

**GREATER PORTLAND TRANSIT DISTRICT**

**Financial Statements**

**For the Years Ended December 31, 2018 and 2017**

**GREATER PORTLAND TRANSIT DISTRICT**  
**Financial Statements**  
**For the years ended December 31, 2018 and 2017**

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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, 2018 and 2017, 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, 2018 and 2017, 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.

***Change in Accounting Principle***

As described in the notes to the financial statements, in 2018, the Greater Portland Transit District adopted new accounting guidance, *GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. Our opinion is not modified with respect to this matter.

***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 April 8, 2019 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 8, 2019  
South Portland, Maine

**GREATER PORTLAND TRANSIT DISTRICT  
Management Discussion and Analysis  
Fiscal Year Ended December 31, 2018**

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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 2018 by \$4,983,041, about 69%. This reflects the addition of new buses, as well as the addition of new shelters and bus stops. There was also a replacement of all garage doors and two air compressors.
- **Current Liabilities.** The increase in current liabilities of \$134,234, 24.6%, reflects a roughly \$70,000 increase in current debt related to the financing of local match for new bus purchases and about \$100,000 increase in accrued payroll costs. This increase is made up of increased wages and the addition of 11 bus drivers.
- **Noncurrent Liabilities.** Noncurrent liabilities increased by \$773,075, of which \$646,447 is the long-term portion of debt for the financing of local match for new buses. Accrued compensated absences increased by \$46,621, which reflects wage increases, additional staff, 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 \$80,007. The 2018 OPEB liability is \$507,492, as described on page 15.
- **Net Position.** Overall net position for GPTD increased by 51.0%, or \$4,049,557, 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 11.5% in 2018, or about \$112,000. The calculation of net position begins on page 17. GPTD realized a net budgetary deficit (revenues minus expenditures) of (\$88,271).
- 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 7, it shows that 2017 total Unrestricted Net Position was \$982,343. Of that amount, \$355,140 was reserved for the Policy, which has an equal amount of cash restricted, as required. This represented 3.5% of 2018 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, 2018**

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The 2018 year-end unrestricted net position is \$869,508, which reflects the budgetary deficit of \$88,271, and is a decrease from 2017 of \$112,835. Maintaining the 2017 level of reserve leaves a balance of \$514,368 in unrestricted net position. Based on annual cash flow needs of the District, GPTD increased the reserve amount by the budgeted amount of contribution, or \$45,000, making the unrestricted, reserved for Board policy amount \$400,140, or 3.6% of 2019 budgeted operating expenditures. Page 18 shows the amount of restricted cash. The full Policy calculation, at 16.66%, would require a reserve of \$1,819,459. Note that the increase in operating expenditures budgeted from 2018 to 2019 of \$1.15m 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 under budgeted amounts by 0.2%, or about \$23,400, but were 12.9%, or about \$1,150,486, higher than 2017. The budget to actual schedule is on page 23.

Passenger Fares. Although there was an increase in Passenger Fares of about \$147,000, or 7.6%, over 2017, they were under budget by 8.4%, or about \$191,500. The expansion of service in September caused the increase over the previous year; however, the budgeted estimates were overly optimistic.

Advertising Revenue. Collected revenue from transit advertising was within 1% of the budget estimate, and \$34,544, or 17.7%, higher than in 2017.

Federal and State assistance. Collections from federal and state agencies was 18.4% higher than 2017, or about \$603,000, made up of additional funding for prior year ADA Paratransit costs of \$215,000, new funding for Transit West expansion of \$286,000, and alternative fuel reimbursement. Total federal and state assistance for 2018 was 4.5% higher than budgeted, or about \$160,000. Fuel reimbursement of \$90,000 was not budgeted and BREEZ operating reimbursement, which is based on actual costs, was under budget by \$63,000. ADA reimbursement for 2018 costs was under budget by about \$73,000 which was offset by GPTD receiving \$215,000 in funding for prior year ADA costs. Finally, Transit West funding was under budget estimates by about \$10,000.

