



**GREATER PORTLAND TRANSIT DISTRICT**

**Financial Statements**

**For the Years Ended December 31, 2019 and 2018**

**GREATER PORTLAND TRANSIT DISTRICT**  
**Financial Statements**  
**For the years ended December 31, 2019 and 2018**

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## Independent Auditor's Report

To the Board of Directors of the  
Greater Portland Transit District

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the Greater Portland Transit District as of and for the years ended December 31, 2019 and 2018, and the related notes to the financial statements, which collectively comprise the Greater Portland Transit District's basic financial statements as listed in the table of contents.

#### ***Management's Responsibility for the Financial Statements***

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

#### ***Auditor's Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Greater Portland Transit District as of December 31, 2019 and 2018, and the respective changes in financial position and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

***Other Matters***

*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the schedule of changes in the district's total health plan OPEB liability and related ratios, be presented to supplement the 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. 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.

*Other Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Greater Portland Transit District's basic financial statements. The budgetary basis schedule is presented for the purposes of additional analysis and is not a required part of the basic financial statements.

The budgetary basis schedule 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.

Such 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 budgetary basis schedule is 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 June 22, 2020 on our consideration of the Greater Portland Transit District'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 to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Greater Portland Transit District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Greater Portland Transit District's internal control over financial reporting and compliance.



June 22, 2020  
South Portland, Maine

**GREATER PORTLAND TRANSIT DISTRICT  
Management Discussion and Analysis  
Fiscal Year Ended December 31, 2019**

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The Greater Portland Transit District (GPTD) is a municipal transit district formed under M.R.S.A Title 30-A, Part 2.5, Section 163, providing public transportation to the member cities of Portland and Westbrook, and the Town of Falmouth. The following is a narrative guide to aid the reader in understanding GPTD's financial performance and status that is presented in the financial statements and accompanying notes.

As a recipient of federal funds, GPTD is also required to undergo a single audit in conformity with Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). This "single audit" is designed to meet the special requirements of federal grantor agencies to assure proper handling and accounting of federal funds.

As a recipient of State funds, GPTD is also required to undergo an independent review of expenditures and department agreements in accordance with the *Maine Uniform Accounting and Auditing Practices for Community Agencies (MAAP)*. This review is required to confirm compliance with the internal control requirements relevant to the preparation and fair presentation of the schedule of expenditures for department agreements.

**Financial Highlights**

- **Capital Assets.** Capital assets, net of depreciation, increased in 2019 by \$1,512,262, about 12%. This reflects the addition of new buses, as well as the addition of new shelters and bus stops.
- **Current Liabilities.** The increase in current liabilities of \$38,881, 6%, reflects a \$32,193 increase in current debt related to the financing of local match for new bus purchases, a \$20,239 decrease in accrued payroll costs, and a \$16,152 increase in accounts payable. The change in other liabilities is related to an added increase of \$10,000 in deferred capital revenue. This represents local capital contribution received for a federal capital grant that has not been awarded yet.
- **Noncurrent Liabilities.** Noncurrent liabilities increased by \$247,195, about 14%, of which \$218,859 is the long-term portion of debt for the financing of local match for new buses. Accrued compensated absences increased by \$16,328, which reflects wage increases, and a change in the collective bargaining agreement increasing PTO days from 10 to 11, and to allow bus drivers to carry over some or all of their PTO days. Previously, PTO days remaining at the end of the year had to be paid out. Other Postemployment Benefits (OPEB) liability increased by \$12,008. The 2019 OPEB liability is \$533,233 as described on page 16.
- **Net Position.** Overall net position for GPTD increased by 11%, or \$1,303,662, almost entirely due to the increase in capital assets, many of which were funded with capital grants. Restricted net position represents the unexpended portion of local match funds for awarded capital grants. Unrestricted net position decreased 4% in 2019, or about \$37,915, primarily due to increases in the total OPEB liability. The calculation of net position begins on page 18. GPTD realized a net budgetary surplus (revenues minus expenditures) of \$6,510.
- GPTD finances its cash flow through issuance of an annual Tax Anticipation Note (TAN), in advance of receiving assessment payments from member communities.

**Relevant Financial Policies**

The Board of Directors for the GPTD adopted a Financial Reserve Policy in 2018 with a goal of achieving and maintaining an unrestricted amount of net position of no less than 16.66%, or two months, of the subsequent year's operating budget expenditures. That Policy also requires an equal amount of cash to be restricted to match the amount reserved.

On page 8, it shows that 2018 total Unrestricted Net Position was \$859,526. Of that amount, \$400,140 was reserved for the Policy, which has an equal amount of cash restricted, as required. This represented 3.5% of 2019 budgeted expenditures. Any increase to that amount has to be supported by an equal increase in restricted cash, which ensures available funding for any use of the reserve.

**GREATER PORTLAND TRANSIT DISTRICT**  
**Management Discussion and Analysis, Continued**  
**Fiscal Year Ended December 31, 2019**

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The 2019 year-end unrestricted net position is \$821,611, which reflects the budgetary surplus of \$6,510 and is a decrease from 2018 of \$37,915. Maintaining the 2018 level of reserve leaves a balance of \$421,471 in unrestricted net position. The unrestricted, reserved for Board policy amount is \$400,140, or 3.1% of 2020 budgeted operating expenditures. Page 19 shows the amount of restricted cash. The full Policy calculation, at 16.66%, would require a reserve of \$2,158,729. Note that the increase in operating expenditures budgeted from 2019 to 2020 of \$1.5M impacts the percentage.

**Financial Statements**

GPTD Basic Financial Statements include the Statements of Net Position, Statements of Revenues, Expenses, and Changes in Net Position, and Statements of Cash Flows. The Notes to Basic Financial Statements are in integral part of understanding these Statements.

**Budgeted Revenues**

Revenues were over budgeted amounts by .1%, or about \$15,368, and were 13%, or \$1,338,596, higher than 2018. The budget to actual schedule is on page 25.

