



Selkirks - Pend Oreille Transit Authority
31656 HWY 200, Box 8 Ponderay, ID 83852 (mailing address)
31656 HWY 200, Suite 102 Ponderay, ID 83852 (physical address)
208-263-377

Public Notice of *Finance Committee* Meeting

10:00 a.m., Wednesday, September 17, 2025
SPOT Office, 31656 Hwy 200, Suite 102, Ponderay, ID 83852
Zoom Meeting ID: 830 1152 5297
Passcode: 574841

Agenda

1. Call to Order and Roll Call
2. Action, Consideration and Discussion Items:
 - a. Action Item: Approve minutes of August 20, 2025, Finance Committee Meeting
 - b. Action Item: Review and accept SPOT August 2025 Financial Statements
 - c. Action/Discussion/Consideration Item: Interest rates at banks
 - i. Assess renewal options
 - ii. Guest – Charity from Edward Jones . Brief presentation about available options
 - d. Action/Discussion/Consideration Item: Approve 2025-2026 Budget for presentation to the Board
 - e. Action/Discussion/Consideration Item: Approve Alpine Summit Engagement Letter for presentation to the Board
 - f. Review/Discussion/Consideration Item: State Insurance Fund – Workers Comp policy renewal
 - g. Action Item/updates: Financial considerations
3. Adjourn

Note: Public information on agenda items is available from the SPOT office at 31656 Highway 200 Suite 102, Ponderay, ID or call (208) 263-3774. Any person needing special accommodation at the above noticed meeting should contact SPOT three days prior to the meeting at (208) 263-3774.



Selkirks-Pend Oreille Transit Authority
31656 Hwy 200, Box 8, Ponderay, Idaho 83852 (mail address)
31656 Hwy 200, Suite 102 (physical address)
Ponderay, Idaho 83852
208-263-3774

Finance Committee Meeting Minutes – August 20, 2025

Present: Zale Palmer, Clif Warren, Colleen Culwell and Donna Griffin.

Zale called the meeting to order at 10:02 a.m.

Clif moved to approve the minutes of the July 16, 2025 Finance Committee meeting. Colleen seconded the motion. It passed, all in favor.

The committee reviewed the July 2025 Financial Statements. Clif noted high driver payroll in July was up \$6,000. Several events took place during July including half of the Festival at Sandpoint concerts and the Fourth of July parades. Colleen will look at the spreadsheet. Colleen noted that The State reimbursed the January CARES. Clif noted a hotel expense in the list of bills. This was part of Wendy's expense to attend the Reasonable Suspicion Workshop that will be reimbursed by a RTAP scholarship. Clif made a motion to accept the July 2025 Financial Statements. Zale seconded the motion, and it passed all in favor.

The committee considered interest bank rates as the CD will mature in September. Since we can get higher rates at other institutions, the committee opted to recommend to the SPOT Board to not renew the CD at Mountain West and to authorize Donna and Nancy to sign documents to open an account at Edward Jones because of its proximity in town and higher rates.

The Committee discussed and considered the current 2025-2026 budget information including projected revenues. The Finance Committee hosted a special meeting to review details and make revisions on August 5, 2025. Upon further review, they allocated the advertising revenues to each service area - Bonner County, Schweitzer Mountain and Boundary County. The Committee will recommend that the SPOT Board accept the proposed budget, post public notifications and have a public hearing at the next SPOT Board regular meeting scheduled for September 18, 2025.

A motion was made to adjourn the meeting at 10:26 a.m. It passed, all in favor.

Respectfully submitted,
Donna Griffin

AUDIT ENGAGEMENT LETTER

July 21, 2025

Board of Commissioners
Selkirks-Pend Oreille Transit Authority
31656 Hwy 200 Box 8
Ponderay, ID 83852

Dear Board of Commissioners

We are pleased to confirm our understanding of the services that we are to provide Selkirks-Pend Oreille Transit Authority (SPOT) for the year ended September 30, 2025.

