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**To the Board of Directors**
**Roaring Fork Transportation Authority**
**Carbondale, Colorado**

We have audited the financial statements of Roaring Fork Transportation Authority (the "Authority") for the year ended December 31, 2018. Professional standards require that we provide you with the following information related to our audit.

*Qualitative Aspects of Accounting Policies*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Authority are described in Note I to the 2018 audited financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year. We noted no transactions entered into by the Authority during the year for which there is a lack of authoritative guidance or consensus. There are no significant transactions that have been recognized in the financial statements in a different period than when the transaction occurred.

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

- Estimating allowance for uncollectible receivables: Management's estimate of is based on industry practice and experience together with actual collections history since year-end. All were considered to be collectible at December 31, 2018.

- Estimated useful lives for depreciation on fixed assets: Management's estimate of is based on industry practice and experience. We evaluated the key factors and assumptions used to develop the useful lives used in determining depreciation and found that it is reasonable in relation to the financial statements taken as a whole.

We evaluated the key factors and assumptions used to develop these estimates and found it to be reasonable in relation to the financial statements taken as a whole.

*Difficulties Encountered in Performing the Audit*

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

*Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. The Authority had no material adjustments as a result of audit procedures.

*Disagreements with Management*

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

*Management Representations*

As is required in an audit engagement we have requested certain representations from management that are included in the management representation letter.

*General Comment – Accounting Standard*

**Governmental Accounting Standards Board Statement 87:**

Financial reporting standards for the Authority are promulgated by the Governmental Accounting Standards Board ("GASB"). GASB has issued Statement 87 ("GASB 87"), which will require recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. GASB 87 is required to be implemented for periods beginning after December 15, 2019.

This report is intended solely for the information and use of the Board of Directors, management, and others within the organization and is not intended to be, and should not be, used by anyone other than those specified parties.

Sincerely,

McMahan and Associates, L.L.C.

**McMahan and Associates, L.L.C.**
**July 11, 2019**