

Mass  
Transportation  
Authority



Year Ended  
September 30,  
2024

Financial  
Statements

**Rehmann**

**This page intentionally left blank.**

# MASS TRANSPORTATION AUTHORITY

## Table of Contents

	<u>Page</u>
<b>Independent Auditors' Report</b>	1
<b>Management's Discussion and Analysis</b>	5
<b>Basic Financial Statements</b>	
Statements of Net Position	13
Statements of Revenues, Expenses and Change in Fund Net Position	15
Statements of Cash Flows	17
Statements of Fiduciary Net Position - Fiduciary Fund - Postemployment	
Health Benefits Trust Fund	19
Statements of Changes in Fiduciary Net Position - Fiduciary Fund - Postemployment	
Health Benefits Trust Fund	20
Notes to Financial Statements	21
<b>Required Supplementary Information</b>	
Single-Employer Defined Benefit Other Postemployment Benefits Plan:	
Schedule of Changes in the Net OPEB Liability (Asset) and Related Ratios	43
Schedule of Contributions	45
Schedule of Investment Returns	46
Notes to Required Supplementary Information	47
<b>Other Supplementary Information</b>	
Michigan Office of Passenger Transportation Schedules:	
Schedule of Local Revenues	51
Schedule of Expenditures of Federal and State Awards	52
Schedule of Operating and Contract Expenses	54
Urban Regular Service:	
Schedule of Operating Revenues	55
Schedule of Operating Expenses	56
Nonfinancial Schedule Report (Unaudited)	58
Nonurban Regular Service:	
Schedule of Operating Revenues	59
Schedule of Operating Expenses	60
Nonfinancial Schedule Report (Unaudited)	62
Job Access and Reverse Commute:	
Schedule of Operating Revenues	63
Schedule of Operating Expenses	64
Nonfinancial Schedule Report (Unaudited)	66
Specialized Service:	
Schedule of Operating Revenues	67
Schedule of Operating Expenses	68
Nonfinancial Schedule Report (Unaudited)	69
Operating Assistance Calculation	70

**This page intentionally left blank.**

## INDEPENDENT AUDITORS' REPORT

March 26, 2025

Board of Directors  
Mass Transportation Authority  
Flint, Michigan

### Report on the Audit of the Financial Statements

#### *Opinions*

We have audited the financial statements of the enterprise fund and fiduciary fund of the **Mass Transportation Authority** (the "Authority"), as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the enterprise fund and fiduciary fund of the Authority, as of September 30, 2024, and the respective changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### *Basis for Opinions*

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Independent Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### *Other Matter*

The financial statements of the Authority for the year ended September 30, 2023 were audited by another auditor who expressed unmodified opinions on those statements on March 18, 2024.



### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Independent Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit 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 Authority's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and the schedules for the other postemployment benefits plan, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority's basic financial statements. The Michigan Office of Passenger Transportation Schedules (excluding the Nonfinancial Schedule Reports) are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 Michigan Office of Passenger Transportation Schedules (excluding the Nonfinancial Schedule Reports) are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

## **Other information**

Management is responsible for the other information included in the financial statements. The other information comprises Michigan Bureau of Passenger Transportation Nonfinancial Schedule Reports, but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

## **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued, under separate cover, our report dated March 26, 2025, on our consideration of the Authority'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 solely 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 Authority'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 Authority's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Lehmann Lohman LLC". The signature is written in a cursive, flowing style.



## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

# MASS TRANSPORTATION AUTHORITY

## Management's Discussion and Analysis

As management of the Mass Transportation Authority (the "Authority"), we offer readers of the Authority's financial statements this narrative overview and analysis of the financial activities of the Authority for the fiscal years ended September 30, 2024 and 2023. We encourage readers to consider the information presented here in conjunction with additional information that is furnished in the financial statements and notes.

### Financial Highlights

- The assets and deferred outflows of resources of the Authority (\$90,443,999) exceeded its liabilities and deferred inflows of resources (\$9,798,991) at the close of the most recent fiscal year by \$80,645,008 (net position). Of this amount, \$19,898,723 was unrestricted and may be used to meet the Authority's ongoing obligations to citizens and creditors.
- The Authority's total net position increased by \$1,634,400 from operations, nonoperating revenues (expenses) and capital contributions during fiscal 2024.
- Overall revenues, including capital contributions, were \$62,455,948.

### Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Authority's basic financial statements. The basic financial statements are comprised of two kinds of statements: (1) proprietary fund and (2) OPEB trust fund, which is a fiduciary fund. This report also contains supplementary information required by the State of Michigan Office of Passenger Transportation (OPT) in addition to the basic financial statements themselves.

The *proprietary fund* statements report information about the Authority as a whole using accounting methods similar to those used by private sector companies.

The statements of net position presents information on all of the Authority's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference being reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Authority is improving or deteriorating.

The statements of revenues, expenses and change in fund net position presents information showing how the Authority's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows.

The statements of cash flows presents information showing in greater detail how the Authority received and disbursed cash during the fiscal year.

*Fiduciary funds* are used to account for resources held for the benefit of parties outside the Authority. The Authority administers an OPEB plan that covers full-time employees who retired after January 1, 1993. The Authority is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. These activities are excluded from the proprietary fund financial statements because the Authority cannot use these assets to finance its operations.

The *notes to the financial statements* provide additional information that is essential to a full understanding of the data provided in the financial statements.

# MASS TRANSPORTATION