Audit Scope and Objectives

We will audit the financial statements of the governmental activities and each major fund, including the related notes to the financial statements, which collectively comprise the basic financial statements of SPOT as of and for the year ended September 30, 2025. Accounting standards generally accepted in the United States of America (GAAP) provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement SPOT's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to SPOT's RSI in accordance with auditing standards generally accepted in the United States of America (GAAS). These limited procedures will consist of inquiries of management regarding 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 will 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 following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

1. Management's Discussion and Analysis
2. Schedule of SPOT's Share of Net Pension Liability
3. Schedule of SPOT's Contributions
4. Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – All Governmental Fund Types

We have also been engaged to report on supplementary information other than RSI that accompanies SPOT's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional

procedures in accordance GAAS, and we will provide an opinion on it in relation to the financial statements as a whole:

1. Schedule of Expenditures of Federal Awards
2. Statement of Revenues, Expenditures, and Changes in Fund Balances – by Department

The objectives of our audit are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; issue an auditor's report that includes our opinion about whether your financial statements are fairly presented, in all material respects, in conformity with GAAP; and report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. 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. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements.

The objectives also include reporting on:

- Internal control over financial reporting and compliance with provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.
- Internal control over compliance related to major programs and an opinion (or disclaimer of opinion) on compliance with federal statutes, regulations, and the terms and conditions of federal awards that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

Auditor's Responsibilities for the Audit of the Financial Statements and Single Audit

We will conduct our audit in accordance with GAAS; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; and the provisions of the Uniform Guidance, and will include tests of accounting records, a determination of major program(s) in accordance with Uniform Guidance, and other procedures we consider necessary to enable us to express such opinions. As part of an audit in accordance with GAAS and *Government Auditing Standards*, we exercise professional judgment and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of waste and abuse is subjective, *Government Auditing Standards* do not expect auditors to perform specific procedures to detect waste or abuse in financial audits nor do they expect auditors to provide reasonable assurance of detecting waste or abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements or noncompliance may not be detected by us, even though the audit is properly planned and performed in accordance with GAAS and *Government Auditing Standards*. In

addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or on major programs. However, we will inform the appropriate level of management of any material errors, any fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. We will include such matters in the reports required for a Single Audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

We will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the government's ability to continue as a going concern for a reasonable period of time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, tests of the physical existence of inventories, and direct confirmation of receivables and certain assets and liabilities by correspondence with selected customers, creditors, and financial institutions. We will also request written representations from your attorneys as part of the engagement.

We have identified the following significant risks of material misstatement, based on our history with and knowledge of the organization:

1. Management override of controls
2. Improper revenue recognition

We may, from time to time and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

Our audit of financial statements does not relieve you of your responsibilities.

Audit Procedures – Internal Controls

We will obtain an understanding of the government and its environment, including the system of internal control, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinions. 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, misrepresentation, or the override of internal control. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

As required by the Uniform Guidance, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting

material noncompliance with compliance requirements applicable to each major federal award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to the Uniform Guidance.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards, *Government Auditing Standards*, and the Uniform Guidance.

Audit Procedures – Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of SPOT's compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

The Uniform Guidance requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with federal statutes, regulations, and the terms and conditions of federal awards applicable to major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the *OMB Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of SPOT's major programs. For federal programs that are included in the Compliance Supplement, our compliance and internal control procedures will relate to the compliance requirements that the Compliance Supplement identifies as being subject to audit. The purpose of these procedures will be to express an opinion on SPOT's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance.

Responsibilities of Management for the Financial Statements and Single Audit

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for (1) designing, implementing, establishing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including internal controls over federal awards, and for evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; (2) following laws and regulations; (3) ensuring that there is reasonable assurance that government programs are administered in compliance with compliance requirements; and (4) ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles; for the preparation and fair presentation of the financial statements, schedule of expenditures of federal awards, and all accompanying information in conformity with accounting principles generally accepted in the United States of America and for compliance with applicable laws and regulations (including federal statutes), rules, and the provisions of contracts and grant agreements (including award agreements). Your responsibilities also include identifying significant contractor relationships in which the contractor has responsibility for program compliance and for the accuracy and completeness of that information.

