budget	\$ Over Budget	% of Budget
31600 · Local Taxes				
31601 · Donations	0.00	16.67	-16.67	0.0%
31602 · Boone County	3,750.00	3,750.00	0.00	100.0%
31603 · Dallas County	4,229.17	4,229.17	0.00	100.0%
31604 · Jasper County	1,125.00	1,125.00	0.00	100.0%
31605 · City of Newton	0.00	2,937.50	-2,937.50	0.0%
31606 · Madison County	1,416.67	1,416.67	0.00	100.0%
31607 · Marion County	3,000.00	3,000.00	0.00	100.0%
31608 · Warren County	0.00	3,970.00	-3,970.00	0.0%
31609 · City Of Norwalk	1,333.33			
31610 · City Of Waukee	0.00	2,500.00	-2,500.00	0.0%
31618 · City Of Ogden	0.00	83.33	-83.33	0.0%
31619 · City Of Winterset	833.33	833.33	0.00	100.0%
31620 · City Of Pleasantville	0.00	41.67	-41.67	0.0%
31621 · City Of Boone	0.00	2,125.00	-2,125.00	0.0%
31622 · City Of Grimes	3,500.13	6,250.00	-2,749.87	56.0%
Total 31600 · Local Taxes	19,187.63	32,278.34	-13,090.71	59.4%
31700 · Other Revenue				
31701 · Miscellaneous Income	836.00			
31703 · Fieldprint	1,119.50	833.33	286.17	134.3%
Total 31700 · Other Revenue	1,955.50	833.33	1,122.17	234.7%
31800 · RSVP				
31801 · Americorp	11,307.37	12,500.00	-1,192.63	90.5%
31802 · CDBG	1,247.33	1,247.33	0.00	100.0%
Total 31800 · RSVP	12,554.70	13,747.33	-1,192.63	91.3%
Total Income	279,158.46	467,514.68	-188,356.22	59.7%
Gross Profit	279,158.46	467,514.68	-188,356.22	59.7%
Expense				
40100 · Wage Expense				
40101 · Hourly Wages	89,768.92	77,936.67	11,832.25	115.2%
40102 · Holiday Pay	0.00	2,060.00	-2,060.00	0.0%
40103 · Overtime	1,626.80	3,570.67	-1,943.87	45.6%
40104 · Floating Holiday	2,358.32	1,236.00	1,122.32	190.8%
40105 · PTO	4,113.95	8,240.00	-4,126.05	49.9%
40106 · Jury Duty Pay	0.00	11.00	-11.00	0.0%
40107 · Bereavement	0.00	10.83	-10.83	0.0%
40108 · Salaries	26,147.84	21,630.00	4,517.84	120.9%
Total 40100 · Wage Expense	124,015.83	114,695.17	9,320.66	108.1%
40200 · Payroll Taxes				
40201 · IPERS Employer Match	11,632.01	10,463.33	1,168.68	111.2%
40202 · FICA & Medicare	9,069.73	8,380.00	689.73	108.2%
40203 · Iowa Unemployment	364.08	110.00	254.08	331.0%
Total 40200 · Payroll Taxes	21,065.82	18,953.33	2,112.49	111.1%
40300 · Employee Benefits				
40301 · Health Insurance	16,151.80	14,216.67	1,935.13	113.6%
40302 · Dental Insurance	1,520.10	1,441.67	78.43	105.4%
40303 · Vision Insurance	5.82			
40304 · Life, Disability	1,513.03	1,500.00	13.03	100.9%
40306 · EAP	0.00	187.50	-187.50	0.0%
Total 40300 · Employee Benefits	19,190.75	17,345.84	1,844.91	110.6%
40400 · Professional Services				
40401 · CPA	0.00	58.33	-58.33	0.0%
40402 · IT	485.00	2,083.33	-1,598.33	23.3%
40403 · Legal	132.00	54.17	77.83	243.7%
40405 · Audit	4,700.00	1,833.33	2,866.67	256.4%
40406 · Cleaning Service	981.54	1,625.00	-643.46	60.4%
40407 · AOD	194.32	250.00	-55.68	77.7%
40409 · Translations	0.00	20.83	-20.83	0.0%
40410 · VIA	6,682.50	7,250.00	-567.50	92.2%
40411 · Insurance - Broker Fees	0.00	2,083.33	-2,083.33	0.0%
40412 · Architecture	0.00	17,916.67	-17,916.67	0.0%
40413 · Actuary	0.00	125.00	-125.00	0.0%
Total 40400 · Professional Services	13,175.36	33,299.99	-20,124.63	39.6%

HIRTA Public Transit
Profit & Loss Budget vs. Actual
February 2026

	Feb 26	Budget	\$ Over Budget	% of Budget
40500 · Office Supplies				
40501 · Office Supplies	541.23	1,125.00	-583.77	48.1%
40502 · Postage & Freight	176.30	83.33	92.97	211.6%
40503 · Cleaning Supplies	0.00	83.33	-83.33	0.0%
Total 40500 · Office Supplies	717.53	1,291.66	-574.13	55.6%
40600 · Telephone				
40601 · Phone & Internet	1,591.04	2,666.67	-1,075.63	59.7%
Total 40600 · Telephone	1,591.04	2,666.67	-1,075.63	59.7%
40700 · Fellowship / Training Expense				
40701 · Training Expense	0.00	125.00	-125.00	0.0%
40702 · Fellowship - RTAP Approved Exp	682.78	3,750.00	-3,067.22	18.2%
Total 40700 · Fellowship / Training Expense	682.78	3,875.00	-3,192.22	17.6%
40800 · Insurance				
40801 · WC Insurance	3,299.40	2,916.67	382.73	113.1%
Total 40800 · Insurance	3,299.40	2,916.67	382.73	113.1%
40900 · Organizational Dues				
40901 · Membership Dues	695.00	691.67	3.33	100.5%
Total 40900 · Organizational Dues	695.00	691.67	3.33	100.5%
41000 · Employee Expenses				
41001 · Medical Testing	0.00	125.00	-125.00	0.0%
41002 · Background Checks	138.85	41.67	97.18	333.2%
41005 · Drug Testing	0.00	91.67	-91.67	0.0%
41006 · Employee Events	0.00	250.00	-250.00	0.0%
Total 41000 · Employee Expenses	138.85	508.34	-369.49	27.3%
41100 · Advertising				
41101 · Advertising	0.00	166.67	-166.67	0.0%
41102 · Employment Ads	0.00	83.33	-83.33	0.0%
41103 · Marketing Campaign	147.08	2,083.33	-1,936.25	7.1%
41104 · Minutes/Public Hearing Notices	0.00	66.67	-66.67	0.0%
Total 41100 · Advertising	147.08	2,400.00	-2,252.92	6.1%
41200 · Rent				
41201 · Rent	10,923.73	11,583.75	-660.02	94.3%
Total 41200 · Rent	10,923.73	11,583.75	-660.02	94.3%
41300 · Office Equipment				
41301 · Office Eq Maint/Repairs	0.00	291.67	-291.67	0.0%
Total 41300 · Office Equipment	0.00	291.67	-291.67	0.0%
41400 · Subscriptions	479.74	1,333.33	-853.59	36.0%
41500 · Meeting / Mileage Expenses				
41502 · Meeting Expense	0.00	12.50	-12.50	0.0%
41503 · Mileage Reimbursement	55.56	33.33	22.23	166.7%
41504 · Meal Expense	0.00	250.00	-250.00	0.0%
41505 · Volunteer Mileage Reimbursement	746.48	1,000.00	-253.52	74.6%
Total 41500 · Meeting / Mileage Expenses	802.04	1,295.83	-493.79	61.9%
41600 · Contracted Services				
41601 · Website - Domain Registration	0.00	29.17	-29.17	0.0%
41603 · Quickbook Expenses	412.63	375.00	37.63	110.0%
41604 · ITS4US - CTAA	2,700.00	1,458.33	1,241.67	185.1%
41606 · ITS4US - VIA	0.00	416.67	-416.67	0.0%
41607 · ITS4US - Capture Management	0.00	2,083.33	-2,083.33	0.0%
41608 · ITS4US - Flexlynqs	22,975.00	39,166.67	-16,191.67	58.7%
41610 · ITS4US - Legal	0.00	20.83	-20.83	0.0%
41611 · ITS4US - ISU	11,924.11	9,583.33	2,340.78	124.4%
41612 · ITS4US - KIOSK	460.51	83.33	377.18	552.6%
41613 · ITS4US - NaviLens	0.00	8.33	-8.33	0.0%
41614 · ITS4US - Events	0.00	291.67	-291.67	0.0%
41621 · GVSS	0.00	291.67	-291.67	0.0%
Total 41600 · Contracted Services	38,472.25	53,808.33	-15,336.08	71.5%

HIRTA Public Transit
Profit & Loss Budget vs. Actual
February 2026

	Feb 26	Budget	\$ Over Budget	% of Budget
41700 · Premise Expense				
41701 · Utilities	1,541.37	2,083.33	-541.96	74.0%
41702 · Building Maint & Repairs	0.00	16.67	-16.67	0.0%
Total 41700 · Premise Expense	1,541.37	2,100.00	-558.63	73.4%
41800 · Vehicle Expense				
41801 · Vehicle Repairs & Maint	46,380.71	20,833.33	25,547.38	222.6%
41802 · Op/Vehicle Supplies	34.68	125.00	-90.32	27.7%
41803 · Auto Insurance	0.00	29,166.67	-29,166.67	0.0%
41804 · Fuel	14,822.42	20,833.33	-6,010.91	71.1%
41806 · Radio	0.00	208.33	-208.33	0.0%
41807 · Tires	545.08	1,250.00	-704.92	43.6%
41808 · Bus Washing	309.20	333.33	-24.13	92.8%
41809 · Deductible & Accident	5,797.45	1,666.67	4,130.78	347.8%
Total 41800 · Vehicle Expense	67,889.54	74,416.66	-6,527.12	91.2%
41900 · Vehicle and Equipment Capital				
41901 · Vehicle Capital	0.00	41,666.67	-41,666.67	0.0%
41902 · Make Ready	0.00	1,083.33	-1,083.33	0.0%
Total 41900 · Vehicle and Equipment Capital	0.00	42,750.00	-42,750.00	0.0%
41910 · Facilities				
41911 · Facilities Acct 1	2,200.00	83,333.33	-81,133.33	2.6%
Total 41910 · Facilities	2,200.00	83,333.33	-81,133.33	2.6%
42000 · Bank Charges				
42003 · Returned Check	0.00	4.17	-4.17	0.0%
42004 · Merchant Service Merch Fee	1,022.34	666.67	355.67	153.4%
42000 · Bank Charges - Other	5.83	6.67	-0.84	87.4%
Total 42000 · Bank Charges	1,028.17	677.51	350.66	151.8%
42100 · Grant Expense				
42109 · Financial Sustainability Study	0.00	1,041.67	-1,041.67	0.0%
Total 42100 · Grant Expense	0.00	1,041.67	-1,041.67	0.0%
42420 · Donation	15.00			
Total Expense	308,071.28	471,276.42	-163,205.14	65.4%
Net Ordinary Income	-28,912.82	-3,761.74	-25,151.08	768.6%
Net Income	-28,912.82	-3,761.74	-25,151.08	768.6%

7:16 AM

03/23/26

Accrual Basis

HIRTA Public Transit Journal Entry Report February 2026

Type	Date	Num	Memo	Account	Amount	Balance
Feb 26						
General Journal	02/05/2026	DONATION	PAM FOY KREITZ VIA DONATION	30301 - Passenger Re...	20.00	20.00
General Journal	02/05/2026	DONATION	PAM FOY KREITZ VIA DONATION	30302 - Passenger Do...	-20.00	0.00
General Journal	02/06/2026	DONATION	RODNEY SWENSON VIA DONATION	30301 - Passenger Re...	20.00	20.00
General Journal	02/06/2026	DONATION	RODNEY SWENSON VIA DONATION	30302 - Passenger Do...	-20.00	0.00
General Journal	02/27/2026	DONATION	SHIRLEY BOWMAN VIA DONATION	30301 - Passenger Re...	5.00	5.00
General Journal	02/27/2026	DONATION	SHIRLEY BOWMAN VIA DONATION	30302 - Passenger Do...	-5.00	0.00
Feb 26					0.00	0.00

HIRTA Public Transit Expenses by Vendor Summary February 2026

	Feb 26
1 It Source	485.00
Accident Fund Insurance Company	3,299.40
Ahlers & Cooney, P.C.	132.00
Amy Gadbaw	312.00
Barney's Services Inc	178.00
Big Brand Tire & Service	139.20
Bluefin	150.86
Braintree Funding	688.19
Casey's Businesss Advantage	14,822.42
Central Tire & Auto	205.00
CenturyLink	1,378.48
Chris Grabrian	4,700.00
Cintas Loc 22M	81.54
City Of Boone Airport	4,809.58
Community Transportation Assoc.	2,700.00
Crystal Clear Water	64.75
Debbie Comito	900.00
Delta Dental	1,973.34
Donna Adams	26.00
Dutch Clean Auto Wash	31.70
Flex Investors, LLC	-836.00
Flexlynqs LLC	22,975.00
Freedom Tire & Auto Center	545.08
Heart Of Transit	4,263.56
Indianola Municipal Utilities	88.00
Iowa Communities Assurance Pool	5,797.45
Iowa State University Parking	1,810.17
Iowa State University Science & Tech	11,924.11
Jasper County Treasurer	500.00
Krisi Kranz	40.88
Larry Lubinus	35.36
Libbe Bolton	110.76
Linda Akwa	221.48
LISCO	153.00
Mediacom	393.47
Merchant Service	-3,567.08
Mid American Energy	305.92
Midwest Office Technology	157.65
Moffitt's	45,858.51
Napa Auto Parts - Des Moines COJ	34.68
Nelsen Appraisal Associates, Inc	2,200.00
NEORide	6,682.50
Nick's Greenhouse	150.00
QuickBooks Payroll Service	412.63
RAMP	2,619.92
Shred-It	77.50
The Standard	1,794.03
Thomas Venner	55.56
Time Management Systems, Inc.	194.32
U.S. Cellular	53.54
Volunteer Iowa	416.67
Wellmark	21,200.62
Wild Water Car Wash & Pet Wash	277.50
Windstream Iowa Communications	150.42
TOTAL	164,174.67

Exhibit 1

Exhibit 1

Exhibit 1

Exhibit 1

Exhibit 1

Exhibit 1

Exhibit 1

Exhibit 1

Exhibit 1

Exhibit 1

Exhibit 1

Exhibit 1

Exhibit 1

Authorizing Resolution

We, hereby, authorize Julia Castillo
(Name of Authorized Signatory)

on behalf of Heart of Iowa Regional Transit Agency
(Legal Name of Applicant)

to apply for financial assistance as noted below and to enter into related contract(s) with the Iowa Department of Transportation.