Local Investment. Payments from communities were about \$328,000, or 9.6%, higher than in 2017. This was a result of an additional \$276,000 in local assessments and match for paratransit costs, \$35,000 in new Transit West contributions, and about \$48,000 in BREEZ contributions. 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 2018 were over budget by 0.6%, or about \$65,000, and 16.0%, or about \$1.4 million more than 2017. The budget to actual schedule for expenses begins on page 24.

Wages and benefits (personnel). Total wages and benefits costs were 17% higher, or about \$1.04 million, than in 2017. This reflects a 2.25% wage increase for all employees, step increases for union employees, and a 5% increase in health insurance premiums. For 2018, wages and benefits were over budget by 0.3%, or about \$21,000.

Temporary help. There was no budgeted Temporary Help for 2018. The HR Director resigned in April of 2018 and was not replaced until July. An interim Director was contracted to maintain HR functions until a permanent replacement could be hired, at a cost of \$56,857 for the year. Also, temporary help was hired for fleet care during the end of 2018, when GPTD was experiencing a number of vacancies.

**GREATER PORTLAND TRANSIT DISTRICT**  
**Management Discussion and Analysis, Continued**  
**Fiscal Year Ended December 31, 2018**

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ADA Paratransit. This service is contracted to Regional Transportation Program (RTP) to provide paratransit transportation to the GPTD member communities. This contract was renewed in 2018 with lower rates than the prior contract, which allowed for budgetary savings of \$91,200. Note that this cost has direct revenue offset made up of 80% federal funding and 20% from local communities, based on their usage.

Fleet parts and services and fuel. The cost of maintaining the fleet combined with fuel costs, were over budget by about \$65,000, with a savings in CNG fuel and over expenditures in parts and tires. The total expense was about \$206,000 higher than 2017, which includes additional buses for expansion of service.

Utilities and telephone. The total cost of heat, electricity, phone, water, sewer, and storm water was under budget by 6%, or about \$21,000. Total cost increased 13.2% compared to 2017.

### **Growth and Initiatives**

An important indicator of GPTD's fiscal health is its ridership. In 2018, GPTD saw an increase of 5.1% in ridership over 2017. Service extended into Gorham in August of 2018 through an agreement with the University of Southern Maine for transportation of students between the Portland and Gorham campuses. There was also service added to current routes that extend into Westbrook and South Portland.

GPTD received 11 new buses in 2018, five of which were for expansion and six replaced older fleet. GPTD will continue to update its bus fleet, with the purchase of 6 replacement buses in 2019.

GPTD implemented a new integrated financial system in August of 2018, and then added a new payroll system effective January 1 of 2019. A new time keeping and scheduling system is planned for 2019, that will integrate with the payroll system. Inventory and work order systems are also planned for 2020. All systems are integrated which will allow for seamless processing and information reporting.

Also planned is implementation of an automated fare collection system in 2019. 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.

In efforts to maintain a balance among funding sources and to limit increases in assessments to communities and taxpayers, GPTD will be implementing a fare increase during 2019. This will be tied to changes in how fare media is used in relationship to the automation described above.

### **Conclusion**

GPTD has made significant improvements in its administration and operations functions by employing technology and updating processes and procedures. Offering easier ways to purchase and use bus fares is expected to contribute to increasing ridership, and a fare increase, along with the ongoing efforts to improve overall service, will allow GPTD to maintain and improve its 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, 2018 and 2017**