You are also responsible for making drafts of financial statements, schedule of expenditures of federal awards, all financial records, and related information available to us; for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers); and for the evaluation of whether there are any conditions or events, considered in the aggregate, that raise substantial doubt about the government's ability to continue as a going concern for the 12 months after the financial statements date or shortly thereafter (for example, within an additional three months if

currently known). You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) access to personnel, accounts, books, records, supporting documentation, and other information as needed to perform an audit under the Uniform Guidance; (3) additional information that we may request for the purpose of the audit; and (4) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.^{ff} At the conclusion of our audit, we will require certain written representations from you about the financial statements; schedule of expenditures of federal awards; federal award programs; compliance with laws, regulations, contracts, and grant agreements; and related matters.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements of each opinion unit taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants. You are also responsible for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements that we report. Additionally, as required by the Uniform Guidance, it is management's responsibility to evaluate and monitor noncompliance with federal statutes, regulations, and the terms and conditions of federal awards; take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings; promptly follow up and take corrective action on reported audit findings; and prepare a summary schedule of prior audit findings and a separate corrective action plan. The summary schedule of prior audit findings should be available for our review at the start of the audit.

You are responsible for identifying all federal awards received and understanding and complying with the compliance requirements and for the preparation of the schedule of expenditures of federal awards (including notes and noncash assistance received, and COVID-19-related concepts, such as lost revenues, if applicable) in conformity with the Uniform Guidance. You agree to include our report on the schedule of expenditures of federal awards in any document that contains, and indicates that we have reported on, the schedule of expenditures of federal awards. You also agree to [include the audited financial statements with any presentation of the schedule of expenditures of federal awards that includes our report thereon OR make the audited financial statements readily available to intended users of the schedule of expenditures of federal awards no later than the date the schedule of expenditures of federal awards is issued with our report thereon]. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the schedule of expenditures of federal awards in accordance with the Uniform Guidance; (2) you believe the schedule of expenditures of federal awards, including its form and content, is stated fairly in accordance with the Uniform Guidance; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the schedule of expenditures of federal awards.

You are also responsible for the preparation of the other supplementary information, which we have been engaged to report on, in conformity with U.S. generally accepted accounting principles (GAAP). You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to [include the audited

financial statements with any presentation of the supplementary information that includes our report thereon OR make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon]. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the Audit Scope and Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions for the report, and for the timing and format for providing that information.

Other Services

We will also provide the following non-attest services for our use during the audit of your financial statements:

1. We will prepare a draft of your financial statements and related notes in conformity with U.S. generally accepted accounting principles based on information provided by you.
2. We will prepare a depreciation schedule based on the estimated useful lives that you have provided to us for your fund assets.
3. We will assist with GASB 68 calculations and adjustments based on information provided by PERSI and by you.
4. We will assist with GASB 87 Lease and GASB 96 SBITA adjustments, as needed, based on information provided by you.
5. We will prepare the schedule of federal awards and related notes in conformity with U.S. generally accepted accounting principles and the Uniform Guidance based on information provided by you.

These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statement services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

You agree to assume all management responsibilities for the financial statements, schedule of expenditures of federal awards, and related notes, and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements, the schedule of expenditures of federal awards, and related notes and that you have reviewed and approved the financial statements, the schedule of expenditures of federal awards, and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Engagement Administration, Fees, and Other

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

At the conclusion of the engagement, we will complete the appropriate sections of the Data Collection Form that summarizes our audit findings. It is management's responsibility to electronically submit the reporting package (including financial statements, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditor's reports, and corrective action plan) along with the Data Collection Form to the Federal Audit Clearinghouse. We will coordinate with you the electronic submission and certification. The Data Collection Form and the reporting package must be submitted within the earlier of 30 calendar days after receipt of the auditor's reports or nine months after the end of the audit period.

