



GREATER PORTLAND TRANSIT DISTRICT

Financial Statements

For the Years Ended December 31, 2020 and 2019

GREATER PORTLAND TRANSIT DISTRICT
Financial Statements
For the years ended December 31, 2020 and 2019

Table of Contents

	<u>Page</u>
Independent Auditor's Report	1-3
Management's Discussion and Analysis	4-7
Basic Financial Statements:	
Statements of Net Position	8
Statements of Revenues, Expenses, and Changes in Net Position	9
Statements of Cash Flows	10
Notes to Basic Financial Statements	11-19
Required Supplementary Information:	
Schedule of Changes in the District's Total Health Plan OPEB Liability and Related Ratios	20
Notes to Required Supplementary Information	21
Schedule:	
Schedule of Revenues and Expenses – Budget and Actual – Budgetary Basis	25-28

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, 2020 and 2019, 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 opinions on these financial statements based on our audits. We conducted our audits 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 audits 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 opinions.

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, 2020 and 2019, 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 Schedule of Revenues and Expenses – Budget and Actual is presented for the purposes of additional analysis and is not a required part of the basic financial statements.

The Schedule of Revenues and Expenses – Budget and Actual 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 Schedule of Revenues and Expenses – Budget and Actual 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 April 5, 2021 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.



April 5, 2021
South Portland, Maine

GREATER PORTLAND TRANSIT DISTRICT
Management Discussion and Analysis
Fiscal Year Ended December 31, 2020

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 Towns of Falmouth, Yarmouth, Freeport, and Brunswick. 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 of department agreements.

Financial Highlights

- **Capital Assets.** Capital assets, net of depreciation increased in 2020 by \$2,046,906, about 15%. This reflects the addition of seven new diesel buses, as well one new service vehicle.
- **Current Liabilities.** The increase in current liabilities of \$381,188, 53%, reflects a \$58,246 decrease the current portion of long-term debt, a \$65,674 decrease in accrued payroll costs, and a \$415,481 increase in year-end accounts payable. There is an added increase of \$82,094 for deferred fare revenue. The deferred fare revenue represents regional purchases of stored value and single ride tokens that has not yet been used for rides.
- **Noncurrent Liabilities.** Noncurrent liabilities increased by \$251,197, about 13%, of which \$131,989 is the long-term portion of debt for the financing of local match for new buses. Accrued compensated absences increased by \$9,506, which reflects wage increases, and a change in the collective bargaining agreement increasing PTO days from 10 to 11, and to allow union staff 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 \$109,702. The 2020 OPEB liability is \$642,935 as described on page 16.
- **Net Position.** Overall net position for GPTD increased by 19.5%, or \$2,596,531, almost entirely due to the increase in capital assets, many of which were funded with capital grants. Restricted net position, which is the unexpended portion of local match funds for awarded capital grants, decreased by \$86,488. Unrestricted-unreserved net position increased by 96%, or about \$405,071. The calculation of net position is shown on page 9, and the allocation of net position is explained beginning on page 18. GPTD realized a net budgetary surplus (revenues minus expenditures) of \$801,397.
- 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 2019 total Unrestricted Net Position was \$821,611. Of that amount, \$400,140 was reserved for the Policy, which has an equal amount of cash restricted, as required. This represented 3.3% of 2020 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, 2020

The 2020 year-end unrestricted net position is \$1,531,467, which reflects the budgetary surplus of \$801,397 and is an increase from 2019 of \$709,856. In 2020, the board increased the level of reserves to \$704,925, which leaves a balance of \$826,542 in unrestricted net position. The unrestricted, reserved for Board policy amount of \$704,925, is about 5.5% of 2021 budgeted operating expenditures. Page 19 shows the amount of restricted cash. The full Policy calculation, at 16.66%, would require a reserve of \$2,122,716 for the 2021 budget amount. Note that any increase in budgeted operating expenditures 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 2.6%, or about \$313,647, and were 9%, or \$1,046,792, higher than 2019. Most of the variances in revenues can be contributed to the COVID-19 pandemic, beginning in early 2020. The budget to actual schedule is on page 25.