From the State Transit Assistance Program:

2.58809559 % of formula funds;
\$ of Special Project funds

From federal funds for transit in non-urbanized areas and/or for transit serving primarily elderly persons and person with disabilities:

\$ 687891

From statewide federal capital assistance for transit:

\$ 480760

We understand acceptance of federal transit assistance involves an agreement to comply with certain labor protection provisions.

We certify that Heart of Iowa Regional Transit Agency
(Legal Name of Applicant)

has sufficient non-federal funds to provide required local match for capital projects and at time of delivery will have the funds to operate and maintain vehicles and equipment purchased under this project.

We request that State Transit Assistance formula funding be advanced as allowed by law, to improve transit system cash flow.

Adopted the 23 day of April, 2026

Name: Heart of Iowa Regional Transit Agency Board of Directors
(Applicant's Governing Body)

By: Julia Castillo
(Signature of Chief Executive Officer) (Printed Name of Chief Executive Officer)

Title: CEO

Address: 2824 104th St, Urbandale, IA 50322

Telephone: 5154916067.....E-mail Address: jcastillo@ridehirta.com
(E-mail Address of Chief Executive Officer)



Heart of Iowa Regional Transit Agency HIRTA Public Transit

Boone, Dallas, Jasper, Madison, Marion, Story, and Warren Counties

April 23, 2026

Brent Paulson
Public Transit Bureau
Iowa Department of Transportation
800 Lincoln Way
Ames, IA 50010

Dear Mr. Paulson:

SUBJECT: Certificate of Cost Allocation Plan

All of the Heart of Iowa Regional Transit Agency (HIRTA), Region 11, expenses go toward Transit Operations and/or Capital and therefore HIRTA has no cost allocation plan to submit to the Iowa Department of Transportation for Fiscal Year 2027.

Sincerely,

Julia Castillo
Executive Director



Heart of Iowa Regional Transit Agency HIRTA Public Transit

Boone, Dallas, Jasper, Madison, Marion, Story, and Warren Counties

April 23, 2026

Brent Paulson
Public Transit Bureau
Iowa Department of Transportation
800 Lincoln Way
Ames, IA 50010

Dear Mr. Paulson:

SUBJECT: CERTIFICATE OF INDIRECT COSTS

All of the Heart of Iowa Regional Transit Agency (HIRTA), Region 11, expenses are direct costs; therefore, no indirect cost formula will be calculated or submitted to the Iowa Department of Transportation for Fiscal Year 2027.

Sincerely,

Julia Castillo
CEO

Labor Protection Agreements

The Heart of Iowa Regional Transit Agency,

(Legal Name of Applicant)

as an applicant for federal non-urbanized area public transit funding, agrees that in the absence of a waiver by the Department of Labor, the terms and conditions of the Special Warranty Arrangement for Application to Other Than Urbanized and Over-the-Road Bus Accessibility Projects pursuant to Section 5333(b) of Title 49 of the U.S. Code, Chapter 53 (hereinafter referred to as "Warranty"), shall apply for the protection of the employees of any employer providing transportation services assisted by the Project and the employees of any other surface public transportation providers in the transportation service area of the Project. The Warranty shall be made part of the contract of assistance with the Iowa Department of Transportation and shall be binding and enforceable by and upon the parties thereto, by any covered employee or his/her representative.

Pursuant to the Department of Labor's procedures for application of the Warranty, included with this submission is a listing of all transportation providers which will be recipients of transportation assistance funded by the Project, a listing of other transportation providers in the geographic area of such Project, and any labor organization representing the employees of such providers.

Additionally, the Applicant agrees that in the absence of a waiver by the Department of Labor, the terms and conditions of the Nonunion Protective Arrangement pursuant to Section 5333(b) of Title 49 of the U.S. Code (hereinafter referred to as "Arrangement") shall apply as intended for the benefit of transit employees in the service area of the Project, who are considered third-party beneficiaries to the employee protective arrangements incorporated by reference in the grant contract between the U.S. Department of Transportation and the Iowa Department of Transportation and between the Iowa Department of Transportation and the Applicant.

I further certify that I have read and understand the terms and conditions of the Warranty, which can be found at https://www.dol.gov/agencies/olms/regs/compliance/transit/07_Special_Warranty, and of the Arrangement, which can be found at https://www.dol.gov/sites/dolgov/files/OLMS/regs/compliance/transit/Nonunion_Protective_Arrangement.pdf.

Signature

Julia Castillo

Print Name

CEO

Title

Heart of Iowa Regional Transit Agency

Name of Organization

March 26, 2026

Date Signed



Heart of Iowa Regional Transit Agency HIRTA Public Transit

Boone, Dallas, Jasper, Madison, Marion, Story, and Warren Counties

April 23, 2026

Brent Paulson
Public Transit Bureau
Iowa Department of Transportation
800 Lincoln Way
Ames, IA 50010

Dear Mr. Paulson:

SUBJECT: Discrimination Complaints and/or Pending Lawsuits

The Heart of Iowa Regional Transit Agency (HIRTA) has no pending lawsuits which would impact the ability to implement public transit services.

Sincerely,
Julia Castillo
CEO

LOBBYING COST CERTIFICATE

I hereby certify that Heart of Iowa Regional Transit Agency

(Legal Name of Applicant)

has complied with the requirements and standards on lobbying costs in 2 CFR Part 230 (formerly OMB Circular A-122), "Cost Principles for Non-profit Organizations." for FY in that:

- (1) No costs are used to attempt to influence outcomes of any Federal, State, or local election, referendum, initiative, or similar procedure, through in kind or cash contributions, endorsements, publicity, or similar activity.
- (2) No costs are used to establish, administer, contribute to, or pay the expenses of a political party, campaign, political action committee, or other organization established for the purpose of influencing the outcomes of elections.
- (3) No costs are used to attempt to influence and Federal or State legislation enactment or modification of any pending Federal or State legislation through communication with any member or employee of the Congress or State legislature (including efforts to influence State or local officials to engage in similar lobbying activity), or with any Government official or employee in connection with a decision to sign or veto enrolled legislation or by preparing, distributing or using publicity or propaganda, or by urging members of the general public or any segment thereof to contribute to, or participate in, any mass demonstration, march, rally, fundraising drive, lobbying campaign or letter writing or telephone campaign.
- (4) No costs are used for legislative liaison activities, including attendance at legislative sessions or committee hearings, gathering information regarding legislation, and analyzing the effect of legislation, when such activities are carried on in support of or in knowing preparation for an effort to engage in unallowable lobbying

I declare under penalty of perjury that the foregoing is true and **correct**.

Signed by the official having the authority to negotiate indirect cost rates for the organization or by a higher level official.

Signature
Julia Castillo

Print Name
CEO

Title
Heart of Iowa Regional Transit Agency

Name of Organization
April 23, 2026

Date Signed

Minority Impact Statement

Pursuant to 2008 Iowa Acts, HF 2393, Iowa Code 8.11, all grant applications submitted to the State of Iowa that are due beginning Jan. 1, 2009, shall include a Minority Impact Statement. This is the state's mechanism for requiring grant applications to consider the potential impact of the grant project's proposed programs or policies on minority groups.

Please choose the statement(s) that pertains to this grant application. Complete all the information requested for the chosen statement(s). Submit additional pages as necessary.

- The proposed grant project programs or policies could have a disproportionate or unique **positive** impact on minority persons.

Describe the positive impact expected from this project:

Indicate which groups are impacted:

- Women Persons with a Disability Blacks Latinos Asians
- Pacific Islanders American Indians Alaskan Native Americans Other _____

- The proposed grant project programs or policies could have a disproportionate or unique **negative** impact on minority persons.

Describe the negative impact expected from this project:

Present the rationale for the existence of the proposed program or policy:

Provide evidence of consultation with representatives of the minority groups impacted:

Indicate which groups are impacted:

- Women Persons with a Disability Blacks Latinos Asians
 Pacific Islanders American Indians Alaskan Native Americans Other _____

The proposed grant project programs or policies are **not expected to have** a disproportionate or unique impact on minority persons.

Present the rationale for determining no impact:
Vehicles are accessible and all services are open to the public.

I hereby certify that the information on this form is complete and accurate, to the best of my knowledge.

Name: Julia Castillo

Title: CEO

Definitions

"Minority Persons," as defined in Iowa Code 8.11, means individuals who are women, persons with a Disability, Blacks, Latinos, Asians or Pacific Islanders, American Indians, and Alaskan Native Americans.

"Disability," as defined in Iowa Code 15.102, subsection 12, paragraph "b," subparagraph (1):

b. As used in this subsection:

(1) "*Disability*" means, with respect to an individual, a physical or mental impairment that substantially limits one or more of the major life activities of the individual, a record of physical or mental impairment that substantially limits one or more of the major life activities of the individual, or being regarded as an individual with a physical or mental impairment that substantially limits one or more of the major life activities of the individual.

"*Disability*" does not include any of the following:

- (a) Homosexuality or bisexuality.
- (b) Transvestism, transsexualism, pedophilia, exhibitionism, voyeurism, gender identity disorders not resulting from physical impairments or other sexual behavior disorders.
- (c) Compulsive gambling, kleptomania, or pyromania.
- (d) Psychoactive substance abuse disorders resulting from current illegal use of drugs.

"State Agency," as defined in Iowa Code 8.11, means a department, board, bureau, commission, or other agency or authority of the State of Iowa.

Notice of Public Hearing

Notice is hereby given that a Public Hearing for HIRTA will be held via ZOOM at 9:00 am on **04/23/26**. The purpose of this hearing is to discuss an application to the Iowa Department of Transportation for FY27 financial assistance.

HIRTA will request the following financial assistance:

- State transit assistance of approximately \$552,359 for operation support
- Federal transit assistance of approximately \$687,891 for operation support

Federal statewide transit assistance support for capital equipment purchases. Which, if approved, will be matched with local dollars at 15%.

- Purchase 4 ADA Ford Transits with surveillance for replacement – approximately \$565,600 Total Cost, \$480.760 Federal Funds.

These projects will not have a significant detrimental environmental effect on the area, and no persons or businesses will be displaced by these activities. The projects are in conformance with the statewide Transit Improvement Program.

Any interested person or agency is invited to attend this hearing and to speak for or against this application for funding. Zoom info available at www.ridehirta.com/board 4/23/26 agenda.

Written comments will be through the date and time of the hearing specified above. These should be sent to HIRTA, Attention Julia Castillo, 2824 104th St. Urbandale, IA 50322 or emailed to jcastillo@ridehirta.com

This meeting is open to the public and any one requiring a reasonable accommodation to participate may contact HIRTA (515) 309-9282 at least two days prior to the hearing.

Listing of Surface Transportation Providers in Project Area

Table 1: Transit Providers Operating Under Authority of Applicant

Note: List applicant as number one if it actually operates/provides services

Provider Operating Under Contract to (Legal Name of Applicant)
Heart of Iowa Regional Transit Agency

List transit operations showing their current status as of (date)		Use Union Code		check if Yes				
April 23, 2026								
Union Code		Union Local Number	Union/ Bargaining Unit	Crosses Urban Boundary	Crosses Regional Boundary	Crosses State Boundary	Receiving Public Money	Private-For-Profit
ATU - Amalgamated Transit Union; AFSCME - American Federation of State, County, and Municipal Employees; IBEW - International Brotherhood of Electrical Workers; IBT - International Brotherhood of Teamsters; IUOE - International Union of Operating Engineers; IUPAT - International Union of Painters and Allied Trades; NONE; OTHER								
Address and e-Mail Address must be included for all agencies with a union affiliation.								
1.	Heart of Iowa Regional Transit dba HIRTA 2824 104th St, Urbandale, IA 50322 jcastillo@ridehirta.com			<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2.				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5.				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6.				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7.				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

List transit operations showing their current status as of (date)

Use
Union
Code

check if Yes

Union Code		Union Local Number	Union/ Bargaining Unit	Crosses Urban Boundary	Crosses Regional Boundary	Crosses State Boundary	Receiving Public Money	Private-For-Profit
ATU - Amalgamated Transit Union; AFSCME - American Federation of State, County, and Municipal Employees; IBEW - International Brotherhood of Electrical Workers; IBT - International Brotherhood of Teamsters; IUOE - International Union of Operating Engineers; IUPAT - International Union of Painters and Allied Trades; NONE; OTHER								
Address and e-Mail Address must be included for all agencies with a union affiliation.								
8.				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9.				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10.				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11.				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12.				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13.				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14.				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15.				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

List transit operations showing their current status as of (date)

Use
Union
Code

check if Yes

Union Code		Union Local Number	Union/ Bargaining Unit	Crosses Urban Boundary	Crosses Regional Boundary	Crosses State Boundary	Receiving Public Money	Private-For-Profit
ATU - Amalgamated Transit Union; AFSCME - American Federation of State, County, and Municipal Employees; IBEW - International Brotherhood of Electrical Workers; IBT - International Brotherhood of Teamsters; IUOE - International Union of Operating Engineers; IUPAT - International Union of Painters and Allied Trades; NONE; OTHER								
Address and e-Mail Address must be included for all agencies with a union affiliation.								
16.				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17.				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18.				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19.				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20.				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
21.				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
22.				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
23.				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

List transit operations showing their current status as of (date)

Use
Union
Code

check if Yes

Union Code		Union Local Number	Union/ Bargaining Unit	Crosses Urban Boundary	Crosses Regional Boundary	Crosses State Boundary	Receiving Public Money	Private-For-Profit
ATU - Amalgamated Transit Union; AFSCME - American Federation of State, County, and Municipal Employees; IBEW - International Brotherhood of Electrical Workers; IBT - International Brotherhood of Teamsters; IUOE - International Union of Operating Engineers; IUPAT - International Union of Painters and Allied Trades; NONE; OTHER								
Address and e-Mail Address must be included for all agencies with a union affiliation.								
24.				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
25.				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
26.				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
27.				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
28.				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
29.				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
30.				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
31.				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

List transit operations showing their current status as of (date)

Union Code		Union Local Number	Union/ Bargaining Unit	check if Yes				
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Address and e-Mail Address must be included for all agencies with a union affiliation.								
32.				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
33.				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
34.				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
35.				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
36.				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
37.				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
38.				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
39.				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

List transit operations showing their current status as of (date)

Use
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Code

check if Yes

Union Code		Union Local Number	Union/ Bargaining Unit	Crosses Urban Boundary	Crosses Regional Boundary	Crosses State Boundary	Receiving Public Money	Private-For-Profit
ATU - Amalgamated Transit Union; AFSCME - American Federation of State, County, and Municipal Employees; IBEW - International Brotherhood of Electrical Workers; IBT - International Brotherhood of Teamsters; IUOE - International Union of Operating Engineers; IUPAT - International Union of Painters and Allied Trades; NONE; OTHER								
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40.				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
41.				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
42.				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
43.				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
44.				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
45.				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
46.				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
47.				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Listing of Surface Transportation Providers in Project Area

Table 2: Transit Providers Not Operating Under Authority of Applicant

List all other public, private, and non-profit transportation providers which operate or offer services in Applicant's service area, including intercity bus companies, taxis, and social service agencies.