	2018	Restated 2017
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 1,167,928	1,382,300
Accounts receivable	216,290	115,091
Grants receivable	388,344	301,689
Inventory	355,065	332,750
Prepaid expenses	26,468	43,888
Total current assets	2,154,095	2,175,718
Capital assets:		
Land	133,175	133,175
Construction in progress	244,925	250,132
Buildings and improvements	6,473,672	6,297,482
Vehicles	12,224,971	6,995,649
Passenger stations	616,977	206,279
Equipment	4,713,161	4,596,919
Total capital assets	24,406,881	18,479,636
Less accumulated depreciation	12,219,147	11,274,943
Capital assets, net	12,187,734	7,204,693
<b>Total assets</b>	<b>14,341,829</b>	<b>9,380,411</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred outflows of resources related to OPEB	70,759	82,552
<b>Total deferred outflows of resources</b>	<b>70,759</b>	<b>82,552</b>
<b>LIABILITIES</b>		
Current liabilities:		
Accounts payable	241,461	249,908
Accrued payroll and payroll taxes	222,078	121,711
Other liabilities	7,487	36,278
Current portion of bonds payable	208,553	137,448
Total current liabilities	679,579	545,345
Noncurrent liabilities:		
OPEB obligation	507,492	427,485
Accrued compensated absences	114,502	67,881
Bonds payable	1,074,652	428,205
Total noncurrent liabilities	1,696,646	923,571
<b>Total liabilities</b>	<b>2,376,225</b>	<b>1,468,916</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Deferred inflows of resources related to OPEB	43,446	50,687
<b>Total deferred inflows of resources</b>	<b>43,446</b>	<b>50,687</b>
<b>NET POSITION</b>		
Net investment in capital assets	10,909,611	6,639,040
Restricted	213,798	321,977
Unrestricted, reserved for board policy	400,140	355,140
Unrestricted, unreserved	469,368	627,203
<b>Total net position</b>	<b>\$ 11,992,917</b>	<b>7,943,360</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, 2018 and 2017**

	2018	Restated 2017
Operating revenues:		
Passenger fares	\$ 2,089,331	1,942,610
Regional Transportation Program rent	40,154	38,415
Outside repairs, maintenance and CNG sales	35,876	43,709
Federal and state operating grants	4,246,739	3,275,016
Local assessments for operating	3,548,675	3,261,827
Advertising	229,991	195,447
Miscellaneous income	32,962	5,371
Total operating revenues	10,223,728	8,762,395
Operating expenses before depreciation:		
Personnel	7,219,477	6,145,313
Temporary help	61,174	88,511
ADA Paratransit	432,000	535,646
Fuel	505,227	410,351
Dues and subscriptions	20,425	24,918
Other employee costs	22,776	20,738
Fleet parts and services	602,522	540,772
Insurance	240,114	180,832
Advertising	54,464	71,367
Office supplies	28,111	15,732
Contract services	368,164	147,330
Utilities and telephone	324,790	286,835
Maintenance costs	507,241	162,539
Total operating expenses before depreciation	10,386,485	8,630,884
Operating gain (loss) before depreciation	(162,757)	131,511
Depreciation expense	1,127,491	1,195,028
Operating gain (loss) after depreciation	(1,290,248)	(1,063,517)
Nonoperating revenues (expenses):		
Federal capital grants	5,179,190	623,856
Local assessments for capital	201,363	156,312
Loss on disposal of capital assets	(9,199)	(92,936)
Interest income	27,231	10,346
Bank interest and fees	(9,625)	-
Interest on debt service	(49,155)	(23,417)
Total nonoperating revenues (expenses)	5,339,805	674,161
Gain (loss) before capital contributions	4,049,557	(389,356)
Capital contributions	-	69,160
Change in net position	4,049,557	(320,196)
Net position, beginning of year, as restated	7,943,360	8,263,556
<b>Net position, end of year</b>	<b>\$ 11,992,917</b>	<b>7,943,360</b>

*See accompanying notes to basic financial statements.*

**GREATER PORTLAND TRANSIT DISTRICT**  
**Statements of Cash Flows**  
**For the years ended December 31, 2018 and 2017**