Passenger Fares. Although there was an increase in Passenger Fares of about \$328,960, or 16%, over 2018, they were under budget by 8%, or \$215,909. The expansion of service in September of 2018, annualized for 2019 and caused the increase over the previous year. Additionally, a fare increase planned for late 2019 was delayed contributing to the shortage in budgeted amounts.

Advertising Revenue. Collected revenue from transit advertising was about 7%, or \$19,743 higher than the budgeted estimate, and \$59,004, or 26%, higher than in 2018.

Federal and State assistance. Collections from Federal and State agencies was 19% higher than 2018, or \$707,707, made up of additional funding for Preventative Maintenance costs of \$213,372 over budgeted amounts and new funding for Transit West expansion in 2018 was annualized for 2019, totaling \$623,822. Total federal and state assistance for 2019 was 5% higher than budgeted, or \$227,233. BREEZ operating reimbursement, which is based on actual costs, was over budget by \$26,402. ADA operating reimbursement, which is based on actual costs, was under budget by \$12,541. Additional Preventative Maintenance funding awarded in 2018 was utilized for 2019 PM costs for a total of \$213,273. This funding was utilized in an attempt to offset the underbudgeted passenger fares revenue.

Local Investment. Payments from communities were \$233,834, or 6%, higher than in 2018. This was a result of an additional \$250,798, or 7% in local assessments and match for operating costs. In addition to member community assessments, contributions from Freeport, Yarmouth and Brunswick, and Gorham, who are non-member communities for the BREEZ and Transit West expansions.

**Budgeted Expenses**

Total operating expenses for 2019 were over budget by 0.01%, or \$8,858, and 12%, or about \$1.2 million more than 2018. The budget to actual schedule for expenses begins on page 26.

Wages and benefits (personnel). Total wages and benefits costs were 17% higher, or about \$1.2 million, than in 2018. This reflects a 2.75% wage increase for all employees, step increases for union employees, and a 5% increase in health insurance premiums. For 2019, wages and benefits were over budget by 5%, or \$414,057.

Temporary help. Temporary help was budgeted for 2019 at \$26,000 for a planned medical leave for the accountant position. However, costs were 73%, or \$18,990, higher than the budgeted amount. The time frame for temporary help needed was extended to cover for an unplanned vacated position in the finance department as well.

**GREATER PORTLAND TRANSIT DISTRICT**  
**Management Discussion and Analysis, Continued**  
**Fiscal Year Ended December 31, 2019**

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Fleet parts and services and fuel. The cost of maintaining the fleet combined with fuel costs, were under budget by \$179,950, with a savings in CNG fuel of \$149,897 and Diesel fuel of \$35,192 and over expenditures in parts and tires of \$5,139. The total expense was about \$25,317 higher than 2018. The six 2019 diesel buses we received replaced six CNG buses, resulting in a savings on that budget line.

Advertising services. Advertising services were under budget by about 50%, or \$37,731. Costs associated with a fare increase and the launch of the automated fare system were budgeted in 2019. However, this project and the fare increase was delayed until the first half of 2020 and resulted in a budget savings in this area.

Contracted services. Contracted services were under budget by about 27%, or \$74,241. Similar to advertising, costs associated with the launch of the automated fare system, along with a fare increase, were budgeted in 2019. The automated fare project has been delayed until 2020 and has provided a savings in this budgeted service. Additionally, a security contract and a custodial contract both budgeted in 2019 were not executed, which resulted in further savings. Technology services increased significantly over 2018 costs, about \$78,981. The increase in costs was budgeted and represents the first year of hosting services for the Munis system. The system is used for Finance and Payroll currently.

Utilities and telephone. The total cost of heat, electricity, phone, water, sewer, and storm water was under budget by 7%, or \$28,292. Total cost increased 9% compared to 2018.

Maintenance services. The total cost of maintenance services was under budget by 24%, or \$66,949. Costs budgeted for fleet maintenance was under budget. Additionally, costs were budgeted for a compressor maintenance contract that was not executed.

**Growth and Initiatives**

GPTD's ridership has steadily been increasing. In 2019, GPTD saw an increase of 8.4% in ridership over 2018. Although there were no service expansions in 2019, routes that were added in the latter part of 2018 were in effect for a full year. GPTD continues to explore opportunities to expand service and frequencies among existing routes.

GPTD received 6 new diesel buses in 2019, and all 6 replaced 2005 CNG buses. GPTD will continue to update its bus fleet, with the purchase of 7 replacement buses in 2020.

GPTD implemented a new payroll system in January 2019. This system is part of the integrated financial system that was implemented in 2018. This allows for a seamless transfer of information and financial reporting. Although these projects have been delayed, GPTD plans to implement a time keeping system and an inventory and work order system that will integrate with the financial software to increase the efficiency of information sharing and reporting.

The automate fare system implementation has been delayed, but is scheduled for launch in the first half of 2020. This will offer new opportunities for employer pass programs for public transit, allow riders to purchase and use electronic fares, create a system that rewards frequent ridership with minimal upfront investment, and improve the overall individual experience with public transit.

A fare increase was scheduled to go into effect in parallel with the automated fare system launch. As discussed above, the automated fare project has been delayed until 2020. Therefore, the fare increase has also been delayed until 2020. A fare increase will allow GPTD to maintain a balance among funding sources and to limit increases in assessments to communities and taxpayers.

**GREATER PORTLAND TRANSIT DISTRICT**  
**Management Discussion and Analysis, Continued**  
**Fiscal Year Ended December 31, 2019**

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**Conclusion**

GPTD continues to make significant progress on improving internal processes and procedures. As GPTD continues to explore expanding service areas and frequency, and introducing new technologies that make it easier for riders throughout southern Maine to access public transit, ridership will continue to grow. We anticipate that our continued ridership growth will lead to continued fiscal health.