Services/Programs Operating Independently From: (Legal Name of Applicant)

Heart of Iowa Regional Transit Agency

List transit operations showing their current status as of (date)		Use Union Code	check if Yes					
April 23, 2026			Union Local Number	Union/ Bargaining Unit	Crosses Urban Boundary	Crosses Regional Boundary	Crosses State Boundary	Receiving Public Money
Union Code								
ATU - Amalgamated Transit Union; AFSCME - American Federation of State, County, and Municipal Employees; IBEW - International Brotherhood of Electrical Workers; IBT - International Brotherhood of Teamsters; IUOE - International Union of Operating Engineers; IUPAT - International Union of Painters and Allied Trades; NONE; OTHER								
Address and e-Mail Address must be included								
1.	CyRide 1700 University, Ames IA	234	IQUE	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2.	Burlington Trailways PO Box 531 W. Burlington IA			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
3.	Jefferson Lines 2100 E 26th St Minneapolis MN	1139	ATU	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
4.	Greyhound 1501 2nd Ave Des Moines IA	1700	ATU	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5.	Trans Iowa Charter 1550 E Army Post Rd. Des Moines, IA			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6.				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7.			IBEW	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

List transit operations showing their current status as of (date)

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Union
Code

check if Yes

Union Code		Union Local Number	Union/ Bargaining Unit	Crosses Urban Boundary	Crosses Regional Boundary	Crosses State Boundary	Receiving Public Money	Private-For-Profit
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Address and e-Mail Address must be included for all agencies with a union affiliation.								
8.				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9.				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10.				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11.				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12.				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13.				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14.				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15.				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

List transit operations showing their current status as of (date)

Use
Union
Code

check if Yes

Union Code		Union Local Number	Union/ Bargaining Unit	Crosses Urban Boundary	Crosses Regional Boundary	Crosses State Boundary	Receiving Public Money	Private-For-Profit
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Address and e-Mail Address must be included for all agencies with a union affiliation.								
16.				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17.				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18.				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19.				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20.				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
21.				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
22.				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
23.				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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26.				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
27.				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
28.				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
29.				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
30.				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
31.				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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Address and e-Mail Address must be included for all agencies with a union affiliation.								
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33.				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
34.				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
35.				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
36.				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
37.				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
38.				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
39.				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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40.				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
41.				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
42.				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
43.				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
44.				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
45.				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
46.				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
47.				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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Exhibit 2

Not every provision of every certification will apply to every applicant or award. If a provision of a certification does not apply to the applicant or its award, FTA will not enforce that provision.

Text in italic is not part of a certification and is of no legal effect. Its purpose is to provide explanation and context for the certification.

CATEGORY 1. CERTIFICATIONS AND ASSURANCES REQUIRED OF EVERY APPLICANT.

All applicants must make the certifications in this category.

1.1. Standard Assurances.

The certifications in this subcategory appear as part of the applicant's registration or annual registration renewal in the System for Award Management (SAM.gov) and on the Office of Management and Budget's standard form 424B "Assurances—Non-Construction Programs". This certification has been modified in places to include analogous certifications required by U.S. DOT statutes or regulations.

As the duly authorized representative of the applicant, you certify that the applicant:

- (a) Has the legal authority to apply for Federal assistance and the institutional, managerial and financial capability (including funds sufficient to pay the non-Federal share of project cost) to ensure proper planning, management and completion of the project described in this application.
- (b) Will give the awarding agency, the Comptroller General of the United States and, if appropriate, the State, through any authorized representative, access to and the right to examine all records, books, papers, or documents related to the award; and will establish a proper accounting system in accordance with generally accepted accounting standards or agency directives.
- (c) Will establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain.
- (d) Will initiate and complete the work within the applicable time frame after receipt of approval of the awarding agency.
- (e) Will comply with the Intergovernmental Personnel Act of 1970 (42 U.S.C. §§ 4728–4763) relating to prescribed standards for merit systems for programs funded under one of the 19 statutes or regulations specified in Appendix A of OPM's Standards for a Merit System of Personnel Administration (5 CFR 900, Subpart F).
- (f) Will comply with all Federal statutes relating to nondiscrimination. These include but are not limited to:

FEDERAL FISCAL YEAR 2026 CERTIFICATIONS AND ASSURANCES FOR FTA ASSISTANCE PROGRAMS

(Signature pages alternate to providing Certifications and Assurances in TrAMS.)

Name of Applicant: Heart of Iowa Regional Transit Agency

The Applicant certifies to the applicable provisions of all categories: (*check here*) _____.

Or,

The Applicant certifies to the applicable provisions of the categories it has selected:

Category	Certification
01 Certifications and Assurances Required of Every Applicant	X
02 Public Transportation Agency Safety Plans	X
03 Tax Liability and Felony Convictions	X
04 Private Sector Protections	X
05 Transit Asset Management Plan	X
06 Rolling Stock Buy America Reviews and Bus Testing	X
07 Urbanized Area Formula Grants Program	X
08 Formula Grants for Rural Areas	X
09 Fixed Guideway Capital Investment Grants and the Expedited Project Delivery for Capital Investment Grants Pilot Program	N/A
10 Grants for Buses and Bus Facilities and Low or No Emission Vehicle Deployment Grant Programs	X
11 Enhanced Mobility of Seniors and Individuals with Disabilities Programs	X

12	State of Good Repair Grants	X
13	Infrastructure Finance Programs	X
14	Alcohol and Controlled Substances Testing	X
15	Rail Safety Training and Oversight	N/A
16	Demand Responsive Service	X
17	Interest and Financing Costs	X
18	Cybersecurity Certification for Rail Rolling Stock and Operations	N/A
19	Tribal Transit Programs	N/A
20	Emergency Relief Program	X

CERTIFICATIONS AND ASSURANCES SIGNATURE PAGE

AFFIRMATION OF APPLICANT

Name of the Applicant: Heart of Iowa Regional Transit Agency

BY SIGNING BELOW, on behalf of the Applicant, I declare that it has duly authorized me to make these Certifications and Assurances and bind its compliance. Thus, it agrees to comply with all federal laws, regulations, and requirements, follow applicable federal guidance, and comply with the Certifications and Assurances as indicated on the foregoing page applicable to each application its Authorized Representative makes to the Federal Transit Administration (FTA) in the federal fiscal year, irrespective of whether the individual that acted on his or her Applicant’s behalf continues to represent it.

The Certifications and Assurances the Applicant selects apply to each Award for which it now seeks, or may seek in the future, of federal assistance to be awarded by FTA during the federal fiscal year.

The Applicant affirms the truthfulness and accuracy of the Certifications and Assurances it has selected in the statements submitted with this document and any other submission made to FTA, and acknowledges that the Program Fraud Civil Remedies Act of 1986, 31 U.S.C. § 3801 *et seq.*, and implementing U.S. DOT regulations, “Program Fraud Civil Remedies,” 49 CFR part 31, apply to any certification, assurance or submission made to FTA. The criminal provisions of 18 U.S.C. § 1001 apply to any certification, assurance, or submission made in connection with a federal public transportation program authorized by 49 U.S.C. chapter 53 or any other statute

In signing this document, I declare under penalties of perjury that the foregoing Certifications and Assurances, and any other statements made by me on behalf of the Applicant are true and accurate.

Signature _____ Date: 4/23/2026

Name Julia Castillo Authorized Representative of Applicant

AFFIRMATION OF APPLICANT’S ATTORNEY

For (Name of Applicant): Heart of Iowa Regional Transit Agency

As the undersigned Attorney for the above-named Applicant, I hereby affirm the Applicant has the authority under state, local, or tribal government law, as applicable, to make and comply with the Certifications and Assurances as indicated on the foregoing pages. I further affirm that, in my opinion, the Certifications and Assurances have been legally made and constitute legal and binding obligations on it.

I further affirm that, to the best of my knowledge, there is no legislation or litigation pending or imminent that might adversely affect the validity of these Certifications and Assurances, or of the performance of its FTA assisted Award.

Signature _____ Date: _____

Name _____ Attorney for Applicant

Each Applicant for federal assistance to be awarded by FTA must provide an Affirmation of Applicant’s Attorney pertaining to the Applicant’s legal capacity. The Applicant may enter its electronic signature in lieu of the Attorney’s signature within TrAMS, provided the Applicant has on file and uploaded to TrAMS this hard-copy Affirmation, signed by the attorney and dated this federal fiscal year.

Exhibit 3

Exhibit 3

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**AGING RESOURCES OF CENTRAL IOWA
 FY 2027 - 2028 CONTRACT AWARD
 (July 1, 2026 - June 30, 2028)**

SUBRECIPIENT/Subaward:

Heart of Iowa Regional Transit Agency (HIRTA)

Aging Resources'

SERVICE(S):

Award

Title III / ES: Assisted Transportation/Transportation - Boone	\$40,355
Title III / ES: Assisted Transportation/Transportation – Dallas	\$35,938
Title III / ES: Assisted Transportation/Transportation - Grimes	\$ 5,000
Title III / ES: Assisted Transportation/Transportation - Jasper	\$23,650
Title III / ES: Assisted Transportation/Transportation - Madison	\$38,255
Title III / ES: Assisted Transportation/Transportation - Marion	\$29,274
Title III / ES: Assisted Transportation/Transportation - Story	\$31,410
Title III / ES: Assisted Transportation/Transportation - Warren	\$22,735

This Agreement is made and entered into as a two (2) year contract between Aging Resources of Central Iowa, hereinafter referred to as the “Area Agency” and the agency shown above, hereinafter referred to as the “Subrecipient.” Subrecipient will comply with all current federal, state, and local health, fire, safety, sanitation, accessibility, and licensure requirements.

The Subrecipient and the Area Agency agree to the terms and conditions of the contract which include:

1. This Contract Award Cover Page
2. Contract Budget/Specification of Service Page(s)
3. Contract Conditions
 - Part I Conditions Applicable to Contracts of this Service Type
 - Part II Conditions Applicable to all Aging Resources' Contracts
 - Part II Contract Conditions Addendum for all Services
4. Contract Authorized Signatures Page
5. Section 2 CFR 200 Appendix 11 Applicable to Contracts of AAAs under Federal Awards.

In witness of this agreement, the parties have agreed to extend this contract beginning July 1, 2026 and ending June 30, 2028.

HIRTA SUBRECIPIENT: **Sign Below**

AGING RESOURCES:

Project Manager / Date

AR Executive Director / Date

Authorized Official / Date

AR Board Chairperson / Date

CONTRACTOR'S AUTHORIZED SIGNATURES

The following persons are authorized to sign program and fiscal reports for the Contractor:

Contractor's Official (Chairperson, President) :

Print Name	Signature	Date
------------	-----------	------

Contractor's Project Manager :

Print Name	Signature	Date
------------	-----------	------

Contractor's Accountant/Bookkeeper :

Print Name	Signature	Date
------------	-----------	------

Other (Title) :

Print Name	Signature	Date
------------	-----------	------

Other (Title) :

Print Name	Signature	Date
------------	-----------	------



5835 Grand Avenue, Suite #106
Des Moines, IA 50312-1444
Phone: (515) 255-1310
Fax: (515) 255-9442
E-Mail: info@agingresources.com
Website: www.agingresources.com

Aging Resources of Central Iowa Confidentiality Policy

Aging Resources of Central Iowa is committed to maintaining the privacy of personal information the Agency may obtain concerning our clients, employees, volunteers and applicants, in addition to expenditure data. All employees and volunteers are prohibited from disclosing nonpublic information (including but not limited to services provided to specific individuals, medical or financial information, donations, and relationships with other agencies or organizations) with persons not directly associated with this agency. In addition, this information may not be shared with anyone within the agency unless that person has a work-related need to know. No disclosure of information may be provided without a signed release of information or the expressed authorization of appropriate supervisory/management staff.

The responsibility to maintain confidentiality of all client information or other proprietary information gained while an employee or volunteer of Aging Resources remains even if affiliation with Aging Resources ends.

Failure to abide by this agreement will result in disciplinary action as outlined in Aging Resources' Personnel Policies Manual.

ACKNOWLEDGEMENT

I have read, understand and agree to comply with this policy.

Employee or Volunteer: _____
Print Name

Employee or Volunteer: _____
Signature

Date: _____

Exhibit 4

Exhibit 4

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CONTRACT FOR HUMAN SERVICES

THIS AGREEMENT, made and entered into the 1st day of July, 2026, by and between the **CITY OF AMES, IOWA**, a municipal corporation organized and existing pursuant to the laws of the State of Iowa (hereinafter sometimes called "City") and **HIRTA** (a nonprofit corporation or governmental unit organized and existing pursuant to the laws of the State of Iowa and hereinafter called "Provider");

WITNESSETH THAT:

WHEREAS, the City of Ames has, by its City Council acting in open and regular session, determined that certain services and facilities to be provided to the City of Ames and its citizens by Provider, such services and facilities being hereinafter described and set out, should be purchased in accordance with the terms of a written agreement as hereinafter set out, in accordance with all applicable Federal, State, and Local laws or regulations, and

WHEREAS, the purchase of these services constitutes a public purpose by providing providing transportation services to Ames residents when no other transportation services are available to meet the residents' transportation needs;

NOW, THEREFORE, the parties hereto have agreed and do agree as follows:

I. PURPOSE

The purpose of this Agreement is to procure for the City of Ames and its citizens certain services and facilities as hereinafter described and set out; to establish the methods, procedures, terms and conditions governing payment by the City of Ames for such services; and, to establish other duties, responsibilities, terms and conditions mutually undertaken and agreed to by the parties hereto in consideration of the services to be performed and monies paid.

II. SCOPE OF SERVICES

Provider shall provide the services and facilities to the City of Ames and its citizens as set out in the Provider's 2026/27 ASSET proposal. The Provider's proposal is incorporated into and made part of this agreement by this reference and shall be considered Exhibit "A" of the agreement. Exhibit "A" is available for viewing by the public in the Ames City Clerk's office. The programs or services must conform to the standardized definitions used by the Analysis of Social Services Evaluation Team (ASSET), and unit costs must be consistent between all ASSET funders.

The cost per unit of service shall equal that proposed cost indicated in the Provider's ASSET Budget Forms. In the event that actual ASSET funds or other revenues differ from the Provider's request, the cost per unit shall remain as requested, but the

number of units provided shall be adjusted.