	2018	Restated 2017
Cash flows from operating activities:		
Receipts from customers	\$ 2,327,115	2,431,487
Receipts from federal and state operating grants	4,160,084	3,813,217
Receipts from local sources	3,548,675	3,261,827
Payments to suppliers	(3,132,107)	(2,239,421)
Payments to employees	(7,076,432)	(6,184,736)
Net cash provided by (used in) operating activities	(172,665)	1,082,374
Cash flows from investing activities:		
Interest income	27,231	10,346
Net cash provided by (used in) investing activities	27,231	10,346
Cash flows from capital and related financing activities:		
Local sources	201,363	156,312
Federal capital grants	5,179,190	623,856
Bond issuance proceeds	855,000	180,000
Proceeds from sale of capital assets	5,868	-
Purchase of capital assets	(6,125,599)	(747,542)
Principal payments on bonds	(137,448)	(266,174)
Interest payments	(47,312)	(19,409)
Net cash provided by (used in) capital and related financing activities	(68,938)	(72,957)
Net increase (decrease) in cash and cash equivalents	(214,372)	1,019,763
Cash and cash equivalents, beginning of year	1,382,300	362,537
<b>Cash and cash equivalents, end of year</b>	<b>\$ 1,167,928</b>	<b>1,382,300</b>
Reconciliation of operating loss to net cash provided by (used in) operating activities:		
Operating loss	\$ (1,290,248)	(1,063,517)
Adjustments to reconcile operating loss to net cash provided by (used in) operating activities:		
Depreciation	1,127,491	1,195,028
Bank interest and fees	(9,625)	-
Change in operating assets and liabilities:		
Accounts receivable	(101,199)	205,935
Grants receivable	(86,655)	538,201
Inventory	(22,315)	29,763
Prepaid expenses	17,420	8,914
Accounts payable	(8,447)	90,842
Accrued payroll and payroll taxes	100,367	10,776
Other liabilities	(26,082)	7,382
Accrued compensated absences	46,621	10,076
Net OPEB obligation	80,007	48,974
Net cash provided by (used in) operating activities	\$ (172,665)	1,082,374

*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, 2018 and 2017 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.

**Inventory** - Inventories are valued at cost using a cost averaging method and consists of fuel, oil, materials, and supplies.

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

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**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED**

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**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, 2018, the District reported deposits of \$1,167,928 with a bank balance of \$1,454,386. 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, 2018 was as follows:

	<u>Balance</u> <u>12/31/2017</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>12/31/2018</u>
Capital assets not being depreciated:				
Land	\$ 133,175	-	-	133,175
Construction in progress	250,132	3,304	8,511	244,925
<b>Total capital assets not being depreciated</b>	<b>383,307</b>	<b>3,304</b>	<b>8,511</b>	<b>378,100</b>
Capital assets being depreciated:				
Buildings and improvements	6,297,482	184,755	8,565	6,473,672
Vehicles	6,995,649	5,412,911	183,589	12,224,971
Passenger stations	206,279	416,898	6,200	616,977
Equipment	4,596,919	116,242	-	4,713,161
<b>Total capital assets being depreciated</b>	<b>18,096,329</b>	<b>6,130,806</b>	<b>198,354</b>	<b>24,028,781</b>
Less accumulated depreciation for:				
Buildings and improvements	4,302,471	232,845	5,816	4,529,500
Vehicles	3,656,826	741,906	177,109	4,221,623
Passenger stations	10,371	16,289	362	26,298
Equipment	3,305,275	136,451	-	3,441,726
<b>Total accumulated depreciation</b>	<b>11,274,943</b>	<b>1,127,491</b>	<b>183,287</b>	<b>12,219,147</b>
<b>Total capital assets being depreciated, net</b>	<b>6,821,386</b>	<b>5,003,315</b>	<b>15,067</b>	<b>11,809,634</b>
<b>Capital assets, net</b>	<b>\$ 7,204,693</b>	<b>5,006,619</b>	<b>23,578</b>	<b>12,187,734</b>