Passenger Fares. Due to the COVID-19 pandemic, passenger fares were significantly under budget by about 75%, or \$2,230,701. GPTD suspended collection of passenger fares in March 2020. Fare collection was resumed in October 2020. Additionally, the launch of the Automated Fare Collection System and a fare increase, that was originally scheduled for early 2020, were implemented when fare collection resumed in October 2020. Ridership in 2020 was also sharply decreased due to the pandemic. Ridership in 2020 decreased by 1,022,704, almost 50% from 2019.

Advertising Revenue. Collected revenue from transit advertising was about 43%, or \$126,207 lower than the budgeted estimate, and \$123,202, or 43%, lower than in 2019. These variances can be contributed to COVID-19. A number of advertising contracts were delayed, and a larger number of contracts were cancelled in 2020.

Federal and State Assistance. Collections from Federal and State agencies was 65% higher than 2019, or \$2,862,252. GPTD was awarded a Coronavirus Aid, Relief, and Economic Security (CARES) Act -grant, which funded 100% of all operating costs for five months of 2020. GPTD also received its annual operating grant and collected funds for the other months of the year. Because the CARES funding covered all costs, no local funds were required for a match.

Total federal and state assistance for 2020 was 66% higher than budgeted, or \$2,962,878, which is also attributed to the addition of the CARES Act funding received. This funding covered all costs, including Transit West, ADA, and Preventative Maintenance operating costs, which leaves available balances in the annual operating grant that can be accessed for future eligible costs.

Local Investment. Payments from communities were \$152,747, or 4%, lower than in 2019. This was a result of a refund to the member communities of \$375,000. In addition to member community assessments, local investment includes contributions from Gorham, who is a non-member community for the Transit West expansion.

Budgeted Expenses

Total operating expenses for 2020 were under budget by 4%, or \$487,750, and about 2%, or \$251,905 more than 2019. The budget to actual schedule for expenses begins on page 26.

Wages and benefits (personnel). Total wages and benefits costs were about 4% higher, or about \$364,265, than in 2019. This reflects a 2% wage increase for all employees, step increases for union employees, and a 11% increase in health insurance premiums. For 2020, wages and benefits were over budget by .06%, or \$4,988. GPTD paid hazard duty pay as a premium to their front line workers during most of 2020, causing regular wages to be over expended by \$233,465. However, the reduced service schedule because of COVID19 allowed overtime to be under expended by

GREATER PORTLAND TRANSIT DISTRICT
Management Discussion and Analysis, Continued
Fiscal Year Ended December 31, 2020

\$90,515. Benefits were also under expended, by \$137,963, primarily from a credit for FICA taxes on certain wages paid under the CARES Act.

Fleet parts and services and fuel. The cost of maintaining the fleet combined with fuel costs, were under budget by \$163,353, about 15% with a savings in CNG fuel of \$165,558 and tires and fluids of \$20,436 and over expenditures in diesel of \$10,912 and parts of \$11,729. The total expense was \$88,218 lower than 2019. The seven 2020 diesel buses we received replaced seven CNG buses, which was estimated, but combined with the reduced service level from COVID19, the older CNG buses were not used in regular service, resulting in a savings.

Advertising services. Advertising services were under budget by about 32%, or \$22,176. Costs associated with advertising for the fare increase and the launch of the automated fare system were budgeted for implementation in early 2020. However, this project and the fare increase was further delayed until the October 2020 and resulted in a budget savings in this area.

Contracted services. Contracted services were under budget by about 31%, or \$107,757. Similar to advertising, costs associated with the launch of the automated fare system, along with a fare increase, were budgeted for implementation in early 2020. The automated fare project and fare increase was not implemented until October and has provided a savings in this budgeted service.

Utilities and telephone. The total cost of heat, electricity, phone, water, sewer, and storm water was under budget by about 30%, or \$127,714. Total cost decreased 15% compared to 2019.

Maintenance services. The total cost of maintenance services was under budget by 6%, or \$16,499. Costs budgeted for maintenance supplies and snow plowing were under budget.

