

**FINANCIAL REPORT  
FOR THE YEAR ENDED  
JUNE 30, 2025**

**JAUNT, INC.**  
**FINANCIAL REPORT**  
**FOR THE YEAR ENDED**  
**JUNE 30, 2025**

# JAUNT, INC.

## FINANCIAL REPORT FOR THE YEAR ENDED JUNE 30, 2025

### TABLE OF CONTENTS

	<u>Page</u>
Directory of Principal Officials	
<b>FINANCIAL SECTION</b>	
Independent Auditors' Report	1-3
Management's Discussion and Analysis	4-7
<u><b>Basic Financial Statements</b></u>	
Exhibit 1      Governmental Funds Balance Sheet/Statement of Net Position	8
Exhibit 2      Statement of Governmental Funds Revenues, Expenditures and Changes in Fund Balances/Statement of Activities	9
Notes to Financial Statements	10-22
<u><b>Required Supplementary Information</b></u>	
Exhibit 3      Schedule of Revenues, Expenditures and Changes in Fund Balance—Budget and Actual—General Fund	23
<u><b>Other Supplementary Information</b></u>	
Exhibit 4      Schedule of Revenues, Expenditures and Changes in Fund Balance—Budget and Actual—Capital Fund	24
<u><b>Supporting Schedules</b></u>	
Schedule 1      Departmental Schedule of Sources and Uses of Financial Resources—Governmental Fund Type	25
Schedule 2      Governmental Funds Balance Sheet/Statement of Net Position—Prior Year Comparison	26
Schedule 3      Statement of Governmental Funds Revenues, Expenditures, and Changes in Fund Balances/Statement of Activities—Prior Year Comparison	27
<b>COMPLIANCE SECTION</b>	
Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	28-29
Independent Auditors' Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance	30-32
Schedule of Expenditures of Federal Awards	33
Schedule of Findings and Questioned Costs	34
Summary Schedule of Prior Audit Findings	35

**JAUNT, INC.**  
**DIRECTORY OF PRINCIPAL OFFICIALS**

**BOARD OF DIRECTORS**

Brad Burdette, President  
Lucas Ames, Vice President  
Isella Wittich, Secretary  
Jacob Sumner, Treasurer

Christine Appert  
Benjamin Chambers  
Rachel Jones  
Raymond Heron  
Kristi Hagen

Dian McNaught  
Randolph Parker  
Nicholas A Pilipowskyj  
James Schoenster  
Jason Eversole

**KEY EMPLOYEES**

Michael Murphy ..... Chief Executive Officer  
Melissa Corbin ..... Chief Financial Officer

**INDEPENDENT AUDITORS**

Robinson, Farmer, Cox Associates

## **FINANCIAL SECTION**

---

---

**Independent Auditors' Report**

---

**To the Board of Directors  
JAUNT, Inc.  
Charlottesville, Virginia**

**Report on the Audit of the Financial Statements**

***Opinions***

We have audited the accompanying financial statements of the governmental activities and each major fund of JAUNT, Inc., as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the JAUNT Inc.'s basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities and each major fund of JAUNT, Inc., as of June 30, 2025, and the changes in financial position thereof for the year then ended 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; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *Specifications for Audits of Authorities, Boards, and Commissions*, issued by the Auditor of Public Accounts of the Commonwealth of Virginia. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of JAUNT, Inc., and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

***Change in Accounting Principle***

As described in Note 13 to the financial statements, in 2025, JAUNT, Inc. adopted new accounting guidance, GASB Statement No. 101, Compensated Absences. Our opinion is not modified with respect to this matter.

***Restatement of Beginning Balances***

As described in Note 12 to the financial statements, in 2025, JAUNT, Inc. restated beginning balances to reflect the requirements of GASB Statement No. 101. Our opinion is not modified with respect to this matter.

## ***Responsibilities of Management for the Financial Statements***

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

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

## ***Auditors' 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 auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the *Specifications for Audits of Authorities, Boards, and Commissions* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the *Specifications for Audits of Authorities, Boards, and Commissions*, 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 JAUNT, Inc.'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 JAUNT Inc.'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 and budgetary comparison information 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 auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The budgetary comparison information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

## ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise JAUNT, Inc.'s, basic financial statements. The other supplementary information and schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are 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 auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated September 30, 2025, on our consideration of JAUNT, Inc.'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 JAUNT, Inc.'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 JAUNT, Inc.'s internal control over financial reporting and compliance.

Charlottesville, Virginia  
September 30, 2025

To the Board of Directors  
JAUNT, Inc.  
Charlottesville, Virginia

As management of JAUNT, Inc, we offer readers of our financial statements this narrative and overview and analysis of the financial activities of the Corporation for the fiscal year ended June 30, 2025. We encourage readers to consider the information presented here in conjunction with the information presented in the financial statements and notes to the financial statements.

### Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to JAUNT's basic financial statements. The Corporation's basic financial statements are comprised of three components:

1. Fund financial & Government-wide financial statements
2. Notes to the financial statements.
3. Required Supplementary Information

This report also contains other supplementary information in addition to the basic financial statements themselves.

The Corporation has elected to report the fund financial statements and government-wide financial statements together as one financial statement. The conversion from fund financial statements to government-wide financial reporting is reported on the face of the financial statement with both types of financial statements reported as two separate columns. A description of both types of financial statements (columns) follows:

Government-wide financial statements - The Government-wide financial reporting is designed to provide readers with a broad overview of the Corporation's finances, in a manner similar to a private-sector business.

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

The statement of activities presents information showing how the Corporation's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in the statement for some items that will only result in cash flows in future fiscal periods (e.g., earned but unused vacation leave).

Fund financial statements - A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. JAUNT, Inc. uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

## Overview of the Financial Statements (Continued)

Governmental Funds - Governmental Funds are used to account for essentially the same functions or services reported as governmental activities in the government-wide financial statements. Whereas the government-wide financial statements are prepared on the accrual basis of accounting, the governmental fund financial statements are prepared on the modified accrual basis of accounting. The focus of modified accrual reporting is on near-term inflows and outflows of financial resources and the balance of financial resources available at the end of the fiscal year. Since the governmental funds focus is narrower than that of the government-wide financial statements, a reconciliation, or adjustments, is presented between the two financial statement columns.

Notes to the financial statements - The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statement can be found on pages 10 through 22 of this report.

Other information - In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information, other supplementary information for budgetary comparison and prior year comparisons.

## Financial Highlights

- The assets of the Corporation exceeded its liabilities at the close of the most recent fiscal year by \$18,627,343 (net position). Of this amount \$9,318,915 (unrestricted net position) may be used to meet the Corporation's ongoing obligations to customers and creditors.
- The Corporation's total net position increased by \$3,617,123 during the year.

## Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a Corporation's financial position. In the case of the Corporation, assets exceeded liabilities by \$18,627,343 at the close of the most recent fiscal year.

The large portion of the Corporation's net position (50 percent) reflects its investment in capital assets. The Corporation utilizes the capital assets to provide services to its customers; consequently, these assets are not available for future spending.