**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, 2018:

	Restated Beginning Balance	Additions	Deletions	Ending balance	Due within one year
Bonds payable	\$ 565,653	855,000	137,448	1,283,205	208,553
Other postemployment liabilities	427,485	80,007	-	507,492	-
Accrued compensated absences	67,881	46,621	-	114,502	-
<b>Total long-term liabilities</b>	<b>\$ 1,061,019</b>	<b>981,628</b>	<b>137,448</b>	<b>1,905,199</b>	<b>208,553</b>

Bonds payable at December 31, 2018 are comprised of the following individual issues:

	Date of issue	Amount issued	Interest rate	Maturity date	Balance 12/31/18	Balance 12/31/17
2011 Heavy duty lifts	2011	\$ 335,000	3.10%	6/1/2021	\$ 93,632	129,121
2011 Buses	2011	111,086	3.10%	6/1/2021	31,048	42,817
2014 Buses	2014	451,881	2.44%	1/2/2024	261,472	305,452
2016 Buses	2016	102,000	1.25%	4/20/2019	17,245	51,455
2017 Bus	2017	180,000	1.82%	7/6/2020	24,808	36,808
2018 Buses	2018	855,000	1.92-2.99%	11/1/2028	855,000	-
<b>Total bonds payable</b>					<b>\$ 1,283,205</b>	<b>565,653</b>

The annual requirements to amortize bonds payable outstanding as of December 31, 2018 are as follows:

<u>Year ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 208,553	32,068	240,621
2020	194,746	27,296	222,042
2021	158,540	22,498	181,038
2022	134,025	18,972	152,997
2023	135,233	15,713	150,946
<u>2024-2028</u>	<u>452,108</u>	<u>37,124</u>	<u>489,232</u>
<b>Totals</b>	<b>\$ 1,283,205</b>	<b>153,671</b>	<b>1,436,876</b>

**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**

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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(k) 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.

Beginning in fiscal year 2018, the District matches voluntary union employee contributions up to 6% of the union employees' gross pay for the year then ended. For fiscal year 2017, the District and union employees were required to contribute 5.5% of union employee's gross pay for the year then ended. For both 2018 and 2017, participating nonunion employees had the option to contribute up to 20% of their covered gross pay and the District matched 5.5% in 2017, increasing to 6% for 2018. Additionally, the District contributed 13% and 9.5% of the General Manager's compensation, without regard to his contribution, for the years ended December 31, 2018 and 2017, respectively.

For the years ended December 31, 2018 and 2017, respectively, employee contributions amounted to \$87,365 and \$183,783 and employer contributions were \$256,261 and \$227,991.

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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, 2018 and 2017 respectively, employee contributions amounted to \$215,839 and \$86,420 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 63.5 and 30 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 no any subsidy toward Medicare coverage.

*Employees Covered by Benefit Terms* – At December 31, 2018, 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, 2018 were \$0, as all retirees were being covered through Medicare and therefore are not receiving an explicit subsidy.

**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 \$507,492 was measured as of January 1, 2018 and was determined by an actuarial valuation as of that date.

*Changes in the Total Health Plan OPEB Liability*

	<b>Total OPEB Liability</b>
Balance at December 31, 2017	\$ 427,485
Changes for the year:	
Service cost	35,237
Interest	17,407
Changes of benefit terms	-
Differences between expected and actual experience	(50,687)
Changes in assumptions or other inputs	82,552
Benefit payments	(4,502)
Net changes	80,007
Balance at December 31, 2018	\$ 507,492

**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 3.78% to 3.44% and also a change in valuation method from Projected Unit Credit to the Entry Age Normal funding method.