Growth and Initiatives

GPTD's has made great progress in growing ridership over the past several years. In 2019, GPTD saw an increase of 8.4% in ridership over 2018. However, the COVID-19 pandemic onset in early 2020 has slowed that progress, with overall ridership being about 50% less than 2019. GPTD continues to explore opportunities to expand service and frequencies among existing routes. GPTD is confident that ridership will rebound to pre-pandemic levels once local and state restrictions on travel and gatherings is lifted.

GPTD received 7 new diesel buses in 2020, and all 7 replaced 2005 CNG buses. GPTD will continue to update its bus fleet, with the purchase of 2 replacement buses in 2021.

The automated fare system was launched, along with a fare increase, in October 2020. This regional system allows frequent ridership to be rewarded with fare capping. It also provides seamless transitions for riders moving between GPTD's routes, and the automated fare launch partner agencies routes of South Portland Bus Service and Biddeford, Saco, Old Orchard Beach Transit. Finally, this new system allows for contactless payments and transfers. GPTD continues to identify opportunities for employer pass programs for public transit.

Conclusion

GPTD continues to make technological enhancements that improve its overall processes and procedures. By providing public transit services that are easily accessible, frequent, and easy to use, GPTD will maintain its ridership growth. The decline in ridership this year is acknowledged, but GPTD is confident that it will rebound, and lead to continued fiscal health.

GREATER PORTLAND TRANSIT DISTRICT
Management Discussion and Analysis, Continued
Fiscal Year Ended December 31, 2020

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, where past budgets and financial reports can also be accessed.

GREATER PORTLAND TRANSIT DISTRICT
Statements of Net Position
December 31, 2020 and 2019

	2020	2019
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 2,078,028	1,081,791
Accounts receivable	162,707	201,595
Grants receivable	771,020	610,345
Inventory	320,379	380,777
Prepaid expenses	71,297	2,765
Total current assets	3,403,431	2,277,273
Capital assets:		
Land	133,175	133,175
Construction in progress	117,276	130,458
Buildings and improvements	6,473,672	6,473,672
Vehicles	17,736,515	14,855,853
Passenger stations	674,157	660,975
Equipment	4,713,636	4,713,161
Total capital assets	29,848,431	26,967,294
Less accumulated depreciation	14,101,529	13,267,298
Capital assets, net	15,746,902	13,699,996
Total assets	19,150,333	15,977,269
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows of resources related to OPEB	108,364	22,114
Total deferred outflows of resources	108,364	22,114
LIABILITIES		
Current liabilities:		
Accounts payable	673,094	257,613
Accrued payroll and payroll taxes	136,165	201,839
Other liabilities	25,795	18,262
Deferred fare revenue	82,094	-
Current portion of notes payable	182,500	240,746
Total current liabilities	1,099,648	718,460
Noncurrent liabilities:		
OPEB obligation	642,935	533,233
Accrued compensated absences	140,336	130,830
Notes payable	1,425,500	1,293,511
Total noncurrent liabilities	2,208,771	1,957,574
Total liabilities	3,308,419	2,676,034
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows of resources related to OPEB	67,150	36,752
Total deferred inflows of resources	67,150	36,752
NET POSITION		
Net investment in capital assets	14,138,902	12,165,739
Restricted	212,759	299,247
Unrestricted, reserved for board policy	704,925	400,140
Unrestricted, unreserved	826,542	421,471
Total net position	\$ 15,883,128	13,286,597