	<b>Net Position</b>	
	<b>2025</b>	<b>2024</b>
Current and other assets	\$ 11,880,358	\$ 10,093,570
Capital assets	<u>9,362,381</u>	<u>6,266,993</u>
Total assets	<u>\$ 21,242,739</u>	<u>\$ 16,360,563</u>
Current liabilities	\$ 2,579,885	\$ 1,297,544
Long-term liabilities	<u>35,495</u>	<u>52,783</u>
Total liabilities	<u>\$ 2,615,380</u>	<u>\$ 1,350,327</u>
Capital stock	<u>\$ 16</u>	<u>\$ 16</u>
Net position:		
Net Investment in capital assets	\$ 9,308,428	\$ 6,197,037
Unrestricted	<u>9,318,915</u>	<u>8,813,183</u>
Total net position	<u>\$ 18,627,343</u>	<u>\$ 15,010,220</u>

## Financial Analysis (Continued)

At the end of the current fiscal year, the Corporation is able to report positive balances in all categories of net position. The same situation held true for the prior fiscal year.

	<b>Change in Net Position</b>	
	<b>2025</b>	<b>2024</b>
Revenues:		
Fee revenue	\$ 58,234	\$ 128,655
Intergovernmental	16,473,748	14,802,085
Investment income	294,154	235,053
Other revenue	48,229	80,278
 Total revenues	 \$ 16,874,365	 \$ 15,246,071
Expenses:		
Current expense	\$ 10,916,635	\$ 10,658,247
Capital outlay	182,837	31,705
Depreciation	2,157,770	1,576,622
 Total expenses	 \$ 13,257,242	 \$ 12,266,574
 Increase in net position	 \$ 3,617,123	 \$ 2,979,497
Net position, beginning of the year	15,010,220	12,030,723
 Net position, end of the year	 \$ 18,627,343	 \$ 15,010,220

The Corporation's net position increased by \$3,617,123 during the current fiscal year. Total revenues increased by \$1,628,294 while total expenses increased by \$990,668 from fiscal year 2024. The increase in revenues is primarily due to increase in federal capital grants and revenues from participating jurisdictions.

## Capital Asset and Debt Administration

Capital Assets - The Corporation's investment in capital assets as of June 30, 2025 amounts to \$9,362,381 (net of accumulated depreciation). Investment in capital assets increased by approximately 49% during the year, due to net capital asset additions of \$4,251,549. Below is a comparison of capital assets as of June 30, 2025 and June 30, 2024.

	<u>2025</u>	<u>2024</u>
Land	\$ 541,319	\$ 541,319
Building and other improvements	5,232,597	5,232,597
Vehicles	14,849,116	10,616,189
Communication equipment	180,741	172,126
Office furniture	239,807	239,807
Computer equipment	1,650,556	1,640,549
Garage equipment	181,939	181,939
Lease equipment	<u>114,488</u>	<u>114,488</u>
 Total capital assets	 <u>\$ 22,990,563</u>	 <u>\$ 18,739,014</u>
 Less: accumulated depreciation	 <u>(13,628,182)</u>	 <u>(12,472,021)</u>
 Total capital assets, net	 <u>\$ 9,362,381</u>	 <u>\$ 6,266,993</u>

More detailed information on the Corporation's capital assets is presented in Note 5 of the Notes to the financial statements.

## Review of Operations

During FY25, Jaunt observed increases in demand response ridership and fixed route services. Modest decreases were observed in the number of complementary paratransit trips delivered in comparison to the prior twelve-month period. This fiscal year focused energy on aligning refreshed policies with organizational practices. Additionally, considerable efforts were employed to ensure diversification of funding streams for FY26, in the hopes of relieving local government partners from extensive increases to fund Jaunt operations and capital expenses. The Board convened on two occasions for strategic prioritization and established five goals to guide the growth of Jaunt : Maintain active presence as CARTA develops; Secure written agreement for ADA service in Charlottesville; Implement Microtransit pilot for ADA customers; Create performance evaluation system for all team members; Select/implement new software technologies for scheduling and planning. Finally, the organization partnered with Chaski Global to craft a Communications Strategy Plan with recommendations to guide future actions and resource allocation.

## Requests for Information

This financial report is designed to provide a general overview of the Corporation's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Chief Executive Officer, at 104 Keystone Place, Charlottesville, Virginia 22902.

## **Basic Financial Statements**

GOVERNMENTAL FUNDS BALANCE SHEET/  
STATEMENT OF NET POSITION  
JUNE 30, 2025

	General Fund	Capital Fund	Total Governmental Funds	Adjustments (Note 2)	Statement of Net Position
<b>ASSETS</b>					
Cash and cash equivalents (Note 3)	\$ 10,094,507	\$ -	\$ 10,094,507	\$ -	\$ 10,094,507
Receivables, net of allowances	3,144	-	3,144	-	3,144
Due from other governmental units (Note 4)	1,667,082	-	1,667,082	-	1,667,082
Prepaid items	115,625	-	115,625	-	115,625
Capital assets (Note 6):					
Depreciable, net	-	-	-	8,821,062	8,821,062
Nondepreciable	-	-	-	541,319	541,319
<b>Total assets</b>	<b>\$ 11,880,358</b>	<b>\$ -</b>	<b>\$ 11,880,358</b>	<b>\$ 9,362,381</b>	<b>\$ 21,242,739</b>
<b>LIABILITIES</b>					
Accounts payable	\$ 1,497,098	\$ -	\$ 1,497,098	\$ -	\$ 1,497,098
Accrued payroll and related liabilities	295,707	-	295,707	-	295,707
Due to Jurisdictions	588,204	-	588,204	-	588,204
Deferred revenue	-	-	-	-	-
Long-term liabilities (Note 8)					
Due within one year	-	-	-	198,876	198,876
Due in more than one year	-	-	-	35,495	35,495
<b>Total liabilities</b>	<b>\$ 2,381,009</b>	<b>\$ -</b>	<b>\$ 2,381,009</b>	<b>\$ 234,371</b>	<b>\$ 2,615,380</b>
<b>FUND BALANCE/NET POSITION</b>					
Capital stock, \$1 par value, 16 shares authorized, issued, and outstanding	\$ 16	\$ -	\$ 16	\$ -	\$ 16
Fund balance:					
Nonspendable:					
Prepaid items	\$ 115,625	\$ -	\$ 115,625	\$ (115,625)	\$ -
Committed:					
Board designation	4,965,808	-	4,965,808	(4,965,808)	-
Unassigned	4,417,900	-	4,417,900	(4,417,900)	-
Total fund balance	\$ 9,499,333	\$ -	\$ 9,499,333	\$ (9,499,333)	\$ -
Total equity	\$ 9,499,349	\$ -	\$ 9,499,349	\$ (9,499,333)	\$ 16
<b>Total liabilities and equity</b>	<b>\$ 11,880,358</b>	<b>\$ -</b>	<b>\$ 11,880,358</b>		
Net position:					
Net investment in capital assets				\$ 9,308,428	\$ 9,308,428
Unrestricted				9,318,915	9,318,915
Total net position				\$ 18,627,343	\$ 18,627,343
Total net position and equity					\$ 18,627,359
Total liabilities and net position					\$ 21,242,739

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

STATEMENT OF GOVERNMENTAL FUNDS REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES/STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2025