**Requests for Information**

This purpose of this financial report is to provide a general overview of the Greater Portland Transit District's finances. Any questions concerning this report or additional information should be addressed to Ellen Sanborn, Finance Director, Greater Portland Transit District, 14 Valley Street, Portland, Maine 04102.

More information about GPTD can be found on its web site, [gpmetro.org](http://gpmetro.org), where past budgets and financial reports can also be accessed.

**GREATER PORTLAND TRANSIT DISTRICT**  
**Statements of Net Position**  
**December 31, 2019 and 2018**

	2019	Restated 2018
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 1,081,791	1,167,928
Accounts receivable	201,595	216,290
Grants receivable	610,345	388,344
Inventory	380,777	355,065
Prepaid expenses	2,765	26,468
Total current assets	2,277,273	2,154,095
Capital assets:		
Land	133,175	133,175
Construction in progress	130,458	244,925
Buildings and improvements	6,473,672	6,473,672
Vehicles	14,855,853	12,224,971
Passenger stations	660,975	616,977
Equipment	4,713,161	4,713,161
Total capital assets	26,967,294	24,406,881
Less accumulated depreciation	13,267,298	12,219,147
Capital assets, net	13,699,996	12,187,734
<b>Total assets</b>	<b>15,977,269</b>	<b>14,341,829</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred outflows of resources related to OPEB	22,114	75,167
<b>Total deferred outflows of resources</b>	<b>22,114</b>	<b>75,167</b>
<b>LIABILITIES</b>		
Current liabilities:		
Accounts payable	257,613	241,461
Accrued payroll and payroll taxes	201,839	222,078
Other liabilities	18,262	7,487
Current portion of bonds payable	240,746	208,553
Total current liabilities	718,460	679,579
Noncurrent liabilities:		
OPEB obligation	533,233	521,225
Accrued compensated absences	130,830	114,502
Bonds payable	1,293,511	1,074,652
Total noncurrent liabilities	1,957,574	1,710,379
<b>Total liabilities</b>	<b>2,676,034</b>	<b>2,389,958</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Deferred inflows of resources related to OPEB	36,752	44,103
<b>Total deferred inflows of resources</b>	<b>36,752</b>	<b>44,103</b>
<b>NET POSITION</b>		
Net investment in capital assets	12,165,739	10,909,611
Restricted	299,247	213,798
Unrestricted, reserved for board policy	400,140	400,140
Unrestricted, unreserved	421,471	459,386
<b>Total net position</b>	<b>\$ 13,286,597</b>	<b>11,982,935</b>

*See accompanying notes to basic financial statements.*

**GREATER PORTLAND TRANSIT DISTRICT**  
**Statements of Revenues, Expenses, and Changes in Net Position**  
**For the years ended December 31, 2019 and 2018**

	2019	Restated 2018
Operating revenues:		
Passenger fares	\$ 2,418,291	2,089,331
Regional Transportation Program rent	40,732	40,154
Outside repairs, maintenance and CNG sales	46,257	35,876
Federal and state operating grants	4,908,917	4,246,739
Local assessments for operating	3,800,597	3,548,675
Advertising	288,995	229,991
Insurance proceeds	122,606	-
Miscellaneous income	25,441	32,962
Total operating revenues	11,651,836	10,223,728
Operating expenses before depreciation:		
Personnel	8,381,839	7,219,965
Temporary help	44,990	61,174
ADA Paratransit	434,324	432,000
Fuel	594,131	505,227
Dues and subscriptions	34,201	20,425
Other employee costs	33,386	22,776
Fleet parts and services	498,477	602,522
Insurance	227,911	240,114
Advertising	40,146	54,464
Office supplies	20,957	28,111
Contract services	509,315	368,164
Utilities and telephone	356,263	324,790
Maintenance costs	459,907	507,241
Total operating expenses before depreciation	11,635,847	10,386,973
Operating gain (loss) before depreciation	15,989	(163,245)
Depreciation expense	1,392,142	1,127,491
Operating gain (loss) after depreciation	(1,376,153)	(1,290,736)
Nonoperating revenues (expenses):		
Federal capital grants	2,639,813	5,179,190
Local assessments for capital	177,826	201,363
Gain (loss) on disposal of capital assets	(70,600)	(9,199)
Interest income	32,884	27,231
Bank interest and fees	(11,781)	(9,625)
Interest on debt service	(88,327)	(49,155)
Total nonoperating revenues (expenses)	2,679,815	5,339,805
Change in net position	1,303,662	4,049,069
Net position, beginning of year, as restated	11,982,935	7,933,866
<b>Net position, end of year</b>	<b>\$ 13,286,597</b>	<b>11,982,935</b>

*See accompanying notes to basic financial statements.*

**GREATER PORTLAND TRANSIT DISTRICT**  
**Statements of Cash Flows**  
**For the years ended December 31, 2019 and 2018**