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, 2020 and 2019

	2020	2019
Operating revenues:		
Passenger fares	\$ 758,856	2,418,291
Regional Transportation Program rent	41,750	40,732
Outside repairs, maintenance and CNG sales	21,225	46,257
Federal and state operating grants	8,064,745	4,908,917
Local assessments for operating	3,802,188	3,800,597
Advertising	165,793	288,995
Insurance proceeds	8,950	122,606
Miscellaneous income	13,044	25,441
Total operating revenues	12,876,551	11,651,836
Operating expenses before depreciation:		
Personnel	8,742,244	8,381,839
Temporary help	-	44,990
ADA Paratransit	290,551	434,324
Fuel	532,166	594,131
Dues and subscriptions	36,179	34,201
Other employee costs	23,022	33,386
Fleet parts and services	729,530	498,477
Insurance	299,877	227,911
Advertising	46,124	40,146
Office supplies	23,487	20,957
Contract services	693,127	509,315
Utilities and telephone	300,840	356,263
Maintenance costs	315,254	459,907
Total operating expenses before depreciation	12,032,401	11,635,847
Operating gain (loss) before depreciation	844,150	15,989
Depreciation expense	1,660,011	1,392,142
Operating gain (loss) after depreciation	(815,861)	(1,376,153)
Nonoperating revenues (expenses):		
Federal capital grants	3,250,318	2,639,813
Local assessments for capital	40,885	177,826
Rock Row payment	175,000	-
Gain (loss) on disposal of capital assets	13,158	(70,600)
Interest income	14,219	32,884
Bank interest and fees	(11,793)	(11,781)
Interest on debt service	(69,395)	(88,327)
Total nonoperating revenues (expenses)	3,412,392	2,679,815
Change in net position	2,596,531	1,303,662
Net position, beginning of year	13,286,597	11,982,935
Net position, end of year	\$ 15,883,128	13,286,597

See accompanying notes to basic financial statements.

GREATER PORTLAND TRANSIT DISTRICT
Statements of Cash Flows
For the years ended December 31, 2020 and 2019

	2020	2019
Cash flows from operating activities:		
Receipts from customers	\$ 1,121,650	2,834,411
Receipts from federal and state operating grants	7,904,070	4,686,916
Receipts from local sources	3,977,188	3,800,597
Receipts from insurance proceeds	8,950	122,606
Payments to suppliers	(2,864,048)	(3,162,495)
Payments to employees	(8,767,584)	(8,406,416)
Net cash provided by (used in) operating activities	1,380,226	(124,381)
Cash flows from investing activities:		
Interest income	14,219	32,884
Net cash provided by (used in) investing activities	14,219	32,884
Cash flows from capital and related financing activities:		
Local sources	40,885	177,826
Federal capital grants	3,250,318	2,639,813
Bond issuance proceeds	510,000	460,000
Principal payments on bonds	(436,257)	(208,948)
Proceeds from sale of capital assets	13,158	2,500
Purchase of capital assets	(3,706,917)	(2,977,503)
Interest payments	(69,395)	(88,328)
Net cash provided by (used in) capital and related financing activities	(398,208)	5,360
Net increase (decrease) in cash and cash equivalents	996,237	(86,137)
Cash and cash equivalents, beginning of year	1,081,791	1,167,928
Cash and cash equivalents, end of year	\$ 2,078,028	1,081,791
Reconciliation of operating gain (loss) to net cash provided by (used in) operating activities:		
Operating gain (loss)	\$ (815,861)	(1,376,153)
Adjustments to reconcile operating loss to net cash provided by (used in) operating activities:		
Depreciation	1,660,011	1,392,142
Bank interest and fees	(11,793)	(11,781)
Rock Row payment	175,000	-
Amortization of deferred inflows and outflows of resources related to OPEB	(55,852)	45,702
Change in operating assets and liabilities:		
Accounts receivable	38,888	14,695
Grants receivable	(160,675)	(222,001)
Inventory	60,398	(25,712)
Prepaid expenses	(68,532)	23,703
Accounts payable	415,481	16,152
Accrued payroll and payroll taxes	(65,674)	(20,239)
Other liabilities	7,533	10,775
Deferred fare revenue	82,094	-
Accrued compensated absences	9,506	16,328
Net OPEB obligation	109,702	12,008
Net cash provided by (used in) operating activities	\$ 1,380,226	(124,381)

See accompanying notes to basic financial statements.

GREATER PORTLAND TRANSIT DISTRICT
Notes to Basic Financial Statements

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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, 2020 and 2019 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

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

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

DEPOSITS

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, 2020, the District reported deposits of \$2,078,028 with a bank balance of \$2,152,917. The District’s bank balance is comprised of sweep agreements that provide \$2,032,566 of FDIC insurance which leaves \$120,351 subject to custodial credit risk.

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.