The City will be contracting for services at the cost per unit indicated, not to exceed the following amounts:

SERVICE	COST PER UNIT	UNITS	AMOUNT
Transportation - City	\$29.32	1,692	\$ 49,634

III. METHOD OF PAYMENT

- A. All payments to be made by the City of Ames pursuant to this Agreement shall be made on a reimbursement basis for services provided in amounts not to exceed those outlined in Section II above.
- B. The City will disburse payment monthly on requisition of Provider.
- C. Requisitions for disbursement shall be made in such form and in accordance with such procedures as the Director of Finance for the City shall prescribe. Said form shall include but not be limited to an itemization of the nature and amount of services provided and must be filled out completely.
- D. The maximum total amount payable by the City of Ames under this agreement is **\$49,634** as detailed in the SCOPE OF SERVICES (Section II of this contract), and no greater amount shall be paid.
- E. The Provider shall requisition for funds on a monthly basis. If Provider wishes to request disbursement of funds on other than a monthly basis, the Provider must request in writing that an alternate disbursement period be adopted and approved by the Director of Finance for the City. Provider shall have up to 90 days from the date that services are provided to request payment from the City. Any request made by Provider in excess of 90 days after services are provided shall be deemed a waiver by the Provider and the City shall have no obligation to pay for said untimely requests for payment. Failure to request reimbursement in a timely manner shall be grounds for termination of this agreement by the City.

IV. FINANCIAL ACCOUNTING AND ADMINISTRATION

- A. All monies disbursed under this Agreement shall be accounted for by the accrual method of accounting or other generally accepted comprehensive basis.
- B. All services for which payment is claimed shall be supported by documentation evidencing in proper detail the nature and propriety of the charges. The City-provided claim form shall be completed and include the service name, the unit cost claimed for each service, and the client code where required. A client code shall be required for any service in which the individual has entered the program through a third party referral, intake process, personal application, or emergency response. Exceptions shall include one-time educational sessions, confidential telephone counseling, or where the identity and residency of a person cannot be reasonably determined. The Provider may assign whatever client code it deems appropriate, as long as it can be used to verify the client's Ames or Story County residency and

- participation in City-subsidized programs of service and/or sliding fee scale.
- C. All checks or other accounting documents pertaining in whole or in part to this Agreement shall be clearly identified as such and readily accessible for examination and audit by the City or its authorized representative.
 - D. All records shall be maintained in accordance with procedures and requirements established by the City Finance Director, and the City Finance Director may, prior to any disbursement under this Agreement, conduct a pre-audit of record keeping and financial accounting procedures of the Provider for the purpose of determining changes and modifications necessary with respect to accounting for funds made available hereunder. All records and documents required by this Agreement shall be maintained for a period of three (3) years following final disbursement by the City.
 - E. At such time and in such form as the City may require, there shall be furnished to the City such statements, records, reports, data, and information as the City may require with respect to the use made of monies disbursed hereunder.
 - F. At any time during normal business hours, and as often as the City may deem necessary, there shall be made available to the City for examination all records with respect to all matters covered by this Agreement and Provider will permit the City to audit, examine, and make excerpts or transcripts from such records.
 - G. Monies provided under this agreement shall not be used as matching funds for a grant to fund activities in any county other than Story County.
 - H. If Provider's annual budget is over \$250,000, within six months of the end of the Provider's fiscal year the Provider shall submit to the City an annual financial audit prepared by an independent certified public accounting firm and a copy of IRS Form 990. If Provider's annual budget is \$250,000 or less, within six months of the end of the Provider's fiscal year the Provider shall submit to the City a copy of IRS Form 990 and a balance sheet prepared externally and independently. Failure to submit documentation in accordance with this section shall result in withholding payments under this contract. If withheld, payments may resume when required documentation is delivered to the City and City staff has had a reasonable period to review it.
 - I. The Provider agrees to participate in the Clear Impact Scorecard outcomes measurement system, or an equivalent outcomes measurement system identified by the City. The provider shall identify a minimum of one (1) performance measure acceptable to the City, and shall regularly update the outcomes measurement system with the Provider's progress and achievements in relation to such outcome(s). The Provider shall not be entitled to payment from the City under this Agreement if the Provider has not provided updated progress and achievement reports to the City's satisfaction.

V. DURATION

This Agreement shall be in full force and effect from and after July 1, 2026, until June 30, 2027. Provider will continue to provide services under this agreement for the entire term of the agreement, even if the City funds are exhausted prior to the end of the term of the agreement. The City Council may terminate this Agreement by giving written

notice to the Provider at least sixty (60) days before the effective date of such termination. From and after the effective date of termination the City shall have no obligation to pay Provider for any services provided under this Agreement.

VI. DISCRIMINATION PROHIBITED

In accordance with Chapter 14 of the *Municipal Code*, no person shall, on the grounds of age, race, color, creed, religion, national origin, disability, sexual orientation, sex, or gender identity be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds made available under this Agreement.

IN WITNESS WHEREOF the parties hereto have, by their authorized representatives, set their hand and seal as of the date first above written.

CITY OF AMES, IOWA

ATTEST:

BY _____
John Haila, Mayor

Renee Hall, City Clerk

HIRTA

Organization Address (*please print*):

BY _____
Authorized Representative

Print Name:

Phone Number:

Exhibit 5

Exhibit 5

Exhibit 5

Exhibit 5

Exhibit 5

Exhibit 5

Exhibit 5

Exhibit 5

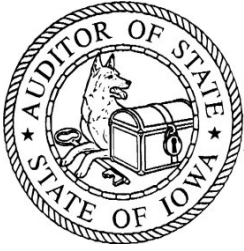
Exhibit 5

Exhibit 5

Exhibit 5

Exhibit 5

Exhibit 5



OFFICE OF AUDITOR OF STATE
STATE OF IOWA

Rob Sand
Auditor of State

State Capitol Building
Des Moines, Iowa 50319-0006
Telephone (515) 281-5834

NEWS RELEASE

Contact: Brian Brustkern
515/281-5834

FOR RELEASE

March 26, 2025

Auditor of State Rob Sand today released an audit report on the Heart of Iowa Regional Transit Agency for the year ended June 30, 2024.

The Heart of Iowa Regional Transit Agency (HIRTA) is an intergovernmental agency established to provide and to promote public transportation in Boone, Dallas, Jasper, Madison, Marion, Story and Warren Counties.

FINANCIAL HIGHLIGHTS:

The Agency had total receipts of \$5,466,387 for the year ended June 30, 2024, a 14.4% increase. Disbursements for the year ended June 30, 2024 totaled \$5,044,043, a 19.9% increase. The significant increase in receipts is due primarily to federal funding received for the Intelligent Transportation System (IT4US) and the Bus and Bus Facilities programs. The significant increase in disbursements is due to an increase in administrative expenses related to wages and benefits for additional drivers, professional services and vehicle maintenance expenses.

AUDIT FINDINGS:

Sand reported three findings related to the receipt and expenditure of taxpayer funds. They are found on pages 55 through 59 of this report. The findings address issues such as lack of timely publication of minutes and reporting of federal grants. Sand provided the Agency with recommendations to address each of these findings.

One of the findings discussed above is repeated from the prior year. The Agency Board has a fiduciary responsibility to provide oversight of the HIRTA's operations and financial transactions. Oversight is typically defined as the "watchful and responsible care" a governing body exercises in its fiduciary capacity.

A copy of the audit report is available for review on the Auditor of State's website at [Audit Reports – Auditor of State](#).

#

HEART OF IOWA REGIONAL TRANSIT AGENCY

INDEPENDENT AUDITOR'S REPORTS
BASIC FINANCIAL STATEMENTS AND
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

JUNE 30, 2024

Heart of Iowa Regional Transit Agency



OFFICE OF AUDITOR OF STATE
STATE OF IOWA

State Capitol Building
Des Moines, Iowa 50319-0006
Telephone (515) 281-5834

Rob Sand
Auditor of State

March 20, 2025

Officials of the Heart of Iowa Regional Transit Agency
Urbandale, Iowa

Dear Board Members:

I am pleased to submit to you the financial and compliance audit report for the Heart of Iowa Regional Transit Agency for the year ended June 30, 2024. The audit was performed pursuant to Chapter 11.6 of the Code of Iowa and in accordance with U.S. auditing standards and the standards applicable to financial audits contained in Government Auditing Standards.

I appreciate the cooperation and courtesy extended by the officials and employees of the Heart of Iowa Regional Transit Agency throughout the audit. If I or this office can be of any further assistance, please contact me or my staff at 515-281-5834.

Sincerely,

A handwritten signature in black ink that reads "Rob Sand". The signature is stylized and cursive.

Rob Sand
Auditor of State

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Heart of Iowa Regional Transit Agency

Officials

<u>Name</u>	<u>Title</u>	<u>Representing</u>
Board of Directors		
Phil Clifton	Chairperson	Madison County
Lisa Heddens	Vice Chairperson	Story County
Bill Zinnel	Treasurer	Boone County
Kim Chapman	Member	Dallas County
Doug Cupples	Member	Jasper County
Mark Snell	Member	Warren County
Steve McCombs	Member	Marion County

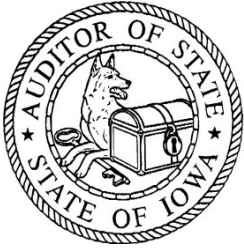
Agency

Julia Castillo	Executive Director
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Iowa Department of Transportation

Kristin Haar	Director of the Office of Public Transit
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Heart of Iowa Regional Transit Agency



**OFFICE OF AUDITOR OF STATE
STATE OF IOWA**

State Capitol Building
Des Moines, Iowa 50319-0006
Telephone (515) 281-5834

Rob Sand
Auditor of State

Independent Auditor's Report

Officials of the Heart of Iowa Regional Transit Agency:

Report on the Audit of the Financial Statement

Opinions

We have audited the financial statements of the governmental activities, the major fund and the aggregate remaining fund information of the Heart of Iowa Regional Transit Agency as of and for the year ended June 30, 2024 and the related Notes to Financial Statements, which collectively comprise the Agency's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above presents fairly, in all material respects, the respective financial position of the governmental activities, the major fund and the aggregate remaining fund information of the Heart of Iowa Regional Transit Agency as of June 30, 2024, and the respective changes in financial position in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

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 the financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and Government Auditing Standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Heart of Iowa Regional Transit Agency's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Heart of Iowa Regional Transit Agency's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the Schedule of the Agency's Proportionate Share of the Net Pension Liability, the Schedule of Agency Contributions and the Schedule of Changes in the Agency's Total OPEB Liability, Related Ratios and Notes on pages 8 through 11 and 36 through 44 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Heart of Iowa Regional Transit Agency's basic financial statements. We previously audited, in accordance with the standards referred to in the third paragraph of this report, the financial statements for the nine years ended June 30, 2023 (which are not presented herein) and expressed unmodified opinions on those financial statements. The supplementary information included in Schedule 1, the Schedule of Expenditures of Federal Awards required by Title 2, U.S. Code of Federal Regulations, Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (Uniform Guidance), is presented for purposes of additional analysis and is not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the supplementary information in Schedule 1 is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated March 20, 2025 on our consideration of the Heart of Iowa Regional Transit Agency's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the effectiveness of the Agency'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 Heart of Iowa Regional Transit Agency's internal control over financial reporting and compliance.



Brian R. Brustkern, CPA
Deputy Auditor of State

March 20, 2025

MANAGEMENT'S DISCUSSION AND ANALYSIS

The Heart of Iowa Regional Transit Agency (Agency) provides this Management's Discussion and Analysis of its financial statements. This narrative overview and analysis of the financial activities is for the year ended June 30, 2024. We encourage readers to consider this information in conjunction with the Agency's financial statements, which follow.

2024 FINANCIAL HIGHLIGHTS

- The Agency received \$3,690,319 during the fiscal year from a combination of federal, state, and other operating and capital grants, an increase of 13.3%, or approximately \$433,000, compared to the previous fiscal year. The increase is due primarily to receiving more federal funding for the Bus and Bus Facilities program in fiscal year 2024.
- Expenses increased 19.9%, or approximately \$837,000, over the prior fiscal year due to the increase in administrative expenses related to wages and benefits of additional drivers and vehicle maintenance expenses.
- The Agency's net position at June 30, 2024 increased 8.0%, or \$422,344, from June 30, 2023 to June 30, 2024.

USING THIS ANNUAL REPORT

The Heart of Iowa Regional Transit Agency is a 28E organization and presents its financial statements using the economic resources measurement focus and the accrual basis of accounting, which is the same measurement focus and basis of accounting employed by private sector business enterprises. This discussion and analysis is intended to serve as an introduction to the Heart of Iowa Regional Transit Agency's basic financial statements. The annual report consists of a series of financial statements and other information, as follows:

Management's Discussion and Analysis introduces the basic financial statements and provides an analytical overview of the Agency's financial activities.

The Entity-wide Financial Statements consist of a Statement of Net Position and a Statement of Activities. These provide information about the activities of the Agency as a whole and present an overall view of the Agency's finances.

The Fund Financial Statements tell how governmental services were financed in the short term as well as what remains for future spending.

Notes to Financial Statements provide additional information essential to a full understanding of the data provided in the entity-wide financial statements.

Required Supplementary Information further explains and supports the financial statements with a comparison of the Agency's proportionate share of the net pension liability and related contributions, as well as presenting the Schedule of Changes in the Agency's Total OPEB Liability, Related Ratios and Notes.

Supplementary Information includes the Schedule of Expenditures of Federal Awards, which provides details of various federal programs benefiting the Agency.

REPORTING THE AGENCY'S FINANCIAL ACTIVITIES

Government-wide Financial Statements

One of the most important questions asked about the Agency's finances is, "Is the Agency as a whole better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities report information about the Agency as a whole and about its activities in a way that helps answer this question. These statements include all assets, deferred outflows of resources, liabilities and deferred inflows of resources using the accrual basis of accounting and the economic resources measurement focus, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

The Statement of Net Position presents financial information on all of the Agency's assets, deferred outflows of resources, liabilities and deferred inflows of resources with the difference reported as net position. Over time, increases or decreases in the Agency's net position may serve as a useful indicator of whether the financial position of the Agency is improving or deteriorating.

The Statement of Activities presents information showing how the Agency's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the event or change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will not result in cash flows until future fiscal years.

The Agency's governmental activities are presented in the Statement of Net Position and the Statement of Activities. Governmental activities include state transit assistance, federal transit assistance and other.

Fund Financial Statements

Governmental funds account for most of the Agency's basic services. These focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. The governmental funds include: 1) the General Fund and 2) the Special Revenue, Heart of Iowa Fund. The funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund financial statements provide a detailed, short-term view of the Agency's general governmental operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the Agency's programs.