	General Fund	Capital Fund	Total Governmental Funds	Adjustments (Note 2)	Statement of Activities
<b>Revenues:</b>					
Fee revenue:					
Transportation fees	\$ 58,234	\$ -	\$ 58,234	\$ -	\$ 58,234
Intergovernmental:					
Federal grants	4,337,082	2,827,832	7,164,914	-	7,164,914
Virginia Department of Rail and Public Transportation	1,873,883	869,759	2,743,642	-	2,743,642
Non-Federal/State	5,323,120	1,242,072	6,565,192	-	6,565,192
Investment income	294,154	-	294,154	-	294,154
Other	48,229	-	48,229	-	48,229
<b>Total revenues</b>	<b>\$ 11,934,702</b>	<b>\$ 4,939,663</b>	<b>\$ 16,874,365</b>	<b>\$ -</b>	<b>\$ 16,874,365</b>
<b>Expenditures/expenses:</b>					
Current:					
Salaries and wages	\$ 6,248,753	\$ -	\$ 6,248,753	\$ 7,030	\$ 6,255,783
Fringe benefits	2,091,868	-	2,091,868	582	2,092,450
Travel	18,503	-	18,503	-	18,503
Facility/Equip Maint/Utilities	147,873	-	147,873	(17,240)	130,633
Supplies	734,834	-	734,834	-	734,834
Marketing	15,993	-	15,993	-	15,993
Insurance	473,738	-	473,738	-	473,738
Professional services	570,203	-	570,203	-	570,203
Return of grant funds	-	-	-	-	-
Jurisdiction distributions	588,204	-	588,204	-	588,204
Other	35,057	-	35,057	1,237	36,294
Capital outlay	-	5,435,995	5,435,995	(5,253,158)	182,837
Depreciation and amortization	-	-	-	2,157,770	2,157,770
<b>Total expenditures/expenses</b>	<b>\$ 10,925,026</b>	<b>\$ 5,435,995</b>	<b>\$ 16,361,021</b>	<b>\$ (3,103,779)</b>	<b>\$ 13,257,242</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>					
Net Transfers	\$ 1,009,676	\$ (496,332)	\$ 513,344	\$ 3,103,779	\$ 3,617,123
Change in fund balance/net position	\$ (496,332)	\$ 496,332	\$ -	\$ -	\$ -
Fund balance/net position, beginning of year, as previously reported	\$ 513,344	\$ -	\$ 513,344	\$ 3,103,779	\$ 3,617,123
Restatement for change in accounting principle	-	-	-	-	-
Fund balance/net position, beginning of year, as restated	8,985,989	-	8,985,989	-	15,010,220
Fund balance/net position, end of year	\$ 9,499,333	\$ -	\$ 9,499,333	\$ -	\$ 18,627,343

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

## JAUNT, INC.

### NOTES TO FINANCIAL STATEMENTS JUNE 30, 2025

---

#### **Note 1—Summary of Significant Accounting Policies:**

##### **A. The Financial Reporting Entity**

JAUNT, Inc. (the “Corporation”) is a public service corporation created in 1982 by the City of Charlottesville and the Counties of Albemarle and Nelson. However, five localities currently own stock in the Corporation; City of Charlottesville, County of Albemarle, County of Nelson, and the Counties of Louisa and Fluvanna. Charlottesville and Albemarle each own 5 shares of capital stock, while the other participants each own 2 shares. Its purpose is to provide for the maintenance, development, improvement and use of public transportation in the rural and urbanized areas of these localities. Its vehicle fleet is used to transport the general public, agency clients, the elderly, and people with disabilities to work, agency programs, doctors’ offices, and retail businesses throughout Central Virginia.

These financial statements present JAUNT, Inc. as the primary government organization. A component unit is an entity for which the primary government is considered to be financially accountable. JAUNT, Inc. has no component units or jointly governed organizations.

JAUNT Friends, a 501(c)(3) non-profit corporation, is considered a related organization of the Corporation. The Board of Directors of JAUNT, Inc. elects all members of the Board of Directors of JAUNT Friends. JAUNT Friends was established in an effort to support the goals and missions of the Corporation through donations and other support. JAUNT Friends has different officers than JAUNT, Inc. The Corporation is not financially accountable for the related organization.

##### **B. Financial Statement Presentation**

Management’s Discussion and Analysis - GASB requires the financial statements be accompanied by a narrative introduction and analytical overview of the Corporation’s financial activities in the form of “management’s discussion and analysis” (MD&A).

The Corporation reports the following basic financial statements and other supplementary information:

- **Basic Financial Statements**

- Governmental Funds Balance Sheet/Statement of Net Position
- Statement of Governmental Funds Revenues, Expenditures, and Changes in Fund Balances/ Statement of Activities

- **Required Supplementary Information**

- Schedule of Revenues, Expenditures, and Changes in Fund Balance—Budget and Actual—General Fund

- **Other Supplementary Information and Supporting Schedules**

- Schedule of Revenues, Expenditures, and Changes in Fund Balance—Budget and Actual—Capital Fund
- Departmental Schedule of Sources and Uses of Financial Resources—Governmental Fund Type
- Governmental Funds Balance Sheet/Statement of Net Position—Prior Year Comparison
- Statement of Governmental Funds Revenues, Expenditures, and Changes in Fund Balances/ Statement of Activities—Prior Year Comparison

## JAUNT, INC.

### NOTES TO FINANCIAL STATEMENTS JUNE 30, 2025 (CONTINUED)

---

#### **Note 1—Summary of Significant Accounting Policies: (Continued)**

---

##### **C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The government-wide statement of net position and statement of activities 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 when they have been earned and they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Corporation considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service principal and interest expenditures on general long-term debt as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Intergovernmental revenues, consisting primarily of federal, state and other grants for the purpose of funding specific expenditures, are recognized when earned or at the time of specific expenditure. Revenues from general-purpose grants are recognized in the period to which the grant applies.

Expenditures are recorded when the related fund liability is incurred.

The Corporation reports the following major governmental funds:

The *general fund* accounts for and reports all revenues and expenditures applicable to the general operations of the Corporation.

The *capital fund* accounts for and reports all capital grants and capital expenditures of the Corporation.

##### **D. Budgets and Budgetary Accounting**

The Corporation uses the following procedures in establishing budgetary data:

- Proposed budgets are developed by staff and submitted to the Board in the fall for its approval.
- The Board approves the budget and applications are submitted to the local governments for funding.
- Meetings are held with local governments; budget alternatives are discussed and final local government decisions are made.
- The Board holds a public hearing prior to submission of federal and state budget applications.

## JAUNT, INC.

### NOTES TO FINANCIAL STATEMENTS JUNE 30, 2025 (CONTINUED)

---

#### **Note 1—Summary of Significant Accounting Policies: (Continued)**

---

##### **D. Budgets and Budgetary Accounting: (Continued)**

- Staff personnel prepare a revised budget based on funding agency decisions and changes in services prior to June 30.
- The Board reviews and adopts the revised budget.
- The budget may be revised by the Board subsequent to the June adoption if significant changes in revenues or expenditures are expected.

##### **E. Encumbrances**

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditures of monies are recorded in order to commit that portion of the applicable appropriations, is employed as an extension of formal budgetary integration in the Corporation. Encumbrances outstanding at year end are reported as committed fund balance since they do not constitute expenditures or liabilities.