	2019	Restated 2018
Cash flows from operating activities:		
Receipts from customers	\$ 2,834,411	2,327,115
Receipts from federal and state operating grants	4,686,916	4,160,084
Receipts from local sources	3,800,597	3,548,675
Receipts from insurance proceeds	122,606	-
Payments to suppliers	(3,162,495)	(3,132,107)
Payments to employees	(8,406,416)	(7,076,432)
Net cash provided by (used in) operating activities	(124,381)	(172,665)
Cash flows from investing activities:		
Interest income	32,884	27,231
Net cash provided by (used in) investing activities	32,884	27,231
Cash flows from capital and related financing activities:		
Local sources	177,826	201,363
Federal capital grants	2,639,813	5,179,190
Bond issuance proceeds	460,000	855,000
Principal payments on bonds	(208,948)	(137,448)
Proceeds from sale of capital assets	2,500	5,868
Purchase of capital assets	(2,977,503)	(6,125,599)
Interest payments	(88,328)	(47,312)
Net cash provided by (used in) capital and related financing activities	5,360	(68,938)
Net increase (decrease) in cash and cash equivalents	(86,137)	(214,372)
Cash and cash equivalents, beginning of year	1,167,928	1,382,300
<b>Cash and cash equivalents, end of year</b>	<b>\$ 1,081,791</b>	<b>1,167,928</b>
Reconciliation of operating gain (loss) to net cash provided by (used in) operating activities:		
Operating gain (loss)	\$ (1,376,153)	(1,290,736)
Adjustments to reconcile operating loss to net cash provided by (used in) operating activities:		
Depreciation	1,392,142	1,127,491
Bank interest and fees	(11,781)	(9,625)
Amortization of deferred inflows and outflows of resources related to OPEB	45,702	-
Change in operating assets and liabilities:		
Accounts receivable	14,695	(101,199)
Grants receivable	(222,001)	(86,655)
Inventory	(25,712)	(22,315)
Prepaid expenses	23,703	17,420
Accounts payable	16,152	(8,447)
Accrued payroll and payroll taxes	(20,239)	100,367
Other liabilities	10,775	(26,082)
Accrued compensated absences	16,328	46,621
Net OPEB obligation	12,008	80,495
Net cash provided by (used in) operating activities	\$ (124,381)	(172,665)

*See accompanying notes to basic financial statements.*

**GREATER PORTLAND TRANSIT DISTRICT**  
**Notes to Basic Financial Statements**

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SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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**Organization** - The Greater Portland Transit District (the District), incorporated June 24, 1966, is a quasi-municipal corporation, organized in accordance with the provisions of Title 30, Chapter 163, of the Maine State Statutes, to operate a public mass transit passenger bus service for the inhabitants of the municipalities comprising the District. The membership of the District is composed of the City of Portland, the City of Westbrook, and the Town of Falmouth. The Board of Directors consists of five directors appointed from the City of Portland, three directors appointed from the City of Westbrook and two directors appointed from the Town of Falmouth.

**Economic Dependency** - The District is economically dependent upon grants from the Federal Transit Administration and subsidies from the City of Portland, the City of Westbrook, and the Town of Falmouth.

**Measurement Focus and Basis of Accounting** - The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured, such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses recorded when a liability is incurred, regardless of the timing of the related cash flows.

Operating revenues and expenses are distinguished from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the District's principal ongoing operations. The principal operating revenues of the District are charges to customers for sales and services, operating grants from federal and state funding sources, and local member contributions. Operating expenses include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

**Cash and Investments** - Cash and cash equivalents are considered to be cash on hand, demand deposits and time deposits. Investments are stated at fair value.

**Accounts Receivable and Grants Receivable** - The District grants credit to local governments and businesses. In addition, grants are received for operations and various capital acquisitions. The portion of grants not received at year-end is included in the balance sheet as grants receivable. The amounts of these receivables are subject to acceptance of qualified expenditures by responsible grantor agencies. Grants received prior to obligation or expenditure of funds are recorded as unearned grants.

Management believes that all accounts receivable and grants receivable at December 31, 2019 and 2018 are fully collectable. Therefore, no allowance for doubtful accounts is recorded.

**Net Position** - Although not a formal policy, when both restricted and unrestricted resources are available for use, it is the District's intent to use restricted resources first, then unrestricted resources as they are needed.

**Net Position Reserve** - The Board of Directors for the District adopted a Financial Reserve Policy in 2018 with a goal of achieving and maintaining an unrestricted amount of net position of no less than 16.66%, or two months, of the subsequent year's operating budget expenditures. That Policy also requires an equal amount of cash to be restricted to match the amount reserved.

**GREATER PORTLAND TRANSIT DISTRICT**  
**Notes to Basic Financial Statements, Continued**

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**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED**

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**Inventory** - Inventories are valued at the lower of cost (first-in, first-out basis) or market and consists of fuel, oil, materials, and supplies.

**Prepaid Expenses** - Payments to vendors that will benefit periods beyond the fiscal year are recorded as prepaid expenses.

**Capital Assets** - Capital assets owned by the District are stated at the cost to acquire or construct the asset and are comprised of land, building, vehicles, and other capital assets. Donated capital assets are recorded at acquisition value. Routine maintenance and repairs are charged against income. Expenses, which materially increase values, change capacities, or extend useful lives are capitalized. The threshold for capitalization of an asset is \$5,000. The provision for depreciation has been computed by the use of the straight-line method at rates intended to amortize the cost of the related assets over their estimated useful lives.

Estimated useful lives are as follows:

Buildings and improvements	10-50 years
Bus stops and shelters	5-20 years
Office equipment	5-10 years
Service vehicles	7-12 years
Shop equipment	7-20 years
Vehicles	4-12 years
Computer equipment/software	3 years

**Deferred Inflows and Outflows of Resources** - In addition to assets and liabilities, the statement of net position will sometimes report separate sections for deferred outflows of resources and deferred inflows of resources. These separate financial statement elements, deferred outflows of resources and deferred inflows of resources, represent a consumption or acquisition of total position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) or inflow of resources (revenue) until that time. The District has deferred outflows and inflows that relate to the total other postemployment benefits (OPEB) liability, which include the District's contributions subsequent to the measurement date, which is recognized as a reduction of the total OPEB liability in the subsequent year. They also include changes in assumptions and differences between expected and actual experience, which are deferred and amortized over the average expected remaining service lives of active and inactive members in the plan.

**Accrued Compensated Absences** - Under terms of personnel policies of the District, compensated absences are granted and paid out to employees upon departure from employment. The District currently offers vacation accrual, sick accrual, and Personal time off (PTO). Vacation is paid out at 100% of earned time regardless of time of service. Sick and PTO are paid out based on length of service.