CAPITAL ASSETS

Capital asset activity for the fiscal year ended December 31, 2020 was as follows:

	<u>Balance</u> <u>12/31/2019</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>12/31/2020</u>
Capital assets not being depreciated:				
Land	\$ 133,175	-	-	133,175
Construction in progress	130,458	-	13,182	117,276
Total capital assets not being depreciated	263,633	-	13,182	250,451
Capital assets being depreciated:				
Buildings and improvements	6,473,672	-	-	6,473,672
Vehicles	14,855,853	3,700,420	819,758	17,736,515
Passenger stations	660,975	13,182	-	674,157
Equipment	4,713,161	6,497	6,022	4,713,636
Total capital assets being depreciated	26,703,661	3,720,099	825,780	29,597,980
Less accumulated depreciation for:				
Buildings and improvements	4,762,537	230,761	-	4,993,298
Vehicles	4,886,512	1,282,119	819,758	5,348,873
Passenger stations	58,636	33,250	-	91,886
Equipment	3,559,613	113,881	6,022	3,667,472
Total accumulated depreciation	13,267,298	1,660,011	825,780	14,101,529
Total capital assets being depreciated, net	13,436,363	2,060,088	-	15,496,451
Capital assets, net	\$ 13,699,996	2,060,088	13,182	15,746,902

GREATER PORTLAND TRANSIT DISTRICT
Notes to Basic Financial Statements, Continued

LONG-TERM DEBT

The following is a summary of long-term liability transactions of the District for the year ended December 31, 2020:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending balance</u>	<u>Due within one year</u>
Notes from direct borrowing	\$ 1,534,257	510,000	436,257	1,608,000	182,500
Other postemployment liabilities	533,233	109,702	-	642,935	-
Accrued compensated absences	130,830	9,506	-	140,336	-
Total long-term liabilities	\$ 2,198,320	629,208	436,257	2,391,271	182,500

Notes payable at December 31, 2020 are comprised of the following individual issues:

	<u>Date of issue</u>	<u>Amount issued</u>	<u>Interest rate</u>	<u>Maturity date</u>	<u>Balance 12/31/20</u>	<u>Balance 12/31/19</u>
2011 Heavy duty lifts	2011	\$ 335,000	3.10%	6/1/2021*\$	-	57,035
2011 Buses	2011	111,086	3.10%	6/1/2021*	-	18,913
2014 Buses	2014	451,881	2.44%	1/2/2024*	-	216,001
2017 Bus	2017	180,000	1.82%	7/6/2020	-	12,808
2018 Buses	2018	855,000	1.92-2.99%	11/1/2028	684,000	769,500
2019 Buses	2019	460,000	1.72-2.39%	11/1/2029	414,000	460,000
2020 Buses	2020	510,000	1.24-1.74%	11/1/2030	510,000	-
Total notes payable					\$ 1,608,000	1,534,257

*These notes were paid off in fiscal 2020 which is prior to the maturity date.

The annual requirements to amortize notes payable outstanding as of December 31, 2020 are as follows:

<u>Year ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 182,500	34,270	216,770
2022	182,500	30,838	213,338
2023	182,500	27,258	209,758
2024	182,500	23,537	206,037
2025	182,500	19,666	202,166
2026-2030	695,500	22,550	718,050
Totals	\$ 1,608,000	158,119	1,766,119

GRANTOR REVIEW

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

RISK MANAGEMENT

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.

PENSION PLAN

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 401 (a) plan. All contributions are voluntary and in fiscal year 2020, the District contributed up to 7.0% of the employees' gross pay, compared to 6.5% in 2019, the District contributed 15% of the General Manager's compensation, without regard to his contribution, for the years ended December 31, 2020 and 2019, respectively.

For the years ended December 31, 2020 and 2019, respectively, employee contributions amounted to \$0 and \$0 and employer contributions were \$319,721 and \$336,670.

457 RETIREMENT PLAN

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, 2020 and 2019 respectively, employee contributions amounted to \$393,343 and \$392,539 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.

Employees Covered by Benefit Terms – At December 31, 2020, 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	88
Total	90

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, 2020 were \$7,152.

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 \$642,935 was measured as of January 1, 2020 and was determined by an actuarial valuation as of January 1, 2020.