##### **F. Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, amounts in demand deposits and short-term investments with a maturity date within three months of the date acquired by the government.

##### **G. Allowance for Uncollectible Accounts**

The Corporation has not recorded an allowance for uncollectible amounts. Management believes that any uncollectible amounts would not be material to the financial statements.

##### **H. Capital Assets**

Capital assets are tangible and intangible assets, which include property, plant, equipment, and infrastructure. Capital assets purchased or constructed are stated at cost. Donated property is recorded at the acquisition value at the date of donation. Depreciation has been provided for over the following estimated useful lives using the straight-line method:

Building and other improvements	40 years
Vehicles	5 years
Communication and garage equipment	10 years
Office furniture	10 years
Computer equipment	3 years
Lease equipment	7 years

As the Corporation constructs or acquires capital assets each period, they are capitalized and reported at historical cost (except for intangible right-to-use lease assets, the measurement of which is discussed in more detail below). Intangible assets follow the same capitalization policies as tangible capital assets and are reported with tangible assets in appropriate capital asset class.

## JAUT, INC.

### NOTES TO FINANCIAL STATEMENTS JUNE 30, 2025 (CONTINUED)

---

#### **Note 1—Summary of Significant Accounting Policies: (Continued)**

---

##### **I. Unearned Revenue**

Unearned revenue consists of earned revenues not collected within 60 days of year end and grant proceeds that are to be used for future expenses.

##### **J. Compensated Absences**

The Corporation recognizes a liability for compensated absences for leave time that (1) has been earned for services previously rendered by employees, (2) accumulates and is allowed to be carried over to subsequent years, and (3) is more likely than not to be used as time off or settled (for example paid in cash to the employee or payment to an employee flex spending account) during or upon separation from employment. Based on the criteria listed, two types of leave qualify for liability recognition for compensated absences - vacation and sick leave. The liability for compensated absences includes salary related benefits, where applicable.

Vacation – The Corporation’s policy permits employees to accumulate earned but unused vacation benefits, which are eligible for payment at the employee’s current rate upon separation from employment.

Sick Leave – The Corporation’s policy permits employees to accumulate earned but unused sick leave. All sick leave lapses when employees leave the employ of the Corporation and, upon separation from service, no monetary obligation exists. However, a liability for estimated value of sick leave that will be used by employees as time off was considered in the liability for compensated absences.

##### **K. Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of net position includes a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Corporation does not have any deferred outflows of resources as of June 30, 2025.

In addition to liabilities, the statement of net position includes a separate section for deferred inflows of resources. Deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Corporation does not have any deferred inflows of resources as of June 30, 2025.

##### **L. Use of Estimates**

Management uses estimates and assumptions in preparing its financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent liabilities, and reported revenues and expenditures. Actual results could differ from those estimates.

## JAUNT, INC.

### NOTES TO FINANCIAL STATEMENTS JUNE 30, 2025 (CONTINUED)

---

#### **Note 1—Summary of Significant Accounting Policies: (Continued)**

---

##### **M. Fund Balances**

Fund balances are required to be reported according to the following classifications:

Nonspendable fund balance – Includes amounts that cannot be spent because they are either not in spendable form, or, for legal or contractual reasons, must be kept intact. This classification includes inventories, prepaid amounts, assets held for sale, and long-term receivables.

Restricted fund balance – Constraints placed on the use of these resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors or other governments; or are imposed by law (through constitutional provisions or enabling legislation).

Committed fund balance – Amounts that can only be used for specific purposes because of a formal action (resolution or ordinance) by the government's highest level of decision-making authority.

Assigned fund balance – Amounts that are constrained by the Corporation's intent to be used for specific purposes, but that do not meet the criteria to be classified as restricted or committed. Intent can be stipulated by the governing body, another body (such as a Finance Committee), or by an official to whom that authority has been given. With the exception of the General Fund, this is the residual fund balance classification for all governmental funds with positive balances.

Unassigned fund balance – This is the residual classification of the General Fund. Only the General Fund reports a positive unassigned fund balance. Other governmental funds might report a negative balance in this classification, as the result of overspending for specific purposes for which amounts had been restricted, committed, or assigned.

When fund balance resources are available for a specific purpose in more than one classification, it is generally the Corporation's policy to use the most restrictive funds first in the following order: restricted, committed, assigned, and unassigned as they are needed.

##### **N. Net Position**

For the Corporation, the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources is called net position. Net position is comprised of three components: net investment in capital assets, restricted, and unrestricted.

- Net investment in capital assets consists of capital assets, net of accumulated depreciation and reduced by outstanding balances of bonds, notes, and other debt that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are included in this component of net position.
- Restricted net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Assets are reported as restricted when constraints are placed on asset use either by external parties or by law through constitutional provision or enabling legislation.
- Unrestricted net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that does not meet the definition of the two preceding categories.

## JAUNT, INC.

### NOTES TO FINANCIAL STATEMENTS JUNE 30, 2025 (CONTINUED)

---

#### **Note 1—Summary of Significant Accounting Policies: (Continued)**

---

##### **N. Net Position: (Continued)**

Sometimes JAUNT, Inc. will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is JAUNT, Inc.'s policy to consider restricted net position to have been depleted before unrestricted net position is applied.

##### **O. Leases**

The Corporation leases an asset requiring recognition. A lease is a contract that conveys control of the right to use another entity's nonfinancial asset. Lease recognition does not apply to short-term leases, contracts that transfer ownership, leases of assets that are investments, or certain regulated leases.

###### ***Lessee***

The Corporation recognizes a lease liability and intangible right-to-use lease asset with an initial value of \$5,000, individually or in the aggregate in the government-wide financial statements. At the commencement of the lease, the lease liability is measured at the present value of payments expected to be made during the lease term (less any lease incentives). The lease liability is reduced by the principal portion of payments made. The lease asset is measured at the initial liability, plus any payments made to the lessor at or before the commencement of the lease term and certain direct costs. The lease asset is amortized over the shorter of the lease term or the useful life of the underlying asset.

###### ***Key Estimates and Judgements***

Lease accounting includes estimates and judgements for determining the (1) rate used to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The Corporation uses the interest rate stated in lease contracts. When the interest rate is not provided or the implicit rate cannot be readily determined, the Corporation uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancelable period of the lease and certain periods covered by options to extend to reflect how long the lease is expected to be in effect, with terms and conditions varying by the type of underlying asset.
- Fixed and certain variable payments as well as lease incentives and certain other payments are included in the measurement of the lease liability.