The required financial statements for governmental funds include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of financial position. The analysis that follows focuses on the net position of governmental activities.

Net Position of Governmental Activities		
	June 30,	
	2024	2023
Current and other assets	\$ 4,607,528	4,830,160
Capital assets	2,091,766	1,508,193
Total assets	6,699,294	6,338,353
Deferred outflows of resources	452,163	242,180
Long-term liabilities	880,800	588,534
Other liabilities	295,379	221,729
Total liabilities	1,176,179	810,263
Deferred inflows of resources	311,106	528,442
Net position:		
Net investment in capital assets	1,988,593	1,508,193
Restricted	51,520	54,141
Unrestricted	3,624,059	3,679,494
Total net position	\$ 5,664,172	5,241,828

The net position of the Agency increased 8.0% (from \$5,241,828 to \$5,664,172) during the year.

Change in Net Position of Governmental Activities		
	Year ended June 30,	
	2024	2023
Revenues:		
Program revenues:		
Charges for service	\$ 1,131,464	1,013,863
Operating grants, contributions and restricted interest	3,103,683	3,257,144
Capital grants, contributions and restricted interest	586,636	-
General revenues:		
Fuel tax refund	22,438	19,370
Unrestricted investment earnings	100,696	31,354
Miscellaneous	521,470	457,475
Total revenues	5,466,387	4,779,206
Program expenses:		
Administration	4,659,971	3,857,258
Unallocated depreciation/amortization	384,072	349,787
Total expenses	5,044,043	4,207,045
Change in net position	422,344	572,161
Net position beginning of year	5,241,828	4,669,667
Net position end of year	\$ 5,664,172	5,241,828

In fiscal year 2024, the Agency's total revenues increased \$687,000, or 14.38%, over fiscal year 2023. The increase was primarily due to receiving more federal funding for the Bus and Bus Facilities project grant and contract revenue.

In fiscal year 2024, the Agency's total expenses increased \$837,000, or 19.9%, over fiscal year 2023. The increase was primarily the result of an increase in administrative expenses related to wages and benefits of additional drivers and vehicle maintenance expenses.

INDIVIDUAL MAJOR FUND ANALYSIS

As HIRTA completed the year, its governmental funds reported a combined fund balance of \$4,283,740, a decrease of \$291,261 from last year's total of \$4,575,001. The following are major reasons for the changes in fund balances of the major fund over the prior year:

General Fund revenues increased \$679,565, or 14.4%, from the prior year, primarily due to receiving more federal funding for the Bus and Bus Facilities program. General Fund expenditures increased \$1,688,727, or 41.1%, over the prior year, primarily due to an increase in administrative expenses related to wages and benefits of additional drivers, vehicle maintenance expenses and contract services expenses.

CAPITAL ASSETS AND DEBT

Capital Assets

At June 30, 2024, the Agency had \$2,091,766 invested in vehicles, equipment and right-to-use leased buildings, net of accumulated depreciation. More detailed information about the Agency's capital assets is presented in Note 3 to the financial statements.

Long-Term Debt

At June 30, 2024, the Agency had \$103,173 of long-term debt outstanding, compared to \$72,051 long term debt in the prior year. Additional information about the Agency's long-term debt is presented in Note 4 to the financial statements.

CONTACTING THE AGENCY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our local governments and the citizens of Iowa with a general overview of the Agency's finances to demonstrate the Agency's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Heart of Iowa Regional Transit Agency at 2824 104th Street, Urbandale, Iowa 50322.

Heart of Iowa Regional Transit Agency

Basic Financial Statements

Heart of Iowa Regional Transit Agency

Statement of Net Position

June 30, 2024

	<u>Statement of Net Position</u>
Assets	
Cash and investments	\$ 3,626,527
Accounts receivable	965,096
Accrued interest	15,905
Capital assets, net of accumulated depreciation/amortization of \$2,944,880	<u>2,091,766</u>
Total assets	<u>6,699,294</u>
Deferred Outflows of Resources	
Pension related deferred outflows of resources	452,046
OPEB related deferred outflows of resources	117
Total deferred outflows of resources	<u>452,163</u>
Liabilities	
Accounts payable	295,379
Long-term liabilities:	
Portion due or payable within one year:	
Lease agreements	70,228
Compensated absences	52,473
Portion due or payable after one year:	
Lease agreements	32,945
Net pension liability	711,878
OPEB liability	13,276
Total liabilities	<u>1,176,179</u>
Deferred Inflows of Resources	
Pension related deferred inflows of resources	299,725
OPEB related deferred inflows of resources	11,381
Total deferred inflows of resources	<u>311,106</u>
Net Position	
Net investment in capital assets	1,988,593
Restricted	51,520
Unrestricted	<u>3,624,059</u>
Total net position	<u>\$ 5,664,172</u>

See notes to financial statements.

Heart of Iowa Regional Transit Agency

Statement of Activities

June 30, 2024

	Program Revenues			Net (Expense) Revenue and Changes in Net Position	
	Expenses	Charges for Service	Operating Grants, Contributions and Restricted Interest		Capital Grants, Contributions and Restricted Interest
Functions/Programs:					
Governmental activities:					
Administration	\$ 4,659,971	1,131,464	3,103,683	586,636	161,812
Unallocated depreciation/amortization	384,072	-	-	-	(384,072)
Total	<u>\$ 5,044,043</u>	<u>1,131,464</u>	<u>3,103,683</u>	<u>586,636</u>	<u>(222,260)</u>
General Revenues:					
Fuel tax refund					22,438
Unrestricted investment earnings					100,696
Miscellaneous					521,470
Total general revenues					<u>644,604</u>
Change in net position					422,344
Net position beginning of year					<u>5,241,828</u>
Net position end of year					<u>\$ 5,664,172</u>

See notes to financial statements.

Exhibit C

Heart of Iowa Regional Transit Agency

Balance Sheet
Governmental Funds

June 30, 2024

	<u>Nonmajor Special Revenue</u>		
	<u>General</u>	<u>Heart of Iowa</u>	<u>Total</u>
Assets			
Cash and investments	\$ 3,575,007	51,520	3,626,527
Accounts receivable	965,096	-	965,096
Accrued interest	15,905	-	15,905
Total assets	<u>4,556,008</u>	<u>51,520</u>	<u>4,607,528</u>
Liabilities			
Accounts payable	<u>295,379</u>	-	<u>295,379</u>
Deferred Inflows of Resources			
Unavailable revenue	<u>28,409</u>	-	<u>28,409</u>
Fund Balance			
Unassigned	4,232,220	-	4,232,220
Restricted	-	51,520	51,520
Total fund balance	<u>4,232,220</u>	<u>51,520</u>	<u>4,283,740</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 4,556,008</u>	<u>51,520</u>	<u>4,607,528</u>

See notes to financial statements.

Heart of Iowa Regional Transit Agency

Statement of Revenues, Expenditures
and Changes in Fund Balance

Year ended June 30, 2024

	Nonmajor Special Revenue		
	General	Heart of Iowa	Total
Revenues:			
Federal grants and contracts	\$ 3,656,233	-	3,656,233
State grants	519,744	-	519,744
Passenger revenue	220,527	-	220,527
Contract revenue	294,518	-	294,518
Interest income	100,571	125	100,696
Insurance reimbursement	20,211	-	20,211
Fuel tax refund	22,438	-	22,438
Miscellaneous	576,322	60,719	637,041
Total revenues	<u>5,410,564</u>	<u>60,844</u>	<u>5,471,408</u>
Expenditures:			
Salaries and benefits	1,987,327	-	1,987,327
Professional services	1,279,930	-	1,279,930
Telephone	31,840	-	31,840
Rent and insurance	621,597	-	621,597
Office supplies	14,964	-	14,964
Travel and meetings	115,578	-	115,578
Equipment	7,119	-	7,119
Vehicle maintenance	788,599	-	788,599
Vehicle - Capital costs	886,422	-	886,422
Advertising	31,018	-	31,018
Dues	3,666	-	3,666
Miscellaneous	26,248	63,465	89,713
Total expenditures	<u>5,794,308</u>	<u>63,465</u>	<u>5,857,773</u>
Deficiency of revenues under expenditures	(383,744)	(2,621)	(386,365)
Other financing sources:			
Lease agreements	95,104	-	95,104
Change in fund balances	(288,640)	(2,621)	(291,261)
Fund balances beginning of year	4,520,860	54,141	4,575,001
Fund balances end of year	<u>\$ 4,232,220</u>	<u>51,520</u>	<u>4,283,740</u>

See notes to financial statements.

Heart of Iowa Regional Transit Agency

Notes to Financial Statements

June 30, 2024

(1) Summary of Significant Accounting Policies

The Heart of Iowa Regional Transit Agency (HIRTA) is an intergovernmental agency established in accordance with the provisions of Chapter 28E of the Code of Iowa. The area of jurisdiction is Region 11, which includes Boone, Dallas, Jasper, Madison, Marion, Story and Warren Counties. The Agency's powers and duties are those authorized by Chapter 28E of the Code of Iowa.

The purpose of the Agency is to permit the local governments in the Central Iowa area to make efficient use of their transit operation powers by enabling them to provide joint services and facilities. It also provides planning advisory services and assistance in preparing special planning documents and applications for its members. In performing its duties, the Agency may contract with and expend funds from federal, state and local agencies, public or semi-public agencies or private individuals or corporations as long as the expenditures are for authorized purposes.

The financial statements of the Heart of Iowa Regional Transit Agency have been prepared in conformity with U.S. generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board. The most significant of the Heart of Iowa Regional Transit Agency's accounting policies are described below.

A. Reporting Entity

For financial reporting purposes, the Heart of Iowa Regional Transit Agency has included all funds, organizations, agencies, boards, commissions and authorities. The Agency has also considered all potential component units for which it is financially accountable and other organizations for which the nature and significance of their relationship with the Agency are such that exclusion would cause the Agency's financial statements to be misleading or incomplete. The Governmental Accounting Standards Board has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body and (1) the ability of the Agency to impose its will on that organization or (2) the potential for the organization to provide specific benefits to or impose specific financial burdens on the Agency.

These financial statements present the Heart of Iowa Regional Transit Agency (the primary government) and its component unit. The component unit discussed below is included in the Agency's reporting entity because of the significance of its operational or financial relationship with the Agency.

Blended Component Unit – The Heart of Iowa is legally separate from the Agency, but it is so intertwined with the Agency it is, in substance, the same as the Agency. It is reported as part of the Agency and reported as a Special Revenue Fund.

The Heart of Iowa was incorporated under Chapter 504 of the Code of Iowa to solicit and accept gifts and donations from persons or organizations for the purpose of providing transportation to the general public with an emphasis on those with disabilities, special needs, the elderly and low-income residences. These gifts and donations are to be used to purchase items which are not included in the Agency's budget.

B. Basis of Presentation

The Statement of Net Position and the Statement of Activities report information on all of the activities of the Agency and its component unit.

The Statement of Net Position presents the Agency's nonfiduciary assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference reported as net position. Net position is reported in the following categories.

Net investment in capital assets consists of capital assets, net of accumulated depreciation and reduced by outstanding balances for bonds, notes and other debt attributable to the acquisition, construction or improvement of those assets.

Restricted net position results when constraints placed on net position use are either externally imposed or are imposed by law through constitutional provisions or enabling legislation.

Unrestricted net position consists of net position not meeting the definition of the preceding categories. Unrestricted net position is often subject to constraints imposed by management which can be removed or modified.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those clearly identifiable with a specific function.

Fund Financial Statements

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements. All remaining funds are aggregated and reported as nonmajor governmental funds.

The Agency reports the following major governmental fund:

The General Fund is the operating fund of the Agency. All federal and state revenues and other revenues not allocated by law or contractual agreement to some other fund are accounted for in this fund. From the fund are paid the general operating expenditures, fixed charges and capital improvement costs for the Agency.

The Agency also reports the Special Revenue, Heart of Iowa Fund, a nonmajor fund and blended component unit of the Agency.

C. Measurement Focus and Basis of Accounting

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.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current year or soon enough thereafter to pay liabilities of the current year. For this purpose, the Agency considers revenues to be available if they are collected within 60 days after year end.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to claims and judgments, are recorded only when payment is due. Capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under lease agreements are reported as other financing sources.

Under the terms of grant agreements, the Agency funds certain programs by a combination of specific cost reimbursement grants, categorical block grants and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net position available to finance the program. It is the Agency's policy to first apply cost-reimbursement grant resources to such programs, followed by categorical block grants and then by general revenues.

When an expenditure is incurred in the governmental fund which can be paid using either restricted or unrestricted resources, the Agency's policy is to pay the expenditure from restricted fund balance and then from the less-restrictive unassigned fund balance.

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position

The following accounting policies are followed in preparing the financial statements:

Cash and Investments – The cash balances of most Agency funds are pooled and invested. Interest earned on investments is recorded in the General Fund unless otherwise provided by law. Investments are stated at fair value except for the investment in non-negotiable certificates of deposit which are stated at amortized cost.

Capital Assets – Capital assets are tangible and intangible assets, which include property, furniture and equipment and are reported in the governmental activities column in the government-wide Statement of Net Position. Capital assets are recorded at historical cost (except for intangible right-to-use lease assets, the measurement of which is discussed under "Leases" below) if purchased or constructed. Donated capital assets are recorded at acquisition value. Acquisition value is the price that would have been paid to acquire a capital asset with equivalent service potential. The costs of normal maintenance and repair that do not add to the value of the asset or materially extend asset lives are not capitalized. Intangible assets follow the same capitalization policies as tangible capital assets and are reported with tangible assets in the appropriate capital asset class. Reportable capital assets are defined by the Agency as assets with an initial, individual cost in excess of the following thresholds and estimated useful lives in excess of two years.

Asset Class	Amount
Equipment and vehicles	\$ 5,000
Right-to-use leased asset	5,000
Right-to-use subscription assets	50,000

Capital assets and right-to-use leased assets of the Agency are depreciated/amortized using the straight-line method over the following estimated useful lives:

Asset Class	Estimated Useful Lives (In Years)
Equipment	5 - 10
Vehicles	10
Right-to-use leased assets	2 - 10

Leases – Agency as Lessee – Heart of Iowa Regional Transit Agency is the lessee for noncancellable leases of office space. The Agency has recognized a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements. The Agency recognizes lease liabilities with an initial, individual value of \$5,000 or more.

At the commencement of a lease, the Agency initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the Heart of Iowa Regional Transit Agency determines the discount rate it uses to discount the expected lease payments to present value, lease term and lease payments.

Heart of Iowa Regional Transit Agency uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the Agency generally uses its estimated incremental borrowing rate as the discount rate for leases.