Changes in the Total Health Plan OPEB Liability

	Total OPEB Liability
Balance at December 31, 2019	\$ 533,233
Changes for the year:	
Service cost	45,853
Interest	23,597
Changes of benefit terms	(13,451)
Differences between expected and actual experience	(44,040)
Changes in assumptions or other inputs	104,895
Benefit payments	(7,152)
Net changes	109,702
Balance at December 31, 2020	\$ 642,935

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 4.10% to 2.74%.

For the year ended December 30, 2020, the District recognized OPEB expense of \$53,850 related to the Health Plan. At December 31, 2020, 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	\$ -	67,150
Changes of assumption or other inputs	100,645	-
Contributions after measurement date	7,719	-
Total	\$ 108,364	67,150

An amount of \$7,719 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, 2021. 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:	
2021	\$ 5,845
2022	5,845
2023	5,845
2024	5,845
2025	1,418
Thereafter	8,687

Actuarial Assumptions and Other Inputs - The total OPEB liability in the January 1, 2020 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	2.00% per year
Salary increases	2.75% per year
Discount rate	2.74%
Healthcare cost trend rates	8.50% for 2020, decreasing to 3.53% for 2040
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, 2020 valuation for the Health Plan were based on the results of an actuarial experience study for the period June 30, 2012 through June 30, 2015.

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 2.74%. 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 2.74%, 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 (1.74%) or 1 percentage-point higher (3.74%) than the current rate:

	1% Decrease (1.74%)	Discount Rate (2.74%)	1% Increase (3.74%)
Total OPEB liability	\$ 746,473	642,935	588,346

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	\$ 552,519	642,935	755,918

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, 2020 were as follows:

	Beginning <u>Balance</u>	Additions	Deletions	Ending <u>balance</u>
Revenue anticipation note	\$ -	3,900,000	3,900,000	-

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

NET POSITION, CONTINUED

The District's net investment in capital assets was calculated as follows at December 31, 2020 and 2019:

	<u>2020</u>	<u>2019</u>
Capital assets	\$ 29,848,431	26,967,294
Accumulated depreciation	(14,101,529)	(13,267,298)
Notes payable	(1,608,000)	(1,534,257)
Total net investment in capital assets	\$ 14,138,902	12,165,739

The District's net position at December 31, 2020 and 2019 was restricted for the local match of the following grants and projects:

		<u>2020</u>	<u>2019</u>
ME-90-X213	2015 Operating Assistance & Cap Maintenance	\$ 12,120	12,411
ME-2016-016	2016 Operating Assistance & Cap Maintenance	45,177	106,395
ME-2016-017	Regional Bus Shelter/Sign Project	9,469	9,469
ME-2017-008	2017 Operating Assistance & Cap Maintenance	31,083	31,083
ME-2017-007	Northern Service Expansion - Phase 2	296	3,220
ME-2018-016	2018 Operating Assistance & Cap Maintenance	10,449	27,210
ME-2019-010	2019 Operating Assistance & Cap Maintenance	10,000	10,000
ME-2020-025	2020 Operating Assistance & Cap Maintenance	21,562	-
N/A	Facility	5,000	5,000
N/A	Bus Stop Improvement	20,000	10,000
N/A	2018 Bus Note Overage	3,045	33,501
N/A	2018 Operations - Electric signs	42,958	42,958
N/A	Bus painting	1,600	8,000
Total restricted net position		\$ 212,759	299,247

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, 2020 and 2019, the District has designated the following amounts of net position within cash and cash equivalents:

	<u>2020</u>	<u>2019</u>
Restricted net position	\$ 212,759	299,247
Unrestricted, reserved for board policy	704,925	400,140
Total	\$ 917,684	699,387

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*

	2020	2019
Total OPEB Liability		
Service cost	\$ 45,853	50,269
Interest	23,597	19,542
Changes of benefit terms	(13,451)	-
Differences between expected and actual experience	(44,040)	-
Changes of assumptions or other inputs	104,895	(50,926)
Benefit payments	(7,152)	(6,877)
Net change in total OPEB Liability	109,702	12,008
Total OPEB liability - beginning	533,233	521,225
Total OPEB liability - ending	\$ 642,935	533,233
Covered-employee payroll	\$ 4,688,671	3,885,661
Total OPEB liability as a percentage of covered-employee payroll	13.71%	13.72%

* Only two years of information available.