We will provide copies of our reports to SPOT; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Alpine Summit CPAs and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to Federal or State officials or their designee, a federal or state agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Alpine Summit CPAs personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by the State or other regulators. If we are aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

Christina Laurie is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them. We expect to begin our audit on approximately November 1, 2025, and to issue our reports by approximately May 31, 2026.

Our fee for services will not exceed \$15,000. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 45 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

Reporting

We will issue a written report upon completion of our audit of SPOT's financial statements. Our report will be addressed to management and those charged with governance of SPOT. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add

a separate section, or add an emphasis-of-matter or other-matter paragraph to our auditor's report, or if necessary, withdraw from this engagement. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or we may withdraw from this engagement.

The *Government Auditing Standards* report on internal control over financial reporting and on compliance and other matters will state that (1) the purpose of the report is solely to describe the scope of 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, and (2) the report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. The Uniform Guidance report on internal control over compliance will state that the purpose of the report on internal control over compliance is solely to describe the scope of testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Both reports will state that the report is not suitable for any other purpose.

We appreciate the opportunity to be of service to SPOT and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign and return it to us.

Very truly yours,

Alpine Summit CPAs

Alpine Summit CPAs

RESPONSE:

This letter correctly sets forth the understanding of SPOT:

Management/Treasurer Signature: _____

Title: _____

Date: _____

Governance/Board Signature: _____

Title: _____

Date: _____



August 27, 2025

Selkirks-Pend Oreille Transit Authority
31656 Highway 200 Box 8
Ponderay, ID 83852-9500

RECEIVED
9/2/25 wj

Policy # 654524

Workers' Compensation Policy Renewal

Your workers' compensation policy is scheduled to renew on 10/01/2025. Please review the enclosed renewal documents for accuracy. If there are no changes to report, your policy will renew as scheduled.

Please note:

- No payment is due at this time. Any balance due will be invoiced after the policy is renewed.
- The payroll shown on the following Extension of Information is an estimate only. Any adjustments will be made once the annual payroll is collected for the policy term.
- To update any information, please contact us with any changes as soon as possible. Changes may include information like employee payroll, contact information, ownership changes, etc.

If you have any questions, please contact our Customer Relations Team.

Sincerely,

Customer Relations Team
(208) 332-2137
CRT@idahosif.org



1005456800011800020013000000

UW413



Workers Compensation and Employers Liability Insurance Policy

Policy Number: 654524

Policy Period: 10/01/2025 - 10/01/2026

Information Page			
1. Named Insured and Address		Agency Information	
Selkirks-Pend Oreille Transit Authority 31656 Highway 200 Box 8 Ponderay, ID 83852-9500		Direct Policy	
Carrier No.	FEIN	Risk ID	Entity Type
19992	81-2792373	110437412	Non-Profit Corporation
Additional Workplaces not shown above: Refer to Schedule of Locations Endorsement WC 99 06 02 (01-06)			

2. The Policy Period is from 10/01/2025 to 10/01/2026 12:01 A.M. at the insured's mailing address.
3. A. Workers Compensation Insurance: Part One of the policy applies to the Workers Compensation Law of the states listed here: IDAHO
- B. Employers Liability Insurance: Part Two of the policy applies to work in each state listed in Item 3.A. The limits of our liability under part Two are:
- | | | |
|---------------------------|--------------|---------------|
| Bodily Injury by Accident | \$100,000.00 | each accident |
| Bodily Injury by Disease | \$500,000.00 | policy limit |
| Bodily Injury by Disease | \$100,000.00 | each employee |
- C. Other States Insurance: Part Three of the policy applies to the states, if any, listed here: NONE
- D. This policy includes these endorsements and schedules: SEE ATTACHED SCHEDULE OF ENDORSEMENTS
4. The premium for this policy will be determined by our Manuals of Rules, Classifications, Rates and Rating Plans. All information required below is subject to verification and change by audit.