The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and a purchase option price that the Agency is reasonably certain to exercise.

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

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

Deferred Outflows of Resources – Deferred outflows of resources represent a consumption of net position applicable to a future year(s) which will not be recognized as an outflow of resources (expense/expenditure) until then. Deferred outflows of resources consist of unrecognized items not yet charged to pension and OPEB expense and contributions from the Agency after the measurement date but before the end of the Agency’s reporting period.

Compensated Absences – Agency employees accumulate a limited amount of earned but unused vacation hours for subsequent use or for payment upon termination, death or retirement. A liability is recorded when incurred in the government-wide financial statements. A liability for these amounts is reported in the governmental fund financial statements only for employees who have resigned or retired. The compensated absences liability has been computed based on rates of pay in effect at June 30, 2024.

Long-Term Liabilities – In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities on the Statement of Net Position.

In the governmental fund financial statements, the face amount of debt issued is reported as other financing sources. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenditures.

Pensions – For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions and pension expense (reduction), information about the fiduciary net position of the Iowa Public Employees' Retirement System (IPERS) and additions to/deductions from IPERS' fiduciary net position have been determined on the same basis as they are reported by IPERS. For this purpose, benefit payments, including refunds of employee contributions, are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Total OPEB Liability – For purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB and OPEB expense, information has been determined based on the Heart of Iowa Regional Transit Agency's actuary report. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms.

Deferred Inflows of Resources – Deferred inflows of resources represent an acquisition of net position applicable to a future year(s) which will not be recognized as an inflow of resources (revenue) until that time. Although certain revenues are measurable, they are not available. Available means collected within the current year or expected to be collected soon enough thereafter to be used to pay liabilities of the current year. Deferred inflows of resources in the governmental fund financial statements represent the amount of assets that have been recognized, but the related revenue has not been recognized since the assets are not collected within the current year or expected to be collected soon enough thereafter to be used to pay liabilities of the current year. Deferred inflows of resources in the fund financial statements consist of passenger fees not collected within sixty days after year end. Deferred inflows of resources in the Statement of Net Position consist of unrecognized items not yet charged to pension and OPEB expense and the unamortized portion of the net difference between projected and actual earnings on pension plan assets.

Fund Balance – In the governmental fund financial statements, fund balances are classified as follows:

Restricted – Amounts restricted to specific purposes when constraints placed on the use of the resources are either externally imposed by creditors, grantors or state or federal laws or are imposed by law through constitutional provisions or enabling legislation.

Unassigned – All amounts not included in the preceding classification.

(2) Cash and Investments

The Agency's deposits in banks at June 30, 2024 were entirely covered by federal depository insurance or by the State Sinking Fund in accordance with Chapter 12C of the Code of Iowa. This chapter provides for additional assessments against the depositories to ensure there will be no loss of public funds.

The Agency is authorized by statute to invest public funds in obligations of the United States government, its agencies and instrumentalities; certificates of deposit or other evidences of deposit at federally insured depository institutions approved by the Board of Directors; prime eligible bankers acceptances; certain high rated commercial paper; perfected repurchase agreements; certain registered open-end management investment companies; certain joint investment trusts, and warrants or improvement certificates of a drainage district.

The Agency had no investments meeting the disclosure requirements of Governmental Accounting Standards Board Statement No. 72.

(3) Capital Assets

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

	Balance Beginning of Year	Increases	Decreases	Balance End of Year
Capital assets being depreciated/amortized:				
Vehicles	\$ 4,584,293	872,541	(773,229)	4,683,605
Equipment	40,472	-	-	40,472
Right-to-use leased buildings	217,465	95,104	-	312,569
Total	4,842,230	967,645	(773,229)	5,036,646
Less accumulated depreciation/amortization for:				
Vehicles	3,161,767	315,689	(773,229)	2,704,227
Equipment	23,847	3,434	-	27,281
Right-to-use leased buildings	148,423	64,949	-	213,372
Total	3,334,037	384,072	(773,229)	2,944,880
Capital assets, net	\$ 1,508,193	583,573	-	2,091,766

(4) Long-Term Liabilities

A summary of changes in long-term liabilities for the year ended June 30, 2024 is as follows:

	Lease Agreements	Compensated Absences	Net Pension Liability	Total OPEB Liability	Total
Balance beginning of year	\$ 72,051	39,834	464,758	11,891	588,534
Increases	95,104	12,639	247,120	1,385	356,248
Decreases	63,982	-	-	-	63,982
Balance end of year	\$ 103,173	52,473	711,878	13,276	880,800
Due within one year	\$ 32,945	52,473	-	-	85,418

Lease Agreements

On July 1, 2021, the Agency entered into a lease agreement for office facilities in Ames, Iowa. An initial lease liability was recorded in the amount of \$111,308. The agreement required monthly payments of \$2,400 from July 1, 2021 through June 30, 2022. The monthly payments increase to \$2,520 from July 1, 2022 to the end of the lease. The lease has an implicit rate of 3.5% and final payment is due June 1, 2025. During the year ended June 30, 2024, the Agency paid principal of \$28,655 and interest of \$1,585.

On August 1, 2021, the Agency entered into a lease agreement for office facilities in Urbandale, Iowa. An initial lease liability was recorded in the amount of \$89,607. The agreement requires monthly payments of \$3,871, with an implicit rate of 3.5% and final payment is due July 31, 2023. During the year ended June 30, 2024, the Agency paid principal of \$3,860 and interest of \$11.

On April 1, 2022, the Agency entered into a lease agreement for office facilities in Newton, Iowa. An initial lease liability was recorded in the amount of \$16,550. The agreement requires monthly payments of \$487, with an implicit rate of 4.0% and final payment is due March 1, 2025. During the year ended June 30, 2024, the Agency paid principal of \$5,551 and interest of \$293.

On August 1, 2023, the Agency entered into a lease agreement for office facilities in Urbandale, Iowa. An initial lease liability was recorded in the amount of \$85,029. The agreement requires monthly payments of \$2,519 the first year, \$2,569 the second year and \$2,620 the third year, with an implicit rate of 5.5%. The final payment is due July 1, 2026. During the year ended June 30, 2024, the Agency paid principal of \$23,963 and interest of \$3,746.

On April 1, 2024, the Agency entered into a lease agreement for office facilities in Indianola, Iowa. An initial lease liability was recorded in the amount of \$10,075. The agreement requires monthly payments of \$700, with an implicit rate of 6.25% and final payment is due June 1, 2025. During the year ended June 30, 2024, the Agency paid principal of \$1,953 and interest of \$147.

Future principal and interest lease payments as of June 30, 2024 are as follows:

Year Ending June 30,	Office Facilities - Ames			Office Facilities - Newton		
	Principal	Interest	Total	Principal	Interest	Total
2025	\$ 29,674	566	30,240	\$ 4,311	72	4,383
2026	-	-	-	-	-	-
2027	-	-	-	-	-	-
	<u>\$ 29,674</u>	<u>566</u>	<u>30,240</u>	<u>\$ 4,311</u>	<u>72</u>	<u>4,383</u>

Year Ending June 30,	Office Facilities - Urbandale			Office Facilities - Indianola		
	Principal	Interest	Total	Principal	Interest	Total
2025	\$ 28,121	2,657	30,778	\$ 8,122	278	8,400
2026	30,337	1,052	31,389	-	-	-
2027	2,608	12	2,620	-	-	-
Total	<u>\$ 61,066</u>	<u>3,721</u>	<u>64,787</u>	<u>\$ 8,122</u>	<u>278</u>	<u>8,400</u>

Year Ending June 30,	Total		
	Principal	Interest	Total
2025	\$ 70,228	3,573	73,801
2026	30,337	1,052	31,389
2027	2,608	12	2,620
Total	<u>\$ 103,173</u>	<u>4,637</u>	<u>107,810</u>

(5) Pension Plan

Plan Description – IPERS membership is mandatory for employees of the Agency, except for those covered by another retirement system. Employees of the Agency are provided with pensions through a cost-sharing multiple employer defined benefit pension plan administered by the Iowa Public Employees’ Retirement System (IPERS). IPERS issues a stand-alone financial report which is available to the public by mail at PO Box 9117, Des Moines, Iowa 50306-9117 or at www.ipers.org.

IPERS benefits are established under Iowa Code Chapter 97B and the administrative rules thereunder. Chapter 97B and the administrative rules are the official plan documents. The following brief description is provided for general informational purposes only. Refer to the plan documents for more information.

Pension Benefits – A Regular member may retire at normal retirement age and receive monthly benefits without an early-retirement reduction. Normal retirement age is age 65, any time after reaching age 62 with 20 or more years of covered employment or when the member’s years of service plus the member’s age at the last birthday equals or exceeds 88, whichever comes first. These qualifications must be met on the member’s first month of entitlement to benefits. Members cannot begin receiving retirement benefits before age 55. The formula used to calculate a Regular member’s monthly IPERS benefit includes:

- A multiplier based on years of service.
- The member’s highest five-year average salary, except members with service before June 30, 2012 will use the highest three-year average salary as of that date if it is greater than the highest five-year average salary.

If a member retires before normal retirement age, the member's monthly retirement benefit will be permanently reduced by an early-retirement reduction. The early-retirement reduction is calculated differently for service earned before and after July 1, 2012. For service earned before July 1, 2012, the reduction is 0.25% for each month the member receives benefits before the member's earliest normal retirement age. For service earned on or after July 1, 2012, the reduction is 0.50% for each month the member receives benefits before age 65.

Generally, once a member selects a benefit option, a monthly benefit is calculated and remains the same for the rest of the member's lifetime. However, to combat the effects of inflation, retirees who began receiving benefits prior to July 1990 receive a guaranteed dividend with their regular November benefit payments.

Disability and Death Benefits – A vested member who is awarded federal Social Security disability or Railroad Retirement disability benefits is eligible to claim IPERS benefits regardless of age. Disability benefits are not reduced for early retirement. If a member dies before retirement, the member's beneficiary will receive a lifetime annuity or a lump-sum payment equal to the present actuarial value of the member's accrued benefit or calculated with a set formula, whichever is greater. When a member dies after retirement, death benefits depend on the benefit option the member selected at retirement.

Contributions – Contribution rates are established by IPERS following the annual actuarial valuation which applies IPERS' Contribution Rate Funding Policy and Actuarial Amortization Method. State statute limits the amount rates can increase or decrease each year to 1 percentage point. IPERS Contribution Rate Funding Policy requires the actuarial contribution rate be determined using the "entry age normal" actuarial cost method and the actuarial assumptions and methods approved by the IPERS Investment Board. The actuarial contribution rate covers normal cost plus the unfunded actuarial liability payment based on a 30-year amortization period. The payment to amortize the unfunded actuarial liability is determined as a level percentage of payroll based on the Actuarial Amortization Method adopted by the Investment Board.

In fiscal year 2024, pursuant to the required rate, Regular members contributed 6.29% of covered payroll and the Agency contributed 9.44% of covered payroll, for a total rate of 15.73%.

The Agency's contributions to IPERS for the year ended June 30, 2024 were \$139,329.

Net Pension Liability, Pension Expense (Reduction), Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At June 30, 2024, the Agency reported a liability of \$711,878 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Agency's proportion of the net pension liability was based on the Agency's share of contributions to IPERS relative to the contributions of all IPERS participating employers. At June 30, 2023, the Agency's proportion was 0.015772%, which was an increase of 0.003471% over its proportion measured as of June 30, 2022.

For the year ended June 30, 2024, the Agency recognized pension expense (reduction) of \$(38,083). At June 30, 2024, the Agency reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 60,225	2,926
Changes of assumptions		11
Net difference between projected and actual earnings on IPERS' investments	65,928	-
Changes in proportion and differences between Agency contributions and the Agency's proportionate share of contributions	186,564	296,788
Agency contributions subsequent to the measurement date	139,329	-
Total	<u>\$ 452,046</u>	<u>299,725</u>

\$139,329 reported as deferred outflows of resources related to pensions resulting from Agency contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30,	Amount
2025	\$ (115,863)
2026	(120,186)
2027	169,256
2028	64,357
2029	<u>15,428</u>
Total	<u>\$ 12,992</u>

There were no non-employer contributing entities to IPERS.

Actuarial Assumptions – The total pension liability in the June 30, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Rate of inflation (effective June 30, 2017)	2.60% per annum.
Rates of salary increase (effective June 30, 2017)	3.25 to 16.25% average, including inflation. Rates vary by membership group.
Long-term investment rate of return (effective June 30, 2017)	7.00% compounded annually, net of investment expense, including inflation.
Wage growth (effective June 30, 2017)	3.25% per annum, based on 2.60% inflation and 0.65% real wage inflation.

The actuarial assumptions used in the June 30, 2023 valuation were based on the results of a quadrennial experience study covering the period of July 1, 2017 through June 30, 2021.

Mortality rates used in the 2023 valuation were based on the PubG-2010 mortality tables with future mortality improvements modeled using Scale MP-2021.

The long-term expected rate of return on IPERS investments was determined using a building-block method in which best-estimate ranges of expected future real rates (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Asset Allocation	Long-Term Expected Real Rate of Return
Domestic equity	21.0%	4.56%
International equity	16.5	6.22
Global smart beta equity	5.0	5.22
Core plus fixed income	23.0	2.69
Public credit	3.0	4.38
Cash	1.0	1.59
Private equity	17.0	10.44
Private real assets	9.0	3.88
Private credit	4.5	4.60
Total	<u>100.0%</u>	

Discount Rate – The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed employee contributions will be made at the contractually required rate and contributions from the Agency will be made at contractually required rates, actuarially determined. Based on those assumptions, IPERS's fiduciary net position was projected to be available to make all projected future benefit payments to current active and inactive employees. Therefore, the long-term expected rate of return on IPERS' investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Agency's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate – The following presents the Agency's proportionate share of the net pension liability calculated using the discount rate of 7.00%, as well as what the Agency's proportionate share of the net pension liability would be if it were calculated using a discount rate 1% lower (6.00%) or 1% higher (8.00%) than the current rate.

	1% Decrease (6.00%)	Discount Rate (7.00%)	1% Increase (8.00%)
Agency's proportionate share of the net pension liability	\$ 1,513,611	711,878	40,012

IPERS Fiduciary Net Position – Detailed information about IPERS' fiduciary net position is available in the separately issued IPERS financial report which is available on IPERS' website at www.ipers.org.

Payable to IPERS – All legally required Agency contributions and legally required employee contributions which had been withheld from employee wages were remitted by the Agency to IPERS by June 30, 2024.