For the year ended December 30, 2018, the District recognized OPEB expense of \$84,559 related to the Health Plan. At December 31, 2018, 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	\$ -	43,446
Changes of assumption or other inputs	70,759	-
Total	\$ 70,759	43,446

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:	
2019	\$ 4,552
2020	4,552
2021	4,552
2022	4,552
2023	4,552
Thereafter	4,553

**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	3.44%
Healthcare cost trend rates	8.27% for 2018, decreasing 0.27% per year
Retirees' share of the benefit related costs	5%-100% of projected health insurance premiums

Mortality rates for the Health Plan were based on the RP2014 Total Dataset Healthy Annuity 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, 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 3.44%. 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 3.44%, 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 (2.44%) or 1 percentage-point higher (4.44%) than the current rate:

	1% Decrease (2.44%)	Discount Rate (3.44%)	1% Increase (4.44%)
Total OPEB liability	\$ 589,428	507,492	440,660

**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 of 8.27% decreasing 0.27% per year, 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	\$ 436,642	507,492	595,765

**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, 2018 were as follows:

	Beginning <u>Balance</u>	<u>Additions</u>	<u>Deletions</u>	Ending <u>balance</u>
<b>Revenue anticipation note</b>	\$ -	<b>2,349,205</b>	<b>2,349,205</b>	-

**NET POSITION**

Net position represents the difference between assets and liabilities. 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, 2018 and 2017:

	<u>2018</u>	<u>2017</u>
Capital assets	\$ 24,406,881	18,479,636
Accumulated depreciation	(12,219,147)	(11,274,943)
Unspent bond proceeds	5,082	-
Bonds payable	(1,283,205)	(565,653)
<b>Total net investment in capital assets</b>	<b>\$ 10,909,611</b>	<b>6,639,040</b>

The District's net position at December 31, 2018 and 2017 was restricted for the local match of the following grants and projects:

		<u>2018</u>	<u>2017</u>
ME-90-X213	2015 Operating Assistance & Cap Maintenance	\$ 23,190	95,782
ME-90-X205	2014 Operating Assistance & Cap Maintenance	-	8,851
ME-2016-016	2016 Operating Assistance & Cap Maintenance	54,163	46,610
ME-2016-017	Regional Bus Shelter/Sign Project	13,709	76,610
ME-2017-008	2017 Operating Assistance & Cap Maintenance	40,938	78,913
ME-90-X216	Northern Service Expansion	-	6,827
ME-2017-007	Northern Service Expansion - Phase 2	3,440	8,384
ME-2018-016	2018 Operating Assistance & Cap Maintenance	27,400	-
N/A	2018 Operations - Electric signs	42,958	-
N/A	Bus painting	8,000	-
<b>Total restricted net position</b>		<b>\$ 213,798</b>	<b>321,977</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, 2018 and 2017, the District has designated the following amounts of net position within cash and cash equivalents:

	<u>2018</u>	<u>2017</u>
Restricted net position	\$ 213,798	321,977
Unrestricted, reserved for board policy	400,140	355,140
<b>Total</b>	<b>\$ 613,938</b>	<b>677,117</b>

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RESTATEMENT OF NET POSITION

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For the fiscal year ended December 31, 2018, the District has elected to implement Statement No. 75 of the Governmental Accounting Standards Board – *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*, an amendment of GASB Statement No. 45. As a result of implementing GASB Statement No. 75, the District has restated beginning net position in the financial statements to account for the reduction of the District's total OPEB liability, which effectively increased the District's net position as of January 1, 2017 by \$69,709.

**GREATER PORTLAND TRANSIT DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION**

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

		<u>2018</u>
<b>Total OPEB Liability</b>		
Service cost	\$	35,237
Interest		17,407
Changes of benefit terms		-
Differences between expected and actual experience		(50,687)
Changes of assumptions or other inputs		82,552
Benefit payments		<u>(4,502)</u>
<b>Net change in total OPEB Liability</b>		<u>80,007</u>
Total OPEB liability - beginning		<u>427,485</u>
Total OPEB liability - ending	\$	<u><u>507,492</u></u>
Covered-employee payroll	\$	3,885,661
Total OPEB liability as a percentage of covered-employee payroll		13.06%

\* Only one year of information available.