SEE ATTACHED CLASSIFICATIONS OF OPERATIONS

Minimum Premium \$400.00

Total Written Premium \$11,902.00

Deposit Premium/Initial Installment \$2,976.00

Underwriter: Chris Edwards

Policy Declaration Number: 36518198

Authorized Representative



Workers Compensation and Employers Liability Insurance Policy

Policy Number: 654524

Named Insured: Selkirks-Pend Oreille Transit Authority

Agency Name: Direct Policy

Extension of Information Page Classification of Operations

Class Description	Class Code	Exposure	Rate Per \$100 of Remuneration	Estimated Written Premium
Period - 10/01/2025 to 10/01/2026				
INSURED: Selkirks-Pend Oreille Transit Authority				
Selkirks-Pend Oreille Transit Authority 31656 Highway 200 Ste 102 Ponderay				
BUS CO.: ALL OTHER EMPLOYEES & DRIVERS	7382	\$315,157	3.710	\$11,692
BUS CO.: GARAGE EMPLOYEES	8385	\$22,504	1.980	\$446
ADMIN DUTIES - OFFICE & TRAVEL	8742	\$120,381	0.230	\$277
Total Manual Premium				\$12,415
Experience Modification Premium			0.87	(\$1,614)
Schedule Rating Premium			1.1	\$1,080
Total Standard Premium				\$11,881
Premium Discount			0.0144	(\$171)
Expense Constant				\$100
Terrorism			0.010	\$46
Catastrophe (Other Than Certified Acts of Terrorism)			0.010	\$46
Total Written Premium				\$11,902



Workers Compensation and Employers Liability Insurance Policy

Policy Number: 654524

Named Insured: Selkirks-Pend Oreille Transit Authority

Agency Name: Direct Policy

Schedule of Endorsements

State	Form Number	Form Title
ID	UW508	Experience Modifier Change
ID	UW413	Policy Information Page
ID	UW645	Schedule of Endorsements
ID	UW646	Schedule of Locations
ID	UW644	Extension of Information Page Classification of Operations
ID	UW557	Catastrophe Premium Endorsement
ID	UW547	Premium Discount Endorsement
ID	UW521	Terrorism Endorsement
ID	UW555	90 Day Reporting Requirement-Ownership
ID	UW665	Schedule of Billing/Reporting
ID	UW558	Premium Amendatory Endorsement
ID	UW648	Renewal Cover Letter



1005456800011800050013000000
01/16/16



Workers Compensation and Employers Liability Insurance Policy

Policy Number: 654524

Named Insured: Selkirks-Pend Oreille Transit Authority

Agency Name: Direct Policy

Schedule of Locations

Location Address

31656 Highway 200 Ste 102, Ponderay ID 83852-9500



Workers Compensation and Employers Liability Insurance Policy

Policy Number: 654524

Named Insured: Selkirks-Pend Oreille Transit Authority

Agency Name: Direct Policy

Schedule of Billing/Reporting

Number of Installments	Bill Date	Premium Amount
1	10/01/2025	\$2,976.00
2	12/01/2025	\$2,975.00
3	02/01/2026	\$2,975.00
4	04/01/2026	\$2,976.00

Issue Date: Aug 27, 2025

WC 99 06 03



Policy Number: 654524 - 10/01/2025

INSURED

Selkirks-Pend Oreille Transit Authority
31656 Highway 200 Box 8
Ponderay, ID 83852-9500

ENDORSEMENT

THIS ENDORSEMENT CHANGES THE POLICY TO WHICH IT IS ATTACHED AND IS EFFECTIVE ON THE DATE ISSUED UNLESS OTHERWISE STATED

TERRORISM RISK INSURANCE PROGRAM REAUTHORIZATION ACT DISCLOSURE ENDORSEMENT

This endorsement addresses the requirements of the Terrorism Risk Insurance Act of 2002 as amended and extended by the Terrorism Risk Insurance Program Reauthorization Act of 2019. It serves to notify you of certain limitations under the Act, and that your insurance carrier is charging premium for losses that may occur in the event of an Act of Terrorism.