GREATER PORTLAND TRANSIT DISTRICT
Notes to Required Supplementary Information

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>
2020	2.74%
2019	4.10%
2018	3.44%

SCHEDULES

GREATER PORTLAND TRANSIT DISTRICT
Schedule of Revenues and Expenses - Budget and Actual - Budgetary Basis
For the year ended December 31, 2020
(With Comparative Actual Amounts for the year ended December 31, 2019)

	Budgeted amounts		Actual	Variance with final budget positive (negative)	2019
	Original	Final			
Revenues:					
Passenger fares:					
Regular fares	\$ 2,273,440	2,273,440	564,588	(1,708,852)	1,748,899
Organization paid fares	716,117	716,117	194,268	(521,849)	669,392
Total passenger fares	2,989,557	2,989,557	758,856	(2,230,701)	2,418,291
Federal assistance:					
Operating assistance	2,228,386	2,228,386	6,038,185	3,809,799	2,029,157
BREEZ operating assistance	-	-	-	-	356,202
ADA paratransit	367,000	367,000	106,726	(260,274)	347,459
Western expansion	824,000	824,000	519,633	(304,367)	623,822
Preventive maintenance	895,000	895,000	612,720	(282,280)	1,058,372
Total federal assistance	4,314,386	4,314,386	7,277,264	2,962,878	4,415,012
State assistance	170,426	170,426	170,426	-	170,426
Local investment:					
Members	4,201,878	4,201,878	3,794,350	(407,528)	3,830,067
Non-members	35,000	35,000	33,000	(2,000)	150,030
Total local investment	4,236,878	4,236,878	3,827,350	(409,528)	3,980,097
Miscellaneous:					
Regional Transportation Program rent	41,750	41,750	41,750	-	40,732
Fleet maintenance services	8,000	8,000	6,776	(1,224)	13,150
Advertising	292,000	292,000	165,793	(126,207)	288,995
Interest income	25,000	25,000	14,219	(10,781)	32,884
Fuel sales	45,000	45,000	14,449	(30,551)	33,107
Autofare reimbursement	21,283	21,283	-	(21,283)	-
Rock Row payment	-	-	175,000	175,000	-
Miscellaneous income	7,000	7,000	13,044	6,044	25,441
Total miscellaneous	440,033	440,033	431,031	(9,002)	434,309
Total revenues	12,151,280	12,151,280	12,464,927	313,647	11,418,135

GREATER PORTLAND TRANSIT DISTRICT
Schedule of Revenues and Expenses - Budget and Actual - Budgetary Basis, Continued
For the year ended December 31, 2020

	Budgeted amounts		Actual	Variance with final budget positive (negative)	2019
	Original	Final			
Expenses:					
Personnel:					
Regular wages and salaries	\$ 5,540,604	5,540,604	5,774,070	(233,466)	5,223,281
Overtime	544,500	544,500	453,985	90,515	664,287
Benefits	2,598,302	2,598,302	2,460,339	137,963	2,436,561
Total personnel	8,683,406	8,683,406	8,688,394	(4,988)	8,324,129
Temporary help	-	-	-	-	44,990
ADA paratransit	450,000	450,000	290,551	159,449	434,324
Fuel:					
CNG fuel	262,000	262,000	96,442	165,558	221,985
Diesel fuel	424,812	424,812	435,724	(10,912)	372,146
Total fuel	686,812	686,812	532,166	154,646	594,131
Dues and subscriptions:					
Dues and subscriptions	23,652	23,652	24,738	(1,086)	23,172
HRA annual dues	7,336	7,336	8,571	(1,235)	7,923
Licenses and permits	1,440	1,440	2,870	(1,430)	3,106
Total dues and subscriptions	32,428	32,428	36,179	(3,751)	34,201
Other employee costs:					
Wellness program	2,500	2,500	1,499	1,001	2,444
Meals and housing	10,000	10,000	9,506	494	7,127
Travel, conferences, meetings	18,888	18,888	4,414	14,474	10,825
Employment services	11,762	11,762	7,402	4,360	11,470
Total other employee costs	43,150	43,150	22,821	20,329	31,866
Fleet parts and services:					
Parts	296,000	296,000	307,729	(11,729)	320,474
Tires and tubes	56,000	56,000	46,670	9,330	56,540
Greases and fluids	51,857	51,857	40,751	11,106	44,389
Total fleet parts and services	403,857	403,857	395,150	8,707	421,403
Insurance	273,541	273,541	299,877	(26,336)	227,911
Advertising:					
Advertising	58,000	58,000	38,727	19,273	24,929
Fare media	2,300	2,300	1,254	1,046	9,241
Marketing supplies	8,000	8,000	6,143	1,857	4,999
Total advertising	68,300	68,300	46,124	22,176	39,169
Office supplies:					
Supplies	21,000	21,000	18,868	2,132	18,172
Postage	3,755	3,755	4,619	(864)	2,785
Total office supplies	24,755	24,755	23,487	1,268	20,957