(6) Other Postemployment Benefits (OPEB)

Plan Description – HIRTA administers a single-employer benefit plan which provides medical, prescription drug and dental benefits for employees, retirees and their spouses. Group insurance benefits are established under Iowa Code Chapter 509A.13. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

OPEB Benefits – Individuals who are employed by HIRTA and are eligible to participate in the group health plan are eligible to continue healthcare benefits upon retirement. Retirees under age 65 pay the same premium for the medical, prescription drug and dental benefits as active employees, which results in an implicit rate subsidy and an OPEB liability.

Retired participants must be age 55 or older at retirement. At June 30, 2024, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	-
Active employees	<u>17</u>
	<u>17</u>

Total OPEB Liability – HIRTA's total OPEB liability of \$13,276 was measured as of June 30, 2024 and was determined by an actuarial valuation date of July 1, 2022 rolled forward to June 30, 2024.

Actuarial Assumptions – The total OPEB liability in the June 30, 2024 actuarial valuation was determined using the following actuarial assumptions and the entry age normal actuarial cost method, applied to all periods included in the measurement.

Rate of inflation (effective June 30, 2022)	2.60% per annum.
Rates of salary increase (effective June 30, 2022)	3.25% per annum, including inflation.
Discount rate (effective June 30, 2024)	3.54% compounded annually, including inflation.
Healthcare cost trend rate (effective June 30, 2022)	9.00% initial rate decreasing annually to an ultimate rate of 3.94%.

Discount Rate – The discount rate used to measure the total OPEB liability was 3.54% which reflects the index rate for 20-year tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher as of the measurement date.

Mortality rates are from the PubG-2010 employee table, projected generationally using MP 2021 for pre-retirement and the PubG-2010 healthy annuitant table, projected generationally using MP 2021 for post-retirement.

Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
Total OPEB liability beginning of year	\$ 11,891
Changes for the year:	
Service cost	1,694
Interest	467
Benefit payments	<u>(776)</u>
Net changes	<u>1,385</u>
Total OPEB liability end of year	<u>\$ 13,276</u>

Sensitivity of HIRTA's Total OPEB Liability to Changes in the Discount Rate – The following presents the total OPEB liability of the HIRTA, as well as what the HIRTA's total OPEB liability would be if it were calculated using a discount rate that is 1% lower (2.54%) or 1% higher (4.54%) than the current discount rate.

	<u>1% Decrease (2.54%)</u>	<u>Discount Rate (3.54%)</u>	<u>1% Increase (4.54%)</u>
Total OPEB liability	\$ 14,732	13,276	11,943

Sensitivity of the Agency’s Total OPEB Liability to Changes in the Healthcare Cost Trend Rates
 – The following presents the total OPEB liability of the HIRTA, as well as what the HIRTA’s total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1% lower (8.00%) or 1% higher (10.00%) than the current healthcare cost trend rates.

	1% Decrease (8.00%)	Healthcare Cost Trend Rate (9.00%)	1% Increase (10.00%)
Total OPEB liability	\$ 11,133	13,276	15,922

OPEB Expense (Reduction), Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB – For the year ended June 30, 2024, HIRTA recognized OPEB expense (reduction) of \$(1,402). At June 30, 2024, HIRTA reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	9,439
Changes in assumptions	117	1,942
Total	\$ 117	11,381

The amount reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as OPEB expense as follows:

Year Ending June 30,	Amount
2025	\$ (2,787)
2026	(2,860)
2027	(2,882)
2028	(1,567)
2029	(889)
Thereafter	(279)
	<u>\$ (11,264)</u>

(7) Risk Management

The Agency is a member of the Iowa Communities Assurance Pool, as allowed by Chapter 670.7 of the Code of Iowa. The Iowa Communities Assurance Pool (Pool) is a local government risk-sharing pool whose 803 members include various governmental entities throughout the State of Iowa. The Pool was formed in August 1986 for the purpose of managing and funding third-party liability claims against its members. The Pool provides coverage and protection in the following categories: general liability, automobile liability, automobile physical damage, employment practices liability, public officials liability, cyber liability, law enforcement liability, and property. There have been no reductions in insurance coverage from prior years.

Each member's annual casualty contributions to the Pool fund current operations and provide capital. Annual casualty operating contributions are those amounts necessary to fund, on a cash basis, the Pool's general and administrative expenses, claims, claims expenses and reinsurance expenses estimated for the fiscal year, plus all or any portion of any deficiency in capital. Capital contributions are made during the first six years of membership and are maintained at a level determined by the Board not to exceed 300% of basis rate.

The Pool also provides property coverage. Members who elect such coverage make annual property operating contributions which are necessary to fund, on a cash basis, the Pool's general and administrative expenses, reinsurance premiums, losses and loss expenses for property risks estimated for the fiscal year, plus all or any portion of any deficiency in capital. Any year-end operating surplus is transferred to capital. Deficiencies in operations are offset by transfers from capital and, if insufficient, by the subsequent year's member contributions.

The Agency's property and casualty contributions to the Pool are recorded as expenditures from its operating funds at the time of payment to the Pool. The Agency's contributions to the Pool for the year ended June 30, 2024 were \$296,234.

The Pool uses reinsurance and excess risk-sharing agreements to reduce its exposure to large losses. The Pool retains general, automobile, employment practices, law enforcement, cyber and public officials' liability risks up to \$500,000 per claim. Claims exceeding \$500,000 are reinsured through reinsurance and excess risk-sharing agreements up to the amount of risk-sharing protection provided by the Agency's risk-sharing certificate. Property and automobile physical damage risks are retained by the Pool up to \$500,000 each occurrence, each location. Property risks exceeding \$500,000 are reinsured through reinsurance and excess risk-sharing agreements up to the amount of risk-sharing protection provided by the Agency's risk-sharing certificate.

The Pool's intergovernmental contract with its members provides that in the event a casualty claim, property loss or series of claims or losses exceeds the amount of risk-sharing protection provided by the Agency's risk-sharing certificate, or in the event a casualty claim, property loss or series of claims or losses exhausts the Pool's funds and any excess risk-sharing recoveries, then payment of such claims or losses shall be the obligation of the respective individual member against whom the claim was made or the loss was incurred.

The Agency does not report a liability for losses in excess of reinsurance or excess risk-sharing recoveries unless it is deemed probable such losses have occurred and the amount of such loss can be reasonably estimated. Accordingly, at June 30, 2024, no liability has been recorded in the Agency's financial statements. As of June 30, 2024, settled claims have not exceeded the risk pool or reinsurance coverage since the Pool's inception.

Members agree to continue membership in the Pool for a period of not less than one full year. After such period, a member who has given 60 days' prior written notice may withdraw from the Pool. Upon withdrawal, payments for all casualty claims and claims expenses become the sole responsibility of the withdrawing member, regardless of whether a claim was incurred or reported prior to the member's withdrawal. Upon withdrawal, a formula set forth in the Pool's intergovernmental contract with its members is applied to determine the amount (if any) to be refunded to the withdrawing member.

The Agency also carries commercial insurance purchased from other insurers for coverage associated with workers compensation, employment practices liability, directors' and officers' liability in the amount of \$500,000, \$1,000,000 and \$1,000,000, respectively. The Agency assumes liability for any deductibles and claims in excess of coverage limitations. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

(8) Explanation of the Differences between the Governmental Fund Balance Sheet and the Statement of Net Position

Total fund balance - Governmental Funds		\$ 4,283,740
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds. The cost of capital assets is \$5,036,646 and the accumulated depreciation/amortization is \$2,944,880.		2,091,766
Other long-term assets are not available to pay current expenditure and, therefore, are recognized as deferred inflows of resources in the governmental funds.		28,409
Pension and OPEB related deferred outflows of resources and deferred inflows of resources are not due and payable in the current year and, therefore, are not reported in the governmental fund, as follows:		
Deferred outflows of resources	\$ 452,163	
Deferred inflows of resources	<u>(311,106)</u>	141,057
Long term liabilities including lease agreements payable, compensated absences, net pension liability and total OPEB liability are not due and payable in the current year and, therefore, are not reported as governmental fund liabilities, as follows:		
Lease agreements	(103,173)	
Compensated absences	(52,473)	
Total OPEB liability	(13,276)	
Net pension liability	<u>(711,878)</u>	<u>(880,800)</u>
Net position of governmental activities		<u>\$ 5,664,172</u>

(9) Explanation of the Differences between the Statement of Governmental Fund Revenues, Expenditures and Changes in Fund Balance and the Statement of Activities

Change in fund balances - Governmental Funds \$ (291,261)

The governmental fund reports capital outlays as expenditures while governmental activities report depreciation/amortization expense to allocate those expenditures over the life of the assets. Capital outlay expenditures and right-to-use assets exceeded depreciation/amortization expense in the current year, as follows:

Expenditures for capital assets	\$ 872,541	
Right-to-use leased capital assets	95,104	
Depreciation/amortization expense	<u>(384,072)</u>	583,573

Because some revenues will not be collected for several months after the Agency's year end, they are not considered available revenues and are not recognized as deferred inflows of resources in the governmental funds. (5,021)

Proceeds from issuing long-term liabilities provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of long-term liabilities is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. Current year issuances exceeded repayments, as follows:

Issued	(95,104)	
Repaid	<u>63,982</u>	(31,122)

The current year Agency share of IPERS contributions are reported as expenditures in the governmental funds, but are reported as deferred outflows of resources in the Statement of Net Position. 139,329

Certain expenditures reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental fund, as follows:

Compensated absences	(12,639)	
OPEB reduction	1,402	
Pension reduction	<u>38,083</u>	<u>26,846</u>

Change in net position of governmental activities \$ 422,344

Required Supplementary Information

Heart of Iowa Regional Transit Agency

Schedule of the Agency's Proportionate Share of the Net Pension Liability

Iowa Public Employees' Retirement System
For the Last Ten Years*
(In Thousands)

Required Supplementary Information

	2024	2023	2022	2021
Agency's proportion of the net pension liability (asset)	0.015772%	0.012301%	(0.004035)% **	0.018268%
Agency's proportionate share of the net pension liability	\$ 712	465	14	1,283
Agency's covered payroll	\$ 1,388	998	805	1,450
Agency's proportionate share of the net pension liability as a percentage of its covered payroll	51.30%	46.59%	1.74%	88.48%
IPERS' net position as a percentage of the total pension liability (asset)	90.13%	91.41%	100.81%	82.90%

* In accordance with GASB Statement No. 68, the amounts presented for each fiscal year were determined as of June 30 of the preceding fiscal year.

** Overall plan net pension asset.

See accompanying independent auditor's report.

2020	2019	2018	2017	2016	2015
0.021051%	0.024103%	0.018304%	0.019731%	0.019680%	0.016845%
1,219	1,525	1,219	1,242	972	668
1,604	1,801	1,389	1,423	1,368	1,115
76.00%	84.68%	87.76%	87.28%	71.05%	59.91%
85.45%	83.62%	82.21%	81.82%	85.19%	87.61%

Heart of Iowa Regional Transit Agency

Schedule of Agency Contributions

Iowa Public Employees' Retirement System
For the Last Ten Years*
(In Thousands)

Required Supplementary Information

	2024	2023	2022	2021
Statutorily required contribution	\$ 139	131	94	76
Contributions in relation to the statutorily required contribution	(139)	(131)	(94)	(76)
Contribution deficiency (excess)	\$ -	-	-	-
Agency's covered payroll	\$ 1,476	1,388	998	805
Contributions as a percentage of covered payroll	9.42%	9.44%	9.42%	9.44%

See accompanying independent auditor's report.

2020	2019	2018	2017	2016	2015
137	151	161	124	127	122
(137)	(151)	(161)	(124)	(127)	(122)
-	-	-	-	-	-
1,450	1,604	1,801	1,389	1,423	1,368
9.44%	9.41%	8.93%	8.93%	8.93%	8.92%

Heart of Iowa Regional Transit Agency

Heart of Iowa Regional Transit Agency

Notes to Required Supplementary Information – Pension Liability

Year ended June 30, 2024

Changes of benefit terms:

There are no significant changes in benefit terms.

Changes of assumptions:

The 2022 valuation incorporated the following refinements after a quadrennial experience study:

- Changed mortality assumptions to the PubG-2010 mortality tables with mortality improvements modeled using Scale MP-2021.
- Adjusted retirement rates for Regular members.
- Lowered disability rates for Regular members.
- Adjusted termination rates for all membership groups.

The 2018 valuation implemented the following refinements as a result of a demographic assumption study dated June 28, 2018:

- Changed mortality assumptions to the RP-2014 mortality tables with mortality improvements modeled using Scale MP-2017.
- Adjusted retirement rates.
- Lowered disability rates.
- Adjusted the probability of a vested Regular member electing to receive a deferred benefit.
- Adjusted the merit component of the salary increase assumption.

The 2017 valuation implemented the following refinements as a result of an experience study dated March 24, 2017:

- Decreased the inflation assumption from 3.00% to 2.60%.
- Decreased the assumed rate of interest on member accounts from 3.75% to 3.50% per year.
- Decreased the discount rate from 7.50% to 7.00%.
- Decreased the wage growth assumption from 4.00% to 3.25%.
- Decreased the payroll growth assumption from 4.00% to 3.25%.

Heart of Iowa Regional Transit Agency
 Schedule of Changes in the Agency's
 Total OPEB Liability and Related Ratios
 For the Last Six Years
 Required Supplementary Information

	2024	2023	2022	2021
Service cost	\$ 1,694	1,962	1,956	1,948
Interest cost	467	448	384	336
Difference between expected and actual experiences	-	(6,058)	-	(11,239)
Changes in assumptions	-	(2,050)	-	(1,606)
Benefit payments	(776)	(337)	(464)	(156)
Net change in total OPEB liability	1,385	(6,035)	1,876	(10,717)
Total OPEB liability beginning of year	11,891	17,926	16,050	26,767
Total OPEB liability end of year	\$ 13,276	11,891	17,926	16,050
Covered-employee payroll	\$ 675,180	724,049	398,645	418,159
Total OPEB liability as a percentage of covered-employee payroll	2.0%	1.6%	4.5%	3.8%

See accompanying independent auditor's report.

<u>2020</u>	<u>2019</u>
4,084	4,204
909	795
-	-
-	687
<u>(198)</u>	<u>(73)</u>
4,795	5,613
<u>21,972</u>	<u>16,359</u>
<u>26,767</u>	<u>21,972</u>
696,982	750,799
3.8%	2.9%

Heart of Iowa Regional Transit Agency

Notes to Required Supplementary Information – OPEB Liability

Year ended June 30, 2024

Changes in benefit terms:

There were no significant changes in benefit terms.

Changes in assumptions:

Changes in assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period.