Your policy provides coverage for workers compensation losses caused by Acts of Terrorism, including workers compensation benefit obligations dictated by state law. Coverage for such losses is still subject to all terms, definitions, exclusions, and conditions in your policy, and any applicable federal and/or state laws, rules, or regulations.

Definitions

The definitions provided in this endorsement are based on and have the same meaning as the definitions in the Act. If words or phrases not defined in this endorsement are defined in the Act, the definitions in the Act will apply.

"Act" means the Terrorism Risk Insurance Act of 2002, which took effect on November 26, 2002, and any amendments thereto, including any amendments resulting from the Terrorism Risk Insurance Program Reauthorization Act of 2019.

"Act of Terrorism" means any act that is certified by the Secretary of the Treasury, in consultation with the Secretary of Homeland Security, and the Attorney General of the United States as meeting all of the following requirements:

- a. The act is an act of terrorism.
- b. The act is violent or dangerous to human life, property or infrastructure.
- c. The act resulted in damage within the United States, or outside of the United States in the case of the premises of United States missions or certain air carriers or vessels.
- d. The act has been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.



"Insured Loss" means any loss resulting from an act of terrorism (and, except for Pennsylvania, including an act of war, in the case of workers compensation) that is covered by primary or excess property and casualty insurance issued by an insurer if the loss occurs in the United States or at the premises of United States missions or to certain air carriers or vessels.

"Insurer Deductible" means, for the period beginning on January 1, 2021, and ending on December 31, 2027, an amount equal to 20% of our direct earned premiums, during the immediately preceding calendar year.

Limitation of Liability

The Act limits our liability to you under this policy. If aggregate Insured Losses exceed \$100,000,000,000 in a calendar year and if we have met our Insurer Deductible, we are not liable for the payment of any portion of the amount of Insured Losses that exceeds \$100,000,000,000; and for aggregate Insured Losses up to \$100,000,000,000, we will pay only a pro rata share of such Insured Losses as determined by the Secretary of the Treasury.

Policyholder Disclosure Notice

1. Insured Losses would be partially reimbursed by the United States Government. If the aggregate industry Insured Losses occurring in any calendar year exceed \$200,000,000, the United States Government would pay 80% of our Insured Losses that exceed our Insurer Deductible.
2. Notwithstanding item 1 above, the United States Government will not make any payment under the Act for any portion of Insured Losses that exceed \$100,000,000.
3. The premium charge for the coverage your policy provides for Insured Losses is indicated in the amount shown in Item 4 of the Information Page or in the Schedule below.

Schedule		
State	Rate	Premium
ID	0.01	\$46.00

Endorsement Effective: 10/01/2025

Policy No: 654524

Endorsement No.

Insured: Selkirks-Pend Oreille Transit Authority

Premium

Insurance Company: State Insurance Fund

WORKERS COMPENSATION AND EMPLOYERS LIABILITY POLICY
© Copyright 1983 National Council on Compensation Insurance, Inc. All Rights Reserved.

WC 00 04 22 C



Policy Number: 654524 - 10/01/2025

INSURED

Selkirks-Pend Oreille Transit Authority
31656 Highway 200 Box 8
Ponderay, ID 83852-9500

ENDORSEMENT

THIS ENDORSEMENT CHANGES THE POLICY TO WHICH IT IS ATTACHED AND IS EFFECTIVE ON THE DATE ISSUED UNLESS OTHERWISE STATED

CATASTROPHE (OTHER THAN CERTIFIED ACTS OF TERRORISM) PREMIUM ENDORSEMENT

This endorsement is notification that we are charging premium to cover the losses that may occur in the event of a Catastrophe (Other Than Certified Acts of Terrorism) as that term is defined below. Your policy provides coverage for workers compensation losses caused by a Catastrophe (Other Than Certified Acts of Terrorism). Coverage for such losses is subject to all terms, definitions, exclusions, and conditions in your policy, and any applicable federal and/or state laws, rules, or regulations. This premium charge does not provide funding for Certified Acts of Terrorism contemplated under the Terrorism Risk Insurance Program Reauthorization Act Disclosure Endorsement attached to this policy.