GREATER PORTLAND TRANSIT DISTRICT
Schedule of Revenues and Expenses - Budget and Actual - Budgetary Basis, Continued
For the year ended December 31, 2020

	Budgeted amounts		Actual	Variance with final budget positive (negative)	2019
	Original	Final			
Contract services:					
Technology services	\$ 145,404	145,404	108,397	37,007	116,466
Legal fees	30,000	30,000	41,195	(11,195)	22,502
Audit fees	21,000	21,000	20,000	1,000	21,366
Other contracted services	142,550	142,550	63,523	79,027	34,168
Miscellaneous services	3,420	3,420	1,502	1,918	3,185
Total contract services	342,374	342,374	234,617	107,757	197,687
Utilities and telephone:					
Heating fuel	188,100	188,100	111,665	76,435	129,746
Electricity	139,110	139,110	102,654	36,456	132,436
Water/sewer/storm water	38,072	38,072	31,137	6,935	35,495
Phone services	63,272	63,272	55,384	7,888	58,586
Total utilities and telephone	428,554	428,554	300,840	127,714	356,263
Maintenance costs:					
Maintenance services	126,234	126,234	126,555	(321)	98,983
Copier maintenance	5,732	5,732	4,997	735	6,419
Maintenance supplies	126,250	126,250	117,555	8,695	102,446
Snow plowing and removal	9,000	9,000	1,610	7,390	1,690
Total maintenance costs	267,216	267,216	250,717	16,499	209,538
Bank and credit card fees	51,525	51,525	11,793	39,732	11,781
Capital match	25,162	25,162	25,162	-	166,000
Debt service principal	240,254	240,254	436,257	(196,003)	208,948
Debt service interest	84,946	84,946	69,395	15,551	88,327
Fund balance restoration	45,000	45,000	-	45,000	-
Total expenditures	12,151,280	12,151,280	11,663,530	487,750	11,411,625
Change in net position - budgetary basis	-	-	801,397	801,397	6,510

GREATER PORTLAND TRANSIT DISTRICT
Schedule of Revenues and Expenses - Budget and Actual - Budgetary Basis, Continued
For the year ended December 31, 2020

	Budgeted amounts		Actual	Variance with final budget positive (negative)
	Original	Final		
Reconciliation to GAAP:	\$			
Unbudgeted federal capital grants			3,250,318	
Unbudgeted federal operating grants			617,055	
Unbudgeted capital maintenance expense			(64,537)	
Unbudgeted contracted services			(458,510)	
Unbudgeted supplies/parts			(334,380)	
Unbudgeted other employee costs			(201)	
Unbudgeted local contributions			15,723	
Depreciation expense			(1,660,011)	
Insurance proceeds			8,950	
Capital match internally generated			25,162	
Principal payment on debt service			436,257	
Other postemployment benefits expense			(53,850)	
Gain (loss) on disposal of capital assets			13,158	
Net change in net position - GAAP basis			2,596,531	
Net position, beginning of year			13,286,597	
Net position, end of year	\$		15,883,128	