**Use of Estimates** - The presentation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**GREATER PORTLAND TRANSIT DISTRICT**  
**Notes to Basic Financial Statements, Continued**

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**DEPOSITS**

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*Custodial credit risk – deposits:* In the case of deposits, this is the risk that in the event of a bank failure, the District’s deposits may not be returned to it. The District currently does not have a written deposit policy for custodial credit risk but does attempt to have all deposits insured and collateralized. As of December 31, 2019, the District reported deposits of \$1,081,791 with a bank balance of \$1,212,226. The District’s bank balance is comprised of repurchase agreements, 100% of which was collateralized by underlying securities held by the related bank, which were not in the District’s name.

*Interest rate risk:* The District currently does not have a written policy for interest rate risk.

*Credit Risk:* Maine statutes authorize the District to invest in obligations of the U.S. Treasury and U.S. agencies, repurchase agreements and certain corporate stocks and bonds. The District currently does not have a written policy for credit risk.

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**CAPITAL ASSETS**

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

	Balance <u>12/31/2018</u>	<u>Increases</u>	<u>Decreases</u>	Balance <u>12/31/2019</u>
Capital assets not being depreciated:				
Land	\$ 133,175	-	-	133,175
Construction in progress	244,925	-	114,467	130,458
<b>Total capital assets not being depreciated</b>	<b>378,100</b>	<b>-</b>	<b>114,467</b>	<b>263,633</b>
Capital assets being depreciated:				
Buildings and improvements	6,473,672	-	-	6,473,672
Vehicles	12,224,971	2,974,873	343,991	14,855,853
Passenger stations	616,977	43,998	-	660,975
Equipment	4,713,161	-	-	4,713,161
<b>Total capital assets being depreciated</b>	<b>24,028,781</b>	<b>3,018,871</b>	<b>343,991</b>	<b>26,703,661</b>
Less accumulated depreciation for:				
Buildings and improvements	4,529,500	233,037	-	2,762,537
Vehicles	4,221,623	1,008,880	343,991	4,886,512
Passenger stations	26,298	32,338	-	58,636
Equipment	3,441,726	117,887	-	3,559,613
<b>Total accumulated depreciation</b>	<b>12,219,147</b>	<b>1,392,142</b>	<b>343,991</b>	<b>13,267,298</b>
<b>Total capital assets being depreciated, net</b>	<b>11,809,634</b>	<b>1,626,729</b>	<b>-</b>	<b>13,436,363</b>
<b>Capital assets, net</b>	<b>\$ 12,187,734</b>	<b>1,626,729</b>	<b>114,467</b>	<b>13,699,996</b>

**GREATER PORTLAND TRANSIT DISTRICT**  
**Notes to Basic Financial Statements, Continued**

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**LONG-TERM DEBT**

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The following is a summary of long-term liability transactions of the District for the year ended December 31, 2019:

	Restated Beginning Balance	Additions	Deletions	Ending balance	Due within one year
Notes from direct borrowing	\$ 1,283,205	460,000	208,948	1,534,257	240,746
Other postemployment liabilities	521,225	12,008	-	533,233	-
Accrued compensated absences	114,502	16,328	-	130,830	-
<b>Total long-term liabilities</b>	<b>\$ 1,918,932</b>	<b>488,336</b>	<b>208,948</b>	<b>2,198,320</b>	<b>240,746</b>

Notes payable at December 31, 2019 are comprised of the following individual issues:

	Date of issue	Amount issued	Interest rate	Maturity date	Balance 12/31/19	Balance 12/31/18
2011 Heavy duty lifts	2011	\$ 335,000	3.10%	6/1/2021	\$ 57,035	93,632
2011 Buses	2011	111,086	3.10%	6/1/2021	18,913	31,048
2014 Buses	2014	451,881	2.44%	1/2/2024	216,001	261,472
2016 Buses	2016	102,000	1.25%	4/20/2019	-	17,245
2017 Bus	2017	180,000	1.82%	7/6/2020	12,808	24,808
2018 Buses	2018	855,000	1.92-2.99%	11/1/2028	769,500	855,000
2019 Buses	2019	460,000	1.72-2.39%	11/1/2028	460,000	-
<b>Total notes payable</b>					<b>\$ 1,534,257</b>	<b>1,283,205</b>

The annual requirements to amortize notes payable outstanding as of December 31, 2019 are as follows:

Year ended December 31,	Principal	Interest	Total
2020	\$ 240,746	36,772	277,518
2021	204,540	31,136	235,676
2022	180,025	26,761	206,786
2023	181,232	22,631	203,863
2024	156,109	18,350	174,459
2025-2028	571,605	40,467	612,072
<b>Totals</b>	<b>\$ 1,534,257</b>	<b>176,117</b>	<b>1,710,374</b>

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**GRANTOR REVIEW**

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Federal and State grants are subject to grantor review and final approval. Although it is not anticipated that any claims would be made against the District by the grantor agencies, grants remain subject to ultimate closeout.

**GREATER PORTLAND TRANSIT DISTRICT**  
**Notes to Basic Financial Statements, Continued**

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**RISK MANAGEMENT**

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The Greater Portland Transit District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the Greater Portland Transit District carries commercial insurance.

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**PENSION PLAN**

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The Greater Portland Transit District has a defined contribution retirement plan under Section 401(a) of the Internal Revenue Code covering all full-time employees.

Union employees are eligible to participate once their qualifying period has ended. Qualification for operators occurs the first of the month following 60 days after signing their employee contract. Qualification for maintenance employees occurs the first of the month following 60 days after their date of hire. Nonunion employees are eligible to participate 60 days after their date of hire. Union employees are fully vested after 60 months of employment. All nonunion employees are fully vested immediately.

The District matches voluntary union employee contributions to a 457 plan. Prior to 2018 employee contributions were required. In 2018, they became voluntary and beginning in fiscal year 2019, the District contributed up to 6.5% of the union employees' gross pay, compared to 6.0% in 2018. For both 2019 and 2018, participating nonunion employees had the option to contribute up to 20% of their covered gross pay and the District matched 6.0% in 2018, increasing to 6.5% for 2019. Additionally, the District contributed 13% of the General Manager's compensation, without regard to his contribution, for the years ended December 31, 2019 and 2018, respectively.