Year ended June 30, 2024	3.54%
Year ended June 30, 2023	3.54%
Year ended June 30, 2022	2.16%
Year ended June 30, 2021	2.16%
Year ended June 30, 2020	3.50%
Year ended June 30, 2019	3.50%

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

Supplementary Information

Heart of Iowa Regional Transit Agency

Heart of Iowa Regional Transit Agency
Schedule of Expenditures of Federal Awards
Year ended June 30, 2024

Grantor/ Program	Assistance Listing Number	Pass-Through Entity Identifying Number	Program Expenditures
U.S. Department of Transportation:			
Passed through Iowa Department of Transportation:			
Highway Research and Development Program	20.200	693JJ32250012	\$ 961,147
Formula Grants for Rural Areas and Tribal Transit Program	20.509	2023-001-00-SFY22	464,008
Formula Grants for Rural Areas and Tribal Transit Program	20.509	2023-001-02-SFY24	1,060,578
Formula Grants for Rural Areas and Tribal Transit Program	20.509	TFR24	82,064
Formula Grants for Rural Areas and Tribal Transit Program	20.509	2019-002-00-110-FY18	70,880
COVID-19, Formula Grants for Rural Areas and Tribal Transit Program	20.509	IA-2022-009-01-01-FY21	96,986
Formula Grants for Rural Areas and Tribal Transit Program	20.509	2016-011-02-110-18	80,007
			<u>1,854,523</u>
Passed through National Aging and Disability Transportation Center/Easterseals, Inc.:			
Transit Services Program Cluster:			
Enhanced Mobility of Seniors and Individuals with Disabilities	20.513	IL-2022-004-00	7,500 *
Passed through Iowa Department of Transportation:			
Transit Services Program Cluster:			
Job Access and Reverse Commute Program	20.516	37-X023-110-SFY20	5,666 *
Federal Transit Cluster:			
Bus and Bus Facilities Formula, Competitive, and Low or no Emissions Program	20.526	2019-007-00-110-FY18	75,310
Bus and Bus Facilities Formula, Competitive, and Low or no Emissions Program	20.526	2019-008-00-110-FY18	82,025
Bus and Bus Facilities Formula, Competitive, and Low or no Emissions Program	20.526	2019-008-01-FY19	97,070
Bus and Bus Facilities Formula, Competitive, and Low or no Emissions Program	20.526	2019-007-01-FY19	181,343
			<u>435,748</u>
Total U.S. Department of Transportation			<u>3,264,584</u>
U.S. Department of Health and Human Services:			
Passed through Aging Resources of Central Iowa:			
Aging Cluster:			
Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	Title III/ES: Assisted Transportation/Transportation	244,000
Total U.S. Department of Health and Human Services			<u>244,000</u>
Corporation for National and Community Service:			
AmeriCorps Seniors Retired and Senior Volunteer Program (RSVP)	94.002	21SREIA005	73,565
AmeriCorps Seniors Retired and Senior Volunteer Program (RSVP)	94.002	21SREIA006	74,085
Total Corporation for National and Community Service			<u>147,650</u>
Total			<u>\$ 3,656,234</u>

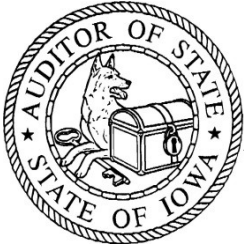
* Total Transit Services Program Cluster \$13,166

Basis of Presentation – The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes the federal award activity of the Heart of Iowa Regional Transit Agency for the year ended June 30, 2024. The information in this Schedule is presented in accordance with the requirements of Title 2, U.S. Code of Federal Regulations, Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Heart of Iowa Regional Transit Agency, it is not intended to and does not present the financial position, changes in financial position or cash flows of the Heart of Iowa Regional Transit Agency.

Summary of Significant Accounting Policies – Expenditures reported in the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Indirect Cost Rate – The Heart of Iowa Regional Transit Agency has elected not to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance.

See accompanying independent auditor's report.



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Rob Sand
Auditor of State

Independent Auditor's Report on Internal Control
over Financial Reporting and on Compliance and Other Matters
Based on an Audit of a Financial Statement Performed in Accordance with
Government Auditing Standards

Officials of the Heart of Iowa Regional Transit Agency:

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, the major fund and the aggregate remaining fund information of the Heart of Iowa Regional Transit Agency, Iowa, as of and for the year ended June 30, 2024, and the related Notes to Financial Statements, which collectively comprise the Agency's basic financial statements, and have issued our report thereon dated March 20, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Heart of Iowa Regional Transit Agency's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Heart of Iowa Regional Transit Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of Heart of Iowa Regional Transit Agency's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Agency's financial statements will not be prevented or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Heart of Iowa Regional Transit Agency's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters which are required to be reported under Government Auditing Standards. However, we noted an immaterial instance of noncompliance or other matters which is described in Part IV of the accompanying Schedule of Findings and Questioned Costs.

Comments involving statutory and other legal matters about the Agency's operations for the year ended June 30, 2024 are based exclusively on knowledge obtained from procedures performed during our audit of the financial statements of the Agency. Since our audit was based on tests and samples, not all transactions that might have had an impact on the comments were necessarily audited. The comments involving statutory and other legal matters are not intended to constitute legal interpretations of those statutes.

Heart of Iowa Regional Transit Agency's Response to Finding

Government Auditing Standards requires the auditor to perform limited procedures on the Heart of Iowa Regional Transit Agency's response to the finding identified in our audit and described in the accompanying Schedule of Findings and Questioned Costs. Heart of Iowa Regional Transit Agency's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

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

We would like to acknowledge the many courtesies and assistance extended to us by personnel of the Heart of Iowa Regional Transit Agency during the course of our audit. Should you have any questions concerning any of the above matters, we shall be pleased to discuss them with you at your convenience.



Brian R. Brustkern, CPA
Deputy Auditor of State

March 20, 2025

Heart of Iowa Regional Transit Agency



**OFFICE OF AUDITOR OF STATE
STATE OF IOWA**

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Auditor of State

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Independent Auditor's Report on Compliance
for Each Major Federal Program and on Internal Control over Compliance
Required by the Uniform Guidance

Officials of the Heart of Iowa Regional Transit Agency:

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Heart of Iowa Regional Transit Agency's compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) Compliance Supplement that could have a direct and material effect on the Heart of Iowa Regional Transit Agency's major federal program for the year ended June 30, 2024. Heart of Iowa Regional Transit Agency's major federal program is identified in Part I of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, Heart of Iowa Regional Transit Agency complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, and the audit requirements of Title 2, U.S. Code of Federal Regulations, Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as items 2024-001 and 2024-002, to be significant deficiencies.

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

Government Auditing Standards require the auditor to perform limited procedures on Heart of Iowa Regional Transit Agency's responses to the internal control over compliance findings identified in our compliance audit described in the accompanying Schedule of Findings and Questioned Costs. Heart of Iowa Regional Transit Agency's responses were not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



Brian R. Brustkern, CPA
Deputy Auditor of State

March 20, 2025

Heart of Iowa Regional Transit Agency
Schedule of Findings and Questioned Costs
Year ended June 30, 2024

Part I: Summary of the Independent Auditor's Results:

- (a) Unmodified opinions were issued on the financial statements prepared in accordance with U.S. generally accepted accounting principles.
- (b) No material weaknesses in internal control over financial reporting were noted.
- (c) The audit did not disclose any noncompliance which is material to the financial statements.
- (d) Significant deficiencies in internal control over compliance for the major program were noted.
- (e) An unmodified opinion was issued on compliance with requirements applicable to the major program.
- (f) The audit disclosed audit findings which were required to be reported in accordance with the Uniform Guidance, Section 200.516.
- (g) The major program was Assistance Listing Number 20.200 – Highway Research and Development Program.
- (h) The dollar threshold used to distinguish between Type A and Type B programs was \$750,000.
- (i) The Heart of Iowa Regional Transit Agency qualified as a low-risk auditee.

Heart of Iowa Regional Transit Agency
Schedule of Findings and Questioned Costs
Year ended June 30, 2024

Part II: Findings Related to the Financial Statements:

INTERNAL CONTROL DEFICIENCIES:

No material weaknesses in internal control over financial reporting were noted.

INSTANCES OF NONCOMPLIANCE:

No matters were noted.

Heart of Iowa Regional Transit Agency
Schedule of Findings and Questioned Costs
Year ended June 30, 2024

Part III: Findings and Questioned Costs for Federal Awards:

INSTANCES OF NONCOMPLIANCE:

No matters were noted.

INTERNAL CONTROL DEFICIENCIES:

**Assistance Listing Number 20.200: Highway Research and Development Program
Federal Award Year: 2022
Prior Year Finding Number: N/A
U.S. Department of Transportation**

2024-001 Federal Reporting

Criteria – The Uniform Guidance, Part 200.303, requires the Agency to establish and maintain effective internal control over the federal award which provides reasonable assurance the Agency is managing the federal award in compliance with federal statutes, regulations and the terms of the federal award. The SF-425 report, “Federal Financial Report”, is the quarterly summary of financial activity for the federal award. The Complete Trip - ITS4US Deployment Program Phases 2 and 3 contract requires that the recipients of ITS4US grants must submit an SF-425 report quarterly, due the 30th calendar day of the month after the quarter being reported.

In addition, the contract requires recipients to file monthly progress reporting in two parts: Part I: Technical Progress and Status Summary and Part II: Financial Status Summary. The monthly reports must be submitted no later than the tenth calendar day of the month following the reporting period.

Condition – For the two SF-425 reports tested, reports were submitted timely, but the reports did not agree with the Agency’s financial information at the end of each quarter. In addition, there was no documentation of independent review of the quarterly reports prior to submission.

For the two monthly progress reports tested, reports were filed with the required information, but each report was submitted nine days late and there was no documentation of independent review of the monthly reports prior to submission.

Cause – The Agency did not have policies and procedures in place to reconcile SF-425 reports to financial information ensuring accurate reporting and to ensure the required federal reports were reviewed by an independent person with knowledge of the program prior to submission. In addition, procedures have not been established to ensure timely reporting.

Effect - The lack of documented review including reconciliation of financial information increases the risk for undetected reporting errors or misstatements. In addition, the lack of policies and procedures in place by the Agency could result in late submission of reports.

Heart of Iowa Regional Transit Agency

Schedule of Findings and Questioned Costs

Year ended June 30, 2024

Recommendation – The Agency should establish policies and procedures to ensure all federal reports are reviewed and approved by an independent person who is knowledgeable about the program. This independent review should be documented by the reviewer’s signature or initials and date of review prior to submission. In addition, the Department should establish policies and procedures to ensure reports agree with the Agency’s records and are submitted timely.

Response – We will update our Accounting Policy Manual and establish additional internal controls.

Conclusion – Response accepted.

Assistance Listing Number 20.200: Highway Research and Development Program

Federal Award Year: 2022

Prior Year Finding Number: N/A

U.S. Department of Transportation

2024-002 Payroll Distribution

Criteria – The Uniform Guidance, Part 200.430(i), states “Charges to Federal awards for salaries and wages must be based on records that accurately reflect the work performed.” These records must “Support the distribution of the employee’s salary or wages among specific activities or cost objectives if the employee works on more than one Federal award; a Federal award and non-Federal award; an indirect cost activity and a direct cost activity; two or more indirect activities allocated using different allocation bases; or an unallowable activity and a direct or indirect cost activity.” Also, “Budget estimates (i.e., estimates determined before the services are performed) alone do not qualify as support for charges to Federal awards, but may be used for interim accounting purposes, provided that: The system for establishing the estimates produces reasonable approximations of the activity actually performed; significant changes in the related work activity (as defined by the recipient’s or subrecipient’s written policies) are promptly identified and entered into the records. Short term (such as one or two months) fluctuation between workload categories do not need to be considered as long as the distribution of salaries and wages is reasonable over the long term; and the recipient’s or subrecipient’s system of internal controls includes processes to perform periodic after-the-fact reviews of interim charges made to a Federal award based on budget estimates. All necessary adjustments must be made so that the final amount charged to the Federal award is accurate, allowable, and properly allocated.”

Condition – The Agency uses budget estimates to allocate employee payroll costs to federal programs. Employees are not tracking or reporting actual time worked on each federal program.

Cause – The Agency did not have policies and procedures in place to ensure all employee time is recorded to the correct federal program.

Effect – Payroll costs could be omitted from federal programs or charged to incorrect programs. The result could be incorrect payroll cost allocation and reporting. The effect on individual programs is undeterminable.

Heart of Iowa Regional Transit Agency

Schedule of Findings and Questioned Costs

Year ended June 30, 2024

Recommendation – The Agency should review time reporting for all pay periods and determine if time is or should be charged to federal programs. In addition, the Agency should implement policies and procedures to ensure proper distribution of salaries and wages, and these policies and procedures should be followed.

Response – We will update our Accounting Policy Manual and create formal time tracking procedures for staff working Federal projects.

Conclusion – Response accepted.

Heart of Iowa Regional Transit Agency
Schedule of Findings and Questioned Costs
Year ended June 30, 2024

Part IV: Other Findings Related to Required Statutory Reporting:

- 2024-A Questionable Expenditures – No expenditures we believe may not meet the requirements of public purpose as defined in an Attorney General’s opinion dated April 25, 1979 were noted.
- 2024-B Travel Expense – No expenditures for travel expenses of spouses of Agency officials or employees were noted.
- 2024-C Deposits and Investments – No instances of noncompliance with the deposit and investment provisions of Chapter 12B and Chapter 12C of the Code of Iowa and the Agency’s investment policy were noted.
- 2024-D Board Minutes – No transactions were found that we believe should have been approved in the Board minutes but were not.

Summaries of the minutes were not published timely for two of four minutes tested. Chapter 28E.6(3)(a) of the Code of Iowa requires the Agency to publish a summary of the proceedings of each regular, adjourned or special meeting of the Board, including the schedule of bills allowed. This information is to be published in one newspaper of general circulation within the geographic area served by the Agency. The Agency is required to furnish the summary of the proceedings for publication to the newspaper within 20 days following adjournment of the meeting. In addition, three of the four minutes tested were not signed by the Board President prior to publishing.

Recommendation – The Agency should publish a signed summary of minutes in accordance with Chapter 28E.6(3)(a) of the Code of Iowa. In addition, minutes should be signed, and the approval should be documented.

Response – The Board cannot approve minutes to be published within 20 days as they only meet once per month or less. However, Board minutes should be published within the 20 day timeline and we will monitor this more closely to ensure compliance. We have adopted a new procedure where board minutes are given to the Administrative Assistant immediately after the Board meeting, so it is easier to meet the 20 day timeline.

Conclusion – Response accepted.

- 2024-E Restricted Donor Activity – No transactions were noted between HIRTA officials or employees and restricted donors in compliance with Chapter 68B of the Code of Iowa.

Heart of Iowa Regional Transit Agency

Staff

This audit was performed by:

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Kari L. Middleton, Staff Auditor
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