**GREATER PORTLAND TRANSIT DISTRICT  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

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**Total OPEB Liability**

**Changes of Benefit Terms** - None

**Changes of Assumptions** - 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>
2018	3.44%
2017	3.78%

Additionally, the valuation method was changed from the Projected Unit Credit funding method in 2017 to the Entry Age Normal funding method in 2018.

# **SCHEDULES**

**GREATER PORTLAND TRANSIT DISTRICT**  
**Schedule of Revenues and Expenses - Budget and Actual - Budgetary Basis**  
**For the year ended December 31, 2018**

	Budgeted amounts		Actual	Variance with final budget positive (negative)
	Original	Final		
<b>Revenues:</b>				
Passenger fares:				
Regular fares	\$ 1,902,100	1,902,100	1,692,374	(209,726)
BREEZ fares	36,075	36,075	60,907	24,832
Organization paid fares	342,703	342,703	336,050	(6,653)
Total passenger fares	2,280,878	2,280,878	2,089,331	(191,547)
Federal assistance:				
Operating assistance	1,822,174	1,822,174	1,823,512	1,338
BREEZ operating assistance	303,464	303,464	240,507	(62,957)
ADA paratransit	418,560	418,560	560,624	142,064
Western expansion	296,667	296,667	285,956	(10,711)
Preventive maintenance	706,801	706,801	706,801	-
Federal fuel reimbursement	-	-	89,905	89,905
Total federal assistance	3,547,666	3,547,666	3,707,305	159,639
State assistance	170,426	170,426	170,426	-
Local investment:				
Members:				
Operating assessments	3,358,364	3,358,364	3,358,364	-
Capital assessments	131,600	131,600	131,600	-
ADA paratransit	104,640	104,640	86,465	(18,175)
Non-members:				
BREEZ/TW operating contributions	103,846	103,846	103,846	-
BREEZ capital contributions	44,488	44,488	65,988	21,500
Total local investment	3,742,938	3,742,938	3,746,263	3,325
Miscellaneous:				
Regional Transportation Program rent	38,424	38,424	40,154	1,730
Fleet maintenance services	21,000	21,000	6,125	(14,875)
Advertising	232,300	232,300	229,991	(2,309)
Interest income	5,000	5,000	27,231	22,231
CNG sales	37,000	37,000	29,751	(7,249)
Miscellaneous income	27,300	27,300	32,962	5,662
Total miscellaneous	361,024	361,024	366,214	5,190
Total revenues	10,102,932	10,102,932	10,079,539	(23,393)



**GREATER PORTLAND TRANSIT DISTRICT**  
**Schedule of Revenues and Expenses - Budget and Actual - Budgetary Basis, Continued**  
**For the year ended December 31, 2018**

	Budgeted amounts		Actual	Variance with final budget positive (negative)
	Original	Final		
<b>Expenses:</b>				
Personnel:				
Regular wages and salaries	\$ 4,692,117	4,692,117	4,479,338	212,779
Overtime	298,920	298,920	618,624	(319,704)
Benefits	2,122,916	2,122,916	2,036,956	85,960
Total personnel	7,113,953	7,113,953	7,134,918	(20,965)
Temporary help	-	-	61,174	(61,174)
ADA paratransit	523,200	523,200	432,000	91,200
Fuel:				
CNG fuel	278,000	278,000	239,117	38,883
Diesel fuel	259,794	259,794	266,110	(6,316)
Total fuel	537,794	537,794	505,227	32,567
Dues and subscriptions:				
Dues and subscriptions	22,603	22,603	14,699	7,904
HRA annual dues	6,600	6,600	5,103	1,497
Licenses and permits	390	390	623	(233)
Total dues and subscriptions	29,593	29,593	20,425	9,168
Other employee costs:				
Wellness program	12,000	12,000	2,142	9,858
Meals and housing	5,832	5,832	6,123	(291)
Travel, conferences, meetings	14,820	14,820	6,210	8,610
Employment services	6,538	6,538	8,201	(1,663)
Employee training	3,000	3,000	100	2,900
Total other employee costs	42,190	42,190	22,776	19,414
Fleet parts and services:				
Parts	301,500	301,500	365,862	(64,362)
Tires and tubes	41,000	41,000	73,652	(32,652)
Greases and fluids	45,139	45,139	45,476	(337)
Total fleet parts and services	387,639	387,639	484,990	(97,351)
Insurance	225,911	225,911	240,114	(14,203)
Advertising:				
Advertising	38,000	38,000	36,190	1,810
Fare media	11,150	11,150	10,847	303
Marketing supplies	7,846	7,846	7,427	419
Total advertising	56,996	56,996	54,464	2,532
Office supplies:				
Supplies	18,000	18,000	24,960	(6,960)
Postage	3,886	3,886	3,151	735
Total office supplies	21,886	21,886	28,111	(6,225)