For purposes of this endorsement, Catastrophe (Other Than Certified Acts of Terrorism) is defined as: A single event or peril resulting in a group of claims with aggregate workers compensation losses in excess of \$50 million. This \$50 million threshold applies per occurrence, across all states for which claims arise from a single event or peril.

The premium charge for the coverage your policy provides for workers compensation losses caused by a Catastrophe (Other Than Certified Acts of Terrorism) is shown in Item 4 of the Information Page or in the Schedule below.

Schedule		
State	Rate	Premium
ID	0.01	\$46.00

This endorsement changes the policy to which it is attached and is effective on the date issued unless otherwise stated.

(The information below is required only when this endorsement is issued subsequent to preparation of the policy.)

Endorsement Effective: 10/01/2025

Policy No: 654524

Endorsement No.

Insured: Selkirks-Pend Oreille Transit Authority

Premium

Insurance Company: State Insurance Fund

WORKERS COMPENSATION AND EMPLOYERS LIABILITY POLICY
© Copyright 1983 National Council on Compensation Insurance, Inc. All Rights Reserved.

WC 00 04 21 F



Policy Number: 654524 - 10/01/2025

INSURED

Selkirks-Pend Oreille Transit Authority
31656 Highway 200 Box 8
Ponderay, ID 83852-9500

ENDORSEMENT

THIS ENDORSEMENT CHANGES THE POLICY TO WHICH IT IS ATTACHED AND IS
EFFECTIVE ON THE DATE ISSUED UNLESS OTHERWISE STATED

PART FIVE - PREMIUM AMENDATORY ENDORSEMENT

This endorsement amends Part Five --Premium of the policy as follows:

Part Five - Premium, Section A. (Our Manuals) is replaced by the following provision:

A. Our Manuals

All premium for this policy will be determined by our manuals of rules, rates and loss costs (as applicable), rating plans, forms, endorsements, and classifications, and such manuals are expressly incorporated by reference into, and apply to, this policy and any renewals (our manuals). As used in this policy and any renewals, our manuals means manuals that have been:

1. Developed in any format and filed by the state-designated workers compensation rating or advisory organization on our behalf with the appropriate state insurance regulatory authority; or
2. Developed in any format and filed by the respective state rating bureau on our behalf with the appropriate state insurance regulatory authority; or
3. Developed in any format and filed by us with the appropriate state insurance regulatory authority; and
4. For each or any of the three scenarios above, the manuals also must be approved for use by the appropriate state insurance regulatory authority, or as otherwise authorized by law as applicable.

We may change our manuals and apply the changes to this policy and any renewals if such manual changes are approved for use by the appropriate state insurance regulatory authority, or as otherwise authorized by law as applicable.

Part Five - Premium, Section D. (Premium Payments) is replaced by the following provision:

D. Premium Payments

You will pay all premium when due. You will pay the premium even if part or all of a workers compensation law is not valid. The due date for audit and retrospective premiums is the due date specified in the billing for the policy.

This endorsement changes the policy to which it is attached and is effective on the date issued unless otherwise stated.
(The information below is required only when this endorsement is issued subsequent to preparation of the policy.)

Endorsement Effective: 10/01/2025

Policy No: 654524

Endorsement No.

Insured: Selkirks-Pend Oreille Transit Authority

Premium

Insurance Company: State Insurance Fund

WORKERS COMPENSATION AND EMPLOYERS LIABILITY POLICY

© Copyright 2022 National Council on Compensation Insurance, Inc. All Rights Reserved.