For the years ended December 31, 2019 and 2018, respectively, employee contributions amounted to \$0 and \$87,365 and employer contributions were \$336,670 and \$256,261.

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**457 RETIREMENT PLAN**

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The District offers its employees a deferred compensation plan created in accordance with Internal Revenue Code (IRC) Section 457. The plan permits participating employees to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

Assets of the plan are placed in trust for the exclusive benefit of participants and their beneficiaries. Accordingly, the assets and the liability for the compensation deferred by plan participants, including earnings on plan assets are not included in the District's financial statements. For the years ended December 31, 2019 and 2018 respectively, employee contributions amounted to \$392,539 and \$215,839 and employer contributions were \$0 and \$0.

**GREATER PORTLAND TRANSIT DISTRICT**  
**Notes to Basic Financial Statements, Continued**

**OTHER POSTEMPLOYMENT BENEFITS**

***General Information about the OPEB Plans***

**Plan Description** - The District sponsors a postretirement benefit plan providing health insurance to retiring employees (hereafter referred to as the Health Plan). The plan is a single-employer defined benefit OPEB plan administered by the Maine Municipal Employees Health Trust (MMEHT). The Board of Directors have the authority to establish and amend the benefit terms and financing requirements. No assets are accumulated in a trust that meets the criteria of paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*.

**Benefits Provided** - Retirees with a minimum of age 55 and 5 years of service at retirement are eligible for postretirement health insurance benefits. The eligibility for explicit subsidy is age 62 and 20 years of service. The explicit subsidy represents the contributions towards retiree health insurance that District pays. Currently, the District provides an explicit subsidy of 100% of single Pre-Medicare coverage. The District does not provide any subsidy for spouses toward Medicare coverage.

*Employees Covered by Benefit Terms* – At December 31, 2019, the following employees were covered by the Health Plan benefit terms:

Inactive employees or beneficiaries currently receiving benefits	2
Inactive employee entitled to but not yet receiving benefits	-
Active employees	76
Total	78

**Contributions** - The District is required to pay 100% of the health insurance premiums toward single Pre-Medicare coverage, the total District contributions for the year ended December 31, 2019 were \$6,877.

***OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB***

The District’s total Health Plan OPEB liability of \$533,233 was measured as of January 1, 2019 and was determined by an actuarial valuation as of January 1, 2018.

*Changes in the Total Health Plan OPEB Liability*

	<b>Total OPEB Liability</b>
Balance at December 31, 2018	\$ 521,225
Changes for the year:	
Service cost	50,269
Interest	19,542
Changes of benefit terms	-
Differences between expected and actual experience	-
Changes in assumptions or other inputs	(50,926)
Benefit payments	(6,877)
Net changes	12,008
Balance at December 31, 2019	\$ 533,233

**GREATER PORTLAND TRANSIT DISTRICT**  
**Notes to Basic Financial Statements, Continued**

**OTHER POSTEMPLOYMENT BENEFITS, CONTINUED**

Change in assumptions reflects a change in the discount rate from 3.44% to 4.10%.

For the year ended December 30, 2019, the District recognized OPEB expense of \$57,710 related to the Health Plan. At December 31, 2019, the District reported deferred outflows of resources and deferred inflows of resources related to the Health Plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	36,752
Changes of assumption or other inputs	15,237	-
Contributions after measurement date	6,877	-
Total	\$ 22,114	36,752

An amount of \$6,877 is reported as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended December 31, 2020. Amounts reported as deferred outflows of resources and deferred inflows of resources related to the Health Plan OPEB will be recognized in OPEB expense as follows:

Year ended December 30:	
2020	\$ (2,849)
2021	(2,849)
2022	(2,849)
2023	(2,849)
2024	(2,843)
Thereafter	(7,276)

**Actuarial Assumptions and Other Inputs** - The total OPEB liability in the January 1, 2018 actuarial valuation for the Health Plan was determined using the following assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	3.00% per year
Salary increases	2.75% per year
Discount rate	4.10%
Healthcare cost trend rates	8.27% for 2018, decreasing to 4.00% for 2032
Retirees' share of the benefit related costs	0%-100% of projected health insurance premiums

Mortality rates for the Health Plan were based on the RP2014 Total Dataset Healthy Annuitant Mortality Table, for males and females.

The actuarial assumptions used in the January 1, 2018 valuation for the Health Plan were based on the results of an actuarial experience study for the period June 30, 2013 through June 30, 2016.

**GREATER PORTLAND TRANSIT DISTRICT**  
**Notes to Basic Financial Statements, Continued**

**OTHER POSTEMPLOYMENT BENEFITS, CONTINUED**

**Discount Rate** - The rate used to measure the total OPEB liability for the Health Plan was 4.10%. The discount rate was based upon high quality AA/Aa or higher bond yields in effect for 20 years, tax-exempt general obligation municipal bonds using the Bond Buyer 20-Bond GO Index.

**Sensitivity of the Total Health Plan OPEB Liability to Changes in the Discount Rate** – The following presents the District’s total OPEB liability related to the Health Plan calculated using the discount rate of 4.10%, as well as what the District’s total OPEB liability would be if it were calculated using a discount rate that is 1 percentage-point lower (3.10%) or 1 percentage-point higher (5.10%) than the current rate:

	1% Decrease (3.10%)	Discount Rate (4.10%)	1% Increase (5.10%)
Total OPEB liability	\$ 613,142	533,233	467,559

**Sensitivity of the Total Health Plan OPEB Liability to Changes in the Healthcare Cost Trend Rates** - The following presents the District’s total OPEB liability related to the Health Plan calculated using the healthcare cost trend rates, as well as what the District’s total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage-point lower or 1 percentage-point higher than the current healthcare cost trend rates:

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Total OPEB liability	\$ 459,439	533,233	624,830

**SHORT-TERM LIABILITIES**

The District obtained short-term borrowing in the form of a revenue anticipation note for immediate cash flow needs. Short-term liability transactions for the year ended December 31, 2019 were as follows:

	Beginning <u>Balance</u>	<u>Additions</u>	<u>Deletions</u>	Ending <u>balance</u>
<b>Revenue anticipation note</b>	\$ -	<b>3,000,000</b>	<b>3,000,000</b>	-

**NET POSITION**

Net position represents the difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by outstanding long-term debt and adding back any unspent proceeds. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislations adopted by the District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Unrestricted net position is any remainder of total net position less net investment in capital assets and restricted net position.