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

## JAUNT, INC.

### NOTES TO FINANCIAL STATEMENTS JUNE 30, 2025 (CONTINUED)

---

#### **Note 2—Reconciliation of Financial Statements:**

---

##### **A. Reconciliation between Net Position and Fund Balance**

Fund Balance of governmental funds	\$ 9,499,333
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	9,362,381
Certain liabilities are not payable from current financial resources and therefore are not reported in the funds.	(234,371)
Net position of governmental activities	\$ <u>18,627,343</u>

##### **B. Reconciliation between the Change in Net Position and the Excess of Revenues over Expenditures**

Change in fund balance	\$ 513,344
Amounts reported for governmental activities are different because:	
Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets. This is the amount by which capital outlays exceeded depreciation in the current period.	3,095,388
Principal payments for lease liability	16,003
Change in compensated absences	(7,612)
Change in net position	\$ <u>3,617,123</u>

#### **Note 3—Deposits and Investments:**

---

##### **Deposits**

Deposits with banks are covered by the Federal Deposit Insurance Corporation (FDIC) and collateralized in accordance with the Virginia Security for Public Deposits Act, (the “Act”) Section 2.2-4400 et. Seq. of the Code of Virginia. Under the Act, banks and savings institutions holding public deposits in excess of the amount insured by the FDIC must pledge collateral to the Commonwealth of Virginia Treasury Board. Financial Institutions may choose between two collateralization methodologies and depending upon that choice, will pledge collateral that ranges in the amounts from 50% to 130% of excess deposits. Accordingly, all deposits are considered fully collateralized.

## JAUNT, INC.

### NOTES TO FINANCIAL STATEMENTS JUNE 30, 2025 (CONTINUED)

---

#### **Note 3—Deposits and Investments: (Continued)**

##### **Investments**

Statutes authorize local governments and other public bodies to invest in obligations of the United States or agencies thereof, obligations of the Commonwealth of Virginia or political subdivisions thereof, obligations of the International Bank for Reconstruction and Development (World Bank), the Asian Development Bank, the African Development Bank, “prime quality” commercial paper that has received at least two of the following ratings: P-1 by Moody’s Investors Service, Inc.; A-1 by Standard & Poor’s; or F1 by Fitch Ratings, Inc. (Section 2.2-4502), banker’s acceptances, repurchase agreements, and the State Treasurer’s Local Government Investment Pool (LGIP).

The objective of the Corporation’s investment policy is to provide for the safekeeping of JAUNT, Inc. funds and for the production of interest income.

The Corporation’s investment policy requires the Corporation to invest the current operating funds in federally insured checking accounts of government-chartered commercial banks. The policy requires the investment of reserve funds to be held in time deposits similar to current operating funds, securities which are the direct or guaranteed obligations of the US Federal or state governments or investment pools sponsored by those governments.

##### **Credit Risk of Debt Securities**

The Corporation’s rated debt investments as of June 30, 2025 were rated by Standard & Poor’s and the ratings are presented below using the Standard & Poor’s rating scale.

<b><u>Rated Debt Investments' Values</u></b>	
<b><u>Rated Debt Investments</u></b>	<b><u>Fair Quality Ratings</u></b>
Local Government Investment Pool	\$ <u>6,470,109</u>
Total	\$ <u>6,470,109</u>

##### **Interest Rate Risk**

The Corporation does not have a policy related to interest rate risk.

<b><u>Investment Maturities (in years)</u></b>		
<b><u>Investment Type</u></b>	<b><u>Value</u></b>	<b><u>Less Than 1 Year</u></b>
Local Government Investment Pool	\$ <u>6,470,109</u>	\$ <u>6,470,109</u>
Total	\$ <u>6,470,109</u>	\$ <u>6,470,109</u>

## JAUNT, INC.

### NOTES TO FINANCIAL STATEMENTS JUNE 30, 2025 (CONTINUED)

---

#### **Note 3—Deposits and Investments: (Continued)**

##### **External Investment Pool**

The fair value of the position in the external investment pool (Local Government Investment Pool) is the same as the value of the pool shares. As this pool is not SEC registered, regulatory oversight of the pool rests with the Virginia State Treasury. LGIP is an amortized cost basis portfolio. There are no withdrawal limitations or restrictions imposed on participants.

There was no investment activity during the year other than in securities of the types held at year end. Investments in LGIP are not subject to categorization.

#### **Note 4—Due from Other Governmental Units:**

A summary of funds due from other governmental units follows:

Commonwealth of Virginia:		
Department of Rail and Public Transportation:		
Capital	\$	234,887
Federal:		
Operating grant	\$	491,588
Capital		<u>940,607</u>
Total	\$	<u>1,667,082</u>

#### **Note 5—Transfers:**

A summary of transfers between funds follows:

	<u>General Fund</u>	<u>Capital Fund</u>
Transfers in	\$ -	\$ 496,332
Transfers out	<u>(496,332)</u>	-
Total	\$ <u>(496,332)</u>	\$ <u>496,332</u>

**JAUNT, INC.**

**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025 (CONTINUED)**

**Note 6—Capital Assets:**

The following summarizes the components of and changes in capital assets:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<b>Capital assets not being depreciated:</b>				
Land	\$ 541,319	\$ -	\$ -	\$ 541,319
<b>Total capital assets not being depreciated</b>	<b>\$ 541,319</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 541,319</b>
<b>Capital assets being depreciated:</b>				
Buildings and other improvements	\$ 5,232,597	\$ -	\$ -	\$ 5,232,597
Vehicles	10,616,189	5,234,536	(1,001,609)	14,849,116
Communication equipment	172,126	8,615	-	180,741
Office furniture	239,807	-	-	239,807
Computer equipment	1,640,549	10,007	-	1,650,556
Garage equipment	181,939	-	-	181,939
Lease equipment	114,488	-	-	114,488
<b>Total capital assets being depreciated</b>	<b>\$ 18,197,695</b>	<b>\$ 5,253,158</b>	<b>\$ (1,001,609)</b>	<b>\$ 22,449,244</b>
<b>Accumulated depreciation:</b>				
Buildings and other improvements	\$ (2,268,876)	\$ (157,542)	\$ -	\$ (2,426,418)
Vehicles	(8,045,519)	(1,885,491)	1,001,609	(8,929,401)
Communication equipment	(172,126)	(2,154)	-	(174,280)
Office furniture	(225,255)	(14,552)	-	(239,807)
Computer equipment	(1,539,229)	(76,105)	-	(1,615,334)
Garage equipment	(170,133)	(7,991)	-	(178,124)
Lease equipment	(50,883)	(13,935)	-	(64,818)
<b>Total accumulated depreciation</b>	<b>\$ (12,472,021)</b>	<b>\$ (2,157,770)</b>	<b>\$ 1,001,609</b>	<b>\$ (13,628,182)</b>
<b>Total capital assets being depreciated, net</b>	<b>\$ 5,725,674</b>	<b>\$ 3,095,388</b>	<b>\$ -</b>	<b>\$ 8,821,062</b>
<b>Total capital assets, net</b>	<b>\$ 6,266,993</b>	<b>\$ 3,095,388</b>	<b>\$ -</b>	<b>\$ 9,362,381</b>

The Virginia Department of Rail and Public Transportation (VDRPT) has provided grants for certain automotive equipment. The Corporation cannot dispose of these items prior to the end of their useful life without approval from VDRPT.

## JAUNT, INC.

### NOTES TO FINANCIAL STATEMENTS JUNE 30, 2025 (CONTINUED)

---

#### Note 7—Antenna Site Lease:

At the commencement of a lease, JAUNT, Inc. initially measures the lease liability at the present value of payments expected to be made during the lease term. JAUNT, Inc. recognizes a lease liability and an intangible right-to-use asset (leased asset) in the financial statements. On April 1, 2023, JAUNT, Inc. extended a noncancellable three-year lease agreement with one additional three year option to renew for the use of a certain antenna site. The lease agreement requires monthly payments of \$1,592, increasing at 5% per year, with a discount rate of 2.00%.