WC 00 04 19 A



Policy Number: 654524 - 10/01/2025

INSURED

Selkirks-Pend Oreille Transit Authority
31656 Highway 200 Box 8
Ponderay, ID 83852-9500

ENDORSEMENT

THIS ENDORSEMENT CHANGES THE POLICY TO WHICH IT IS ATTACHED AND IS EFFECTIVE ON THE DATE ISSUED UNLESS OTHERWISE STATED

PREMIUM DISCOUNT ENDORSEMENT

The premium for this policy and the policies, if any, listed in Item 3 of the Schedule may be eligible for a discount. This endorsement shows your estimated discount in Items 1 or 2 of the Schedule. The final premium discount will be determined by our manuals and your premium basis as determined by audit. Premium subject to retrospective rating is not subject to premium discount.

Schedule

1. State	Estimated Eligible Premium			
ID	0	0.091	0.113	0.123
	First \$10,000.00	Next \$190,000.0	Next \$1,550,000	Balance

2. Average percentage discount: 1 %

3. Other policies:

4. If there are no entries in Items 1, 2 and 3 of the Schedule, see the Premium Discount Endorsement attached to your policy number:

Endorsement Effective: 10/01/2025

Policy No: 654524

Endorsement No.
Premium

Insured: Selkirks-Pend Oreille Transit Authority

Insurance Company: State Insurance Fund

WORKERS COMPENSATION AND EMPLOYERS LIABILITY POLICY
© Copyright 1983 National Council on Compensation Insurance, Inc. All Rights Reserved.

WC000406A



Policy Number: 654524 - 10/01/2025

INSURED

Selkirks-Pend Oreille Transit Authority
31656 Highway 200 Box 8
Ponderay, ID 83852-9500

ENDORSEMENT

THIS ENDORSEMENT CHANGES THE POLICY TO WHICH IT IS ATTACHED AND IS
EFFECTIVE ON THE DATE ISSUED UNLESS OTHERWISE STATED

EXPERIENCE MODIFICATION CHANGE ENDORSEMENT

The experience modifier on this policy period has changed. The following is the new
experience modifier information for the policy period

Effective Date	Expiration Date	Factor	Anniversary Rating Date	NCCI Risk
10/01/2025	10/01/2026	0.87	10/01/2025	110437412

Endorsement Effective: 10/01/2025

Policy No: 654524

Endorsement No.

Insured: Selkirks-Pend Oreille Transit Authority

Premium

Insurance Company: State Insurance Fund

WORKERS COMPENSATION AND EMPLOYERS LIABILITY POLICY
© Copyright 1983 National Council on Compensation Insurance, Inc. All Rights Reserved.

WC890406



Policy Number: 654524 - 10/01/2025

INSURED

Selkirks-Pend Oreille Transit Authority
31656 Highway 200 Box 8
Ponderay, ID 83852-9500

ENDORSEMENT

THIS ENDORSEMENT CHANGES THE POLICY TO WHICH IT IS ATTACHED AND IS
EFFECTIVE ON THE DATE ISSUED UNLESS OTHERWISE STATED

90-DAY REPORTING REQUIREMENT - NOTIFICATION OF CHANGE IN OWNERSHIP ENDORSEMENT

You must report any change in ownership to us in writing within 90 days of the date of the change. Change in ownership includes sales, purchases, other transfers, mergers, consolidations, dissolutions, formations of a new entity, and other changes provided for in the applicable experience rating plan. Experience rating is mandatory for all eligible insureds. The experience rating modification factor, if any, applicable to this policy, may change if there is a change in your ownership or in that of one or more of the entities eligible to be combined with you for experience rating purposes.

Failure to report any change in ownership, regardless of whether the change is reported within 90 days of such change, may result in revision of the experience rating modification factor used to determine your premium.

This reporting requirement applies regardless of whether an experience rating modification is currently applicable to this policy.

Endorsement Effective: 10/01/2025

Policy No: 654524

Endorsement No.

Insured: Selkirks-Pend Oreille Transit Authority

Premium

Insurance Company: State Insurance Fund