**GREATER PORTLAND TRANSIT DISTRICT**  
**Notes to Basic Financial Statements, Continued**

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NET POSITION, CONTINUED

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The District's net investment in capital assets was calculated as follows at December 31, 2019 and 2018:

	<u>2019</u>	<u>2018</u>
Capital assets	\$ 26,967,294	24,406,881
Accumulated depreciation	(13,267,298)	(12,219,147)
Unspent note proceeds	-	5,082
Notes payable	(1,534,257)	(1,283,205)
<b>Total net investment in capital assets</b>	<b>\$ 12,165,739</b>	<b>10,909,611</b>

The District's net position at December 31, 2019 and 2018 was restricted for the local match of the following grants and projects:

		<u>2019</u>	<u>2018</u>
ME-90-X213	2015 Operating Assistance & Cap Maintenance	\$ 12,411	23,190
ME-2016-016	2016 Operating Assistance & Cap Maintenance	106,395	54,163
ME-2016-017	Regional Bus Shelter/Sign Project	9,469	13,709
ME-2017-008	2017 Operating Assistance & Cap Maintenance	31,083	40,938
ME-2017-007	Northern Service Expansion - Phase 2	3,220	3,440
ME-2018-016	2018 Operating Assistance & Cap Maintenance	27,210	27,400
ME-2019-010	2019 Operating Assistance & Cap Maintenance	10,000	-
N/A	Facility	5,000	-
N/A	Bus Stop Improvement	10,000	-
N/A	2018 Bus Note Overage	33,501	-
N/A	2018 Operations - Electric signs	42,958	42,958
N/A	Bus painting	8,000	8,000
<b>Total restricted net position</b>		<b>\$ 299,247</b>	<b>213,798</b>

The District has set aside cash balances to support restricted net position and unrestricted net position, reserved for board policy to ensure that cash will be on hand when these amounts are drawn upon. As of December 31, 2019 and 2018, the District has designated the following amounts of net position within cash and cash equivalents:

	<u>2019</u>	<u>2018</u>
Restricted net position	\$ 299,247	213,798
Unrestricted, reserved for board policy	400,140	400,140
<b>Total</b>	<b>\$ 699,387</b>	<b>613,938</b>

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RESTATEMENT OF NET POSITION

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In fiscal year ended December 31, 2019, it was discovered that the actuary valuation dated January 1, 2018 for the OPEB liability was prepared with incorrect information. As a result of this error, the District engaged the actuary firm to provide a corrected valuation dated January 1, 2018. The corrected valuation decreased the District's net position as of January 1, 2018 by \$9,982.

**GREATER PORTLAND TRANSIT DISTRICT**  
**Required Supplementary Information**

**Schedule of Changes in the District's Total Health Plan OPEB Liability and Related Ratios**  
Last 10 Fiscal Years\*

	<b>2019</b>	<b>2018</b>
<b>Total OPEB Liability</b>		
Service cost	\$ 50,269	36,070
Interest	19,542	19,939
Changes of benefit terms	-	-
Differences between expected and actual experience	-	(51,494)
Changes of assumptions or other inputs	(50,926)	82,442
Benefit payments	(6,877)	(4,502)
<b>Net change in total OPEB Liability</b>	<b>12,008</b>	<b>80,495</b>
Total OPEB liability - beginning	521,225	440,730
Total OPEB liability - ending	\$ 533,233	521,225
Covered-employee payroll	\$ 3,885,661	3,885,661
Total OPEB liability as a percentage of covered-employee payroll	13.72%	13.41%

\* Only two years of information available.

**GREATER PORTLAND TRANSIT DISTRICT**  
**Notes to Required Supplementary Information**

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**Total OPEB Liability**

**Changes of Benefit Terms (OPEB)** - None

**Changes of Assumptions (OPEB)** - Under the Health Plan - MMEHT, changes of assumptions and other inputs reflects the changes in the discount rate each period. The following are the discount rates used in each period:

<u>Fiscal Year</u>	<u>Discount Rate</u>
2019	4.10%
2018	3.44%
2017	3.78%

# **SCHEDULES**

**GREATER PORTLAND TRANSIT DISTRICT**  
**Schedule of Revenues and Expenses - Budget and Actual - Budgetary Basis**  
**For the year ended December 31, 2019**

	Budgeted amounts		Actual	Variance with final budget positive (negative)
	Original	Final		
<b>Revenues:</b>				
Passenger fares:				
Regular fares	\$ 2,007,475	2,007,475	1,748,899	(258,576)
Organization paid fares	626,725	626,725	669,392	42,667
Total passenger fares	2,634,200	2,634,200	2,418,291	(215,909)
Federal assistance:				
Operating assistance	2,029,157	2,029,157	2,029,157	-
BREEZ operating assistance	329,800	329,800	356,202	26,402
ADA paratransit	360,000	360,000	347,459	(12,541)
Western expansion	623,822	623,822	623,822	-
Preventive maintenance	845,000	845,000	1,058,372	213,372
Total federal assistance	4,187,779	4,187,779	4,415,012	227,233
State assistance	170,426	170,426	170,426	-
Local investment:				
Members	3,834,162	3,834,162	3,830,067	(4,095)
Non-members	156,200	156,200	150,030	(6,170)
Total local investment	3,990,362	3,990,362	3,980,097	(10,265)
Miscellaneous:				
Regional Transportation Program rent	40,732	40,732	40,732	-
Fleet maintenance services	7,393	7,393	13,150	5,757
Advertising	269,252	269,252	288,995	19,743
Interest income	12,000	12,000	32,884	20,884
CNG sales	44,523	44,523	33,107	(11,416)
Miscellaneous income	46,100	46,100	25,441	(20,659)
Total miscellaneous	420,000	420,000	434,309	14,309
Total revenues	11,402,767	11,402,767	11,418,135	15,368