**GREATER PORTLAND TRANSIT DISTRICT**  
**Schedule of Revenues and Expenses - Budget and Actual - Budgetary Basis, Continued**  
**For the year ended December 31, 2018**

	Budgeted amounts		Actual	Variance with final budget positive (negative)
	Original	Final		
Contract services:				
Technology services	\$ 40,374	40,374	37,485	2,889
Legal fees	30,000	30,000	52,016	(22,016)
Audit fees	20,000	20,000	19,000	1,000
Other contracted services	110,396	110,396	65,902	44,494
Miscellaneous services	2,920	2,920	3,832	(912)
Total contract services	203,690	203,690	178,235	25,455
Utilities and telephone:				
Heating fuel	157,008	157,008	137,919	19,089
Electricity	116,942	116,942	125,516	(8,574)
Water/sewer/storm water	23,728	23,728	27,878	(4,150)
Phone services	47,748	47,748	33,477	14,271
Total utilities and telephone	345,426	345,426	324,790	20,636
Maintenance costs:				
Maintenance services	139,377	139,377	184,811	(45,434)
Copier maintenance	3,047	3,047	5,502	(2,455)
Maintenance supplies	122,248	122,248	163,521	(41,273)
Snow plowing and removal	8,000	8,000	6,924	1,076
Total maintenance costs	272,672	272,672	360,758	(88,086)
Bank and credit card fees	7,800	7,800	9,625	(1,825)
Capital match	131,600	131,600	123,600	8,000
Debt service principal	137,448	137,448	137,448	-
Debt service interest	20,134	20,134	49,155	(29,021)
Fund balance restoration	45,000	45,000	-	45,000
Total expenditures	10,102,932	10,102,932	10,167,810	(64,878)
Change in net position - budgetary basis	-	-	(88,271)	(88,271)

**GREATER PORTLAND TRANSIT DISTRICT**  
**Schedule of Revenues and Expenses - Budget and Actual - Budgetary Basis, Continued**  
**For the year ended December 31, 2018**

	<u>Budgeted amounts</u>		Actual	Variance with final budget positive (negative)
	Original	Final		
Reconciliation to GAAP:	\$			
Unbudgeted federal capital grants			5,179,190	
Unbudgeted federal operating grants			369,008	
Unbudgeted capital maintenance expense			(146,483)	
Unbudgeted contracted services			(189,929)	
Unbudgeted supplies/parts			(117,532)	
Unbudgeted local contributions			3,775	
Depreciation expense			(1,127,491)	
Capital match internally generated			123,600	
Principal payment on debt service			137,448	
Other postemployment benefits expense			(84,559)	
Loss on disposal of capital assets			(9,199)	
Net change in net position - GAAP basis			4,049,557	
Net position, beginning of year, as restated			7,943,360	
<b>Net position, end of year</b>	<b>\$</b>		<b>11,992,917</b>	