The future principal and interest payments as of June 30, 2025 were as follows:

	<u>June 30</u>	<u>Lease Liability</u>	
2026	\$ 18,458	\$ 880	
2027	19,807	497	
2028	15,688	105	
Total	\$ <u>53,953</u>	\$ <u>1,482</u>	

#### Note 8—Long-term Obligations:

<u>Type</u>	<u>Balance*</u> <u>July 1, 2024</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>June 30, 2025</u>	<u>Amounts</u> <u>Due Within</u> <u>One Year</u>
Compensated absences**	\$ 172,806	\$ 7,612	\$ -	\$ 180,418	\$ 180,418
Lease liability	\$ 69,956	-	\$ 16,003	\$ 53,953	\$ 18,458
Total	\$ <u>242,762</u>	\$ <u>7,612</u>	\$ <u>16,003</u>	\$ <u>234,371</u>	\$ <u>198,876</u>

\*Beginning balances have been restated for implementation of GASB 101

\*\*The change in the compensated absences liability is presented as a net change

#### Note 9—Risk Management:

The Risk Management Programs of the Corporation are as follows:

##### Workers' Compensation

Workers' Compensation insurance is provided through Selective Insurance. Premiums are based on payroll, job rates and claims experience. Total premiums paid by the Corporation for the fiscal year ended June 30, 2025 were \$131,698.

## JAUNT, INC.

### NOTES TO FINANCIAL STATEMENTS JUNE 30, 2025 (CONTINUED)

---

#### **Note 9—Risk Management: (Continued)**

##### General Liability and Other

The Corporation purchases insurance coverage for exposure related to property, general, boiler, and machinery, flood, accident and automobile liability. The Corporation's property and contents are insured up to a limit of \$2,000,000 with additional coverage for tools and equipment. The Corporation provides Public Officials Liability insurance for employees, directors, and officers in an amount up to \$1,000,000. The Corporation maintains an additional \$5,000,000 umbrella policy over all forms of liability insurance. Total premiums for purchased coverage for the year ended June 30, 2025 were \$473,738.

##### Healthcare

The Corporation provides healthcare coverage for employees through a policy with Aetna Health for health coverage and United Concordia for dental coverage. JAUNT, Inc. contributes \$933 of the monthly premium amount for single coverage for each eligible employee. Dependents of employees are also covered by the policy provided they pay the additional premium to the Corporation. Total premiums paid for the year ended June 30, 2025 were approximately \$991,290 and \$11,158 for health and dental premiums, respectively.

There were no significant reductions in insurance coverages from the prior year and no settlements that exceeded the amount of insurance coverage during the last three fiscal years.

#### **Note 10—Contingencies:**

##### Grant Programs

Federal programs in which the Corporation participate were audited in accordance with the provisions of *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*. Pursuant to the provisions of this circular all major programs and certain other programs were tested for compliance with applicable grant requirements. Under the term of federal and state grants, periodic audits are required, and certain costs may be questioned as not being appropriate expenditures under the terms of the grants. Such audits could lead to reimbursement to the grantor agencies. Management has determined that future disallowances of current grant program expenditures, if any, would be immaterial.

#### **Note 11—Section 457 Deferred Compensation Plan:**

JAUNT, Inc. offers its employees a deferred compensation plan created in accordance with the Internal Revenue Service Code Section 457. The plan's name is the Deferred Compensation Plan for Employees of JAUNT, INC and its administrator is JAUNT, Inc. Duly authorized employees of the Corporation may amend the plan's provisions, including its contribution requirements.

## JAUNT, INC.

### NOTES TO FINANCIAL STATEMENTS JUNE 30, 2025 (CONTINUED)

---

#### **Note 11—Section 457 Deferred Compensation Plan: (Continued)**

---

The plan, available to all employees, permits them to defer the payment of a portion of their salary until future years. Participants are fully vested in their salary deferral at all times. Employees become vested in employer contributions as follows: 50% after three years of service and 25% each year thereafter until fully vested after five years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseen emergency. The plan administrators report quarterly to the individual employees. The Corporation contributes \$0.50 on every \$1.00 up to 6% of employee contributions made during the plan year. For the fiscal year 2025, the Corporation contributed \$416,653 to the plan.

#### **Note 12—Restatement of Beginning Balances:**

---

Beginning balances were restated as of July 1, 2024 as a result of implementing GASB Statement No. 101, *Compensated Absences*.

	<u>Amount</u>
Net position as of July 1, 2024, as previously reported	\$ 15,010,220
Compensated absences in accordance with GASB Statement No. 101	[REDACTED]
Net position as of July 1, 2024, as restated	<u>\$ 15,010,220</u>

#### **Note 13—Adoption of Accounting Principles:**

---

During fiscal year 2025, JAUNT Inc. implemented Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences*. GASB 101 establishes recognition and measurement guidance for compensated absences, such as vacation and sick leave, to enhance the consistency and comparability of financial reporting. The implementation of this standard resulted in a restatement of beginning balances.

**Required Supplementary Information**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
 BUDGET AND ACTUAL - GENERAL FUND  
 FOR THE YEAR ENDED JUNE 30, 2025

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
<b>SOURCES OF FINANCIAL RESOURCES</b>				
Revenues:				
Fee revenue:				
Transportation fees	\$ 96,000	\$ 96,000	\$ 58,234	\$ (37,766)
Intergovernmental:				
Federal grants	4,184,371	4,184,371	4,337,082	152,711
Virginia Department of Rail and Public Transportation	1,873,883	1,873,883	1,873,883	-
Non-Federal/State	5,245,814	5,245,814	5,323,120	77,306
Investment income	228,000	228,000	294,154	66,154
Other	27,690	27,690	48,229	20,539
Total revenues	\$ 11,655,758	\$ 11,655,758	\$ 11,934,702	\$ 278,944
<b>USES OF FINANCIAL RESOURCES</b>				
Expenditures:				
Non-operations	\$ 2,943,210	\$ 2,943,210	\$ 3,240,497	\$ (297,287)
Operations	8,712,548	8,712,548	7,600,538	1,112,010
Special grants	-	-	44,283	(44,283)
Agency program	-	-	39,708	(39,708)
Total expenditures	\$ 11,655,758	\$ 11,655,758	\$ 10,925,026	\$ 730,732
Excess (deficiency) of revenues over (under) expenditures	\$ -	\$ -	\$ 1,009,676	\$ 1,009,676
Other Financing Sources (Uses)				
Transfers in (out)	\$ -	\$ -	\$ (496,332)	\$ (496,332)
Net change in fund balance	\$ -	\$ -	\$ 513,344	\$ 513,344

**Other Supplementary Information**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
 BUDGET AND ACTUAL - CAPITAL FUND  
 FOR THE YEAR ENDED JUNE 30, 2025

	Budgeted Amounts		Actual	Variance Positive (Negative)		
	Original	Final				
<b>SOURCES OF FINANCIAL RESOURCES</b>						
Revenues:						
Intergovernmental:						
Federal grants	\$ 3,535,929	\$ 3,535,929	\$ 2,827,832	\$ (708,097)		
Virginia Department of Rail and Public Transportation	1,032,999	1,032,999	869,759	(163,240)		
Non-Federal/State	1,242,073	1,242,073	1,242,072	(1)		
Other	877,344	877,344	-	(877,344)		
Total revenues	\$ 6,688,345	\$ 6,688,345	\$ 4,939,663	\$ (1,748,682)		
<b>USES OF FINANCIAL RESOURCES</b>						
Expenditures:						
Capital outlay	\$ 6,688,345	\$ 6,688,345	\$ 5,435,995	\$ 1,252,350		
Total expenditures	\$ 6,688,345	\$ 6,688,345	\$ 5,435,995	\$ 1,252,350		
Excess (deficiency) of revenues over (under) expenditures	\$ -	\$ -	\$ (496,332)	\$ (496,332)		
Other Financing Sources (Uses)						
Transfers in (out)	\$ -	\$ -	\$ 496,332	\$ 496,332		
Net change in fund balance	\$ -	\$ -	\$ -	\$ -		

## **Supporting Schedules**

DEPARTMENTAL SCHEDULE OF SOURCES AND USES OF FINANCIAL RESOURCES  
 GOVERNMENTAL FUND TYPE  
 FOR THE YEAR ENDED JUNE 30, 2025

	<u>Non-Operations</u>	<u>Operations</u>	<u>Special Grants</u>	<u>Capital</u>	<u>Agency Program</u>	<u>Totals</u>
<b>SOURCES OF FINANCIAL RESOURCES</b>						
Revenues:						
Fee revenue:						
Transportation fees	\$ -	\$ -	\$ -	\$ 58,234	\$ 58,234	
Intergovernmental:						
Federal grants	1,118,772	3,209,182	9,128	2,827,832	-	7,164,914
Virginia Department of Rail and Public Transportation	490,880	1,383,003	-	869,759	-	2,743,642
Non-Federal/State	1,378,158	3,922,821	22,141	1,242,072	-	6,565,192
Investment income	-	-	-	-	294,154	294,154
Other	-	-	-	-	48,229	48,229
Total revenues	\$ 2,987,810	\$ 8,515,006	\$ 31,269	\$ 4,939,663	\$ 400,617	\$ 16,874,365
Total sources of financial resources	\$ 2,987,810	\$ 8,515,006	\$ 31,269	\$ 4,939,663	\$ 400,617	\$ 16,874,365
<b>USES OF FINANCIAL RESOURCES</b>						
Expenditures:						
Current:						
Salaries and wages	\$ 1,118,405	\$ 5,130,348	\$ -	\$ -	\$ -	\$ 6,248,753
Fringe benefits/Staff development	354,523	1,730,029	-	-	7,316	2,091,868
Travel/Meetings	3,529	-	-	-	14,974	18,503
Facility/Equip Maint/Utilities	129,421	18,417	-	-	35	147,873
Supplies	43,224	687,510	-	-	4,100	734,834
Marketing	15,993	-	-	-	-	15,993
Insurance	473,738	-	-	-	-	473,738
Professional fees	479,595	34,234	44,283	-	12,091	570,203
Other	33,865	-	-	-	1,192	35,057
Jurisdiction distributions	588,204	-	-	-	-	588,204
Capital outlay	-	-	-	\$ 5,435,995	-	\$ 5,435,995
Total expenditures	\$ 3,240,497	\$ 7,600,538	\$ 44,283	\$ 5,435,995	\$ 39,708	\$ 16,361,021
Total uses of financial resources	\$ 3,240,497	\$ 7,600,538	\$ 44,283	\$ 5,435,995	\$ 39,708	\$ 16,361,021
Net change in fund balance	\$ (252,687)	\$ 914,468	\$ (13,014)	\$ (496,332)	\$ 360,909	\$ 513,344

GOVERNMENTAL FUNDS BALANCE SHEET/  
STATEMENT OF NET POSITION - PRIOR YEAR COMPARISON  
JUNE 30, 2025 and 2024

	Governmental Funds		Statement of Net Position	
	2025	2024	2025	2024
<b>ASSETS</b>				
Cash and cash equivalents (Note 3)	\$ 10,094,507	\$ 8,538,918	\$ 10,094,507	\$ 8,538,918
Receivables, net of allowances	3,144	12,587	3,144	12,587
Due from other governmental units (Note 4)	1,667,082	1,447,536	1,667,082	1,447,536
Prepaid items	115,625	94,529	115,625	94,529
Capital assets (Note 6)				
Depreciable, net	-	-	8,821,062	5,725,674
Nondepreciable	-	-	541,319	541,319
<b>Total Assets</b>	<b>\$ 11,880,358</b>	<b>\$ 10,093,570</b>	<b>\$ 21,242,739</b>	<b>\$ 16,360,563</b>
<b>LIABILITIES</b>				
Accounts payable	\$ 1,497,098	\$ 267,022	\$ 1,497,098	\$ 267,022
Accrued payroll and related liabilities	295,707	320,607	295,707	320,607
Unearned revenue	-	1,550	-	1,550
Due to Jurisdictions	588,204	518,386	588,204	518,386
Long-term liabilities (Note 8)				
Due within one year	-	-	198,876	189,979
Due in more than one year	-	-	35,495	52,783
<b>Total Liabilities</b>	<b>\$ 2,381,009</b>	<b>\$ 1,107,565</b>	<b>\$ 2,615,380</b>	<b>\$ 1,350,327</b>
<b>FUND BALANCE/NET POSITION</b>				
Capital stock, \$1 par value, 16 shares authorized, issued, and outstanding	\$ 16	\$ 16	\$ 16	\$ 16
Fund balance:				
Nonspendable:				
Prepaid items	\$ 115,625	\$ 94,529	\$ -	\$ -
Committed:				
Board designation	4,965,808	4,965,808	-	-
Unassigned	4,417,900	3,925,652	-	-
Total fund balance	\$ 9,499,333	\$ 8,985,989	\$ -	\$ -
Total equity	\$ 9,499,349	\$ 8,986,005	\$ 16	\$ 16
Total liabilities and equity	<b>\$ 11,880,358</b>	<b>\$ 10,093,570</b>		
Net position:				
Net investment in capital assets			\$ 9,308,428	\$ 6,197,037
Unrestricted			9,318,915	8,813,183
Total net position			\$ 18,627,343	\$ 15,010,220
Total net position and equity			\$ 18,627,359	\$ 15,010,236
Total liabilities and net position			\$ 21,242,739	\$ 16,360,563

STATEMENT OF GOVERNMENTAL FUNDS REVENUES,  
 EXPENDITURES, AND CHANGES IN FUND BALANCES /  
 STATEMENT OF ACTIVITIES - PRIOR YEAR COMPARISON  
 FOR THE YEARS ENDED JUNE 30, 2025 and 2024

	Governmental Funds		Statement of Activities	
	2025	2024	2025	2024
<b>Revenues:</b>				
Fee revenue:				
Transportation fees	\$ 58,234	\$ 128,655	\$ 58,234	\$ 128,655
Intergovernmental:				
Federal grants	7,164,914	6,199,062	7,164,914	6,199,062
Virginia Department of Rail and Public Transportation	2,743,642	1,951,872	2,743,642	1,951,872
Non-Federal/State	6,565,192	6,651,151	6,565,192	6,651,151
Investment income	294,154	235,053	294,154	235,053
Other	48,229	87,288	48,229	80,278
<b>Total revenues</b>	<b>\$ 16,874,365</b>	<b>\$ 15,253,081</b>	<b>\$ 16,874,365</b>	<b>\$ 15,246,071</b>
<b>Expenditures/Expenses:</b>				
Current:				
Salaries and wages	\$ 6,248,753	\$ 5,857,859	\$ 6,255,783	\$ 5,864,105
Fringe benefits	2,091,868	1,934,035	2,092,450	1,934,552
Travel	18,503	12,737	18,503	12,737
Facility/Equip Maint/Utilities	147,873	149,330	130,633	131,790
Supplies	734,834	845,456	734,834	845,456
Marketing	15,993	14,943	15,993	14,943
Insurance	473,738	384,699	473,738	384,699
Professional services	570,203	917,243	570,203	917,243
Jurisdiction distributions	588,204	518,386	588,204	518,386
Other	35,057	32,762	36,294	34,336
Capital outlay	5,435,995	2,854,114	182,837	31,705
Depreciation	-	-	2,157,770	1,576,622
<b>Total expenditures/expenses</b>	<b>\$ 16,361,021</b>	<b>\$ 13,521,564</b>	<b>\$ 13,257,242</b>	<b>\$ 12,266,574</b>
Excess (deficiency) of revenues over expenditures	\$ 513,344	\$ 1,731,517	\$ 3,617,123	\$ 2,979,497
Fund balance/net position, beginning of year, as previously reported	8,985,989	7,254,472	15,010,220	12,030,723
Restatement for change in accounting principle	-	-		-
Fund balance/net position, beginning of year, as restated	8,985,989	7,254,472	15,010,220	12,030,723
Fund balance/net position, end of year	<b>\$ 9,499,333</b>	<b>\$ 8,985,989</b>	<b>\$ 18,627,343</b>	<b>\$ 15,010,220</b>

## **COMPLIANCE SECTION**

---

**Independent Auditors' Report on Internal Control over Financial Reporting and on  
Compliance and Other Matters Based on an Audit of Financial Statements  
Performed in Accordance with *Government Auditing Standards***

---

To the Board of Directors  
JAUNT, Inc.  
Charlottesville, Virginia

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *Specifications for Audits of Authorities, Boards, and Commissions*, issued by the Auditor of Public Accounts of the Commonwealth of Virginia, the financial statements of the governmental activities and each major fund of JAUNT, Inc., as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise JAUNT, Inc.'s basic financial statements and have issued our report thereon dated September 30, 2025.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered JAUNT, Inc.'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 JAUNT, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of JAUNT, Inc.'s internal control.

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

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

**Report on Compliance and Other Matters**

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

## **Purpose of this Report**

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

Charlottesville, Virginia  
September 30, 2025

---

**Independent Auditors' Report on Compliance For Each Major Program and  
on Internal Control over Compliance Required by the Uniform Guidance**

---

**To the Board of Directors  
JAUNT, Inc.  
Charlottesville, Virginia**

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited JAUNT, Inc.'s compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of JAUNT, Inc.'s major federal programs for the year ended June 30, 2025. JAUNT, Inc.'s major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, JAUNT, Inc. complied, in all material respects, with compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025.

***Basis for Opinion on Each Major Federal Program***

We conducted our audit on compliance in accordance with auditing standards generally accepted in the United States of America; 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 Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of JAUNT, Inc. and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that 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 JAUNT, Inc.'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 JAUNT, Inc.'s federal programs.

## ***Auditors' 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 JAUNT, Inc.'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 generally accepted auditing standards, *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 the judgment made by a reasonable user of the report on compliance about JAUNT, Inc.'s compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *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 JAUNT, Inc.'s compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of JAUNT, Inc.'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 JAUNT, Inc.'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 that we identified during the audit.

## **Report on Internal Control over Compliance**

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.

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' 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. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

## **Report on Internal Control over Compliance (Continued)**

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.

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.

Charlottesville, Virginia  
September 30, 2025

JAUNT, INC.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2025

Federal Grantor/Pass-through Grantor/Program Title	Federal Assistance Listing Number	Pass-through Identification Number	Federal Expenditures
<b>Department of Transportation</b>			
<b>Pass-through:</b>			
Virginia Department of Rail and Public Transportation			
Formula Grants for Rural Areas and Tribal Transit Program	20.509	42022-10, 42022-13, 42022-09 42023-09, 42023-16 42023-15, 42023-10, 42023-14 42023-12, 42023-17, 42023-20 42023-11	\$ 5,328,797
<b>Total Formula Grants for Rural Areas and Tribal Transit Program</b>			\$ 5,328,797
<b>Federal Transit Cluster</b>			
<b>Pass-through:</b>			
Charlottesville Area Transit			
Federal Transit Formula Grants (Urbanized Area Formula Program)	20.507	Unknown	\$ 879,844
COVID-19 Federal Transit Formula Grants (Urbanized Area Formula Program)	20.507	Unknown	\$ 956,273
<b>Total Federal Transit Cluster</b>			\$ 1,836,117
<b>Total Expenditures of Federal Awards</b>			\$ 7,164,914

**Notes to Schedule of Expenditures of Federal Awards**

**Note 1 - Basis of Presentation**

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of JAUNT, Inc. under programs of the federal government for the year ended June 30, 2025. 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 JAUNT, Inc., it is not intended to and does not present the financial position, changes in net position, or cash flows of JAUNT, Inc.

**Note 2 - Summary of Significant Accounting Policies**

(1) Expenditures reported on the Schedule are reported on the 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.

(2) Pass-through entity identifying numbers are presented where available.

**Note 3 - Relationship to Financial Statements**

Federal expenditures, revenues and capital contributions are reported in JAUNT, Inc's basic financial statements as follows:

Intergovernmental federal revenues per the basic financial statements:

Primary government:

General Fund	\$ 4,337,082
Capital Fund	\$ 2,827,832
Total primary government	\$ 7,164,914
<b>Total federal expenditures per the Schedule of Expenditures of Federal Awards</b>	\$ 7,164,914

**Note 4 - Indirect Cost Rate**

The Corporation has elected to use the 10-percent de minimis indirect cost rate as allowed under Uniform Guidance.

**Note 5 - Subrecipients**

No awards were passed through to subrecipients.

**JAUNT, INC.**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2025**

---

**SECTION I - SUMMARY OF AUDITORS' RESULTS**

**Financial Statements**

Type of auditors' report issued:	Unmodified
Internal control over financial reporting: Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None reported
Noncompliance material to financial statements noted?	No

**Federal Awards**

Internal control over major programs: Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None reported
Type of auditors' report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 200.516(a)	No
Identification of major programs:	

<b><u>Assistance Listing #</u></b>	<b><u>Name of Federal Program or Cluster</u></b>
20.507	Federal Transit Formula Grants (Urbanized Area Formula Program)

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee? Yes

**Section II - Financial Statement Findings**

There are no financial statement findings to report.

**Section III - Federal Award Findings and Questioned Costs**

There are no federal award findings and questioned costs to report.

**JAUNT, INC.**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FOR THE YEAR ENDED JUNE 30, 2025**

---

There are no federal award findings and questioned costs to report.