**GREATER PORTLAND TRANSIT DISTRICT**  
**Schedule of Revenues and Expenses - Budget and Actual - Budgetary Basis, Continued**  
**For the year ended December 31, 2019**

	Budgeted amounts		Actual	Variance with final budget positive (negative)
	Original	Final		
<b>Expenses:</b>				
Personnel:				
Regular wages and salaries	\$ 5,290,372	5,290,372	5,223,281	67,091
Overtime	377,821	377,821	664,287	(286,466)
Benefits	2,241,879	2,241,879	2,436,561	(194,682)
Total personnel	7,910,072	7,910,072	8,324,129	(414,057)
Temporary help	26,000	26,000	44,990	(18,990)
ADA paratransit	450,000	450,000	434,324	15,676
Fuel:				
CNG fuel	371,882	371,882	221,985	149,897
Diesel fuel	407,338	407,338	372,146	35,192
Total fuel	779,220	779,220	594,131	185,089
Dues and subscriptions:				
Dues and subscriptions	21,978	21,978	23,172	(1,194)
HRA annual dues	6,864	6,864	7,923	(1,059)
Licenses and permits	625	625	3,106	(2,481)
Total dues and subscriptions	29,467	29,467	34,201	(4,734)
Other employee costs:				
Wellness program	6,516	6,516	2,444	4,072
Meals and housing	5,932	5,932	7,127	(1,195)
Travel, conferences, meetings	19,920	19,920	10,825	9,095
Employment services	6,538	6,538	11,470	(4,932)
Employee training	-	-	-	-
Total other employee costs	38,906	38,906	31,866	7,040
Fleet parts and services:				
Parts	295,764	295,764	320,474	(24,710)
Tires and tubes	61,000	61,000	56,540	4,460
Greases and fluids	59,500	59,500	44,389	15,111
Total fleet parts and services	416,264	416,264	421,403	(5,139)
Insurance	228,619	228,619	227,911	708
Advertising:				
Advertising	34,550	34,550	24,929	9,621
Fare media	7,500	7,500	9,241	(1,741)
Marketing supplies	34,850	34,850	4,999	29,851
Total advertising	76,900	76,900	39,169	37,731
Office supplies:				
Supplies	19,331	19,331	18,172	1,159
Postage	3,536	3,536	2,785	751
Total office supplies	22,867	22,867	20,957	1,910

**GREATER PORTLAND TRANSIT DISTRICT**  
**Schedule of Revenues and Expenses - Budget and Actual - Budgetary Basis, Continued**  
**For the year ended December 31, 2019**

	Budgeted amounts		Actual	Variance with final budget positive (negative)
	Original	Final		
Contract services:				
Technology services	\$ 115,093	115,093	116,466	(1,373)
Legal fees	30,000	30,000	22,502	7,498
Audit fees	19,500	19,500	21,366	(1,866)
Other contracted services	104,915	104,915	34,168	70,747
Miscellaneous services	2,420	2,420	3,185	(765)
Total contract services	271,928	271,928	197,687	74,241
Utilities and telephone:				
Heating fuel	163,523	163,523	129,746	33,777
Electricity	131,241	131,241	132,436	(1,195)
Water/sewer/storm water	27,803	27,803	35,495	(7,692)
Phone services	61,988	61,988	58,586	3,402
Total utilities and telephone	384,555	384,555	356,263	28,292
Maintenance costs:				
Maintenance services	158,577	158,577	98,983	59,594
Copier maintenance	5,090	5,090	6,419	(1,329)
Maintenance supplies	103,820	103,820	102,446	1,374
Snow plowing and removal	9,000	9,000	1,690	7,310
Total maintenance costs	276,487	276,487	209,538	66,949
Bank and credit card fees	9,840	9,840	11,781	(1,941)
Capital match	166,000	166,000	166,000	-
Debt service principal	208,574	208,574	208,948	(374)
Debt service interest	62,068	62,068	88,327	(26,259)
Fund balance restoration	45,000	45,000	-	45,000
Total expenditures	11,402,767	11,402,767	11,411,625	(8,858)
Change in net position - budgetary basis	-	-	6,510	6,510

**GREATER PORTLAND TRANSIT DISTRICT**  
**Schedule of Revenues and Expenses - Budget and Actual - Budgetary Basis, Continued**  
**For the year ended December 31, 2019**

	Budgeted amounts		Actual	Variance with final budget positive (negative)
	Original	Final		
Reconciliation to GAAP:	\$			
Unbudgeted federal capital grants			2,639,813	
Unbudgeted federal operating grants			323,479	
Unbudgeted capital maintenance expense			(250,369)	
Unbudgeted contracted services			(311,628)	
Unbudgeted supplies/parts			(77,074)	
Unbudgeted advertising fees			(977)	
Unbudgeted other employee costs			(1,520)	
Unbudgeted local contributions			(1,674)	
Depreciation expense			(1,392,142)	
Insurance proceeds			122,606	
Capital match internally generated			166,000	
Principal payment on debt service			208,948	
Other postemployment benefits expense			(57,710)	
Gain (loss) on disposal of capital assets			(70,600)	
Net change in net position - GAAP basis			1,303,662	
Net position, beginning of year			11,982,935	
<b>Net position, end of year</b>	<b>\$</b>		<b>13,286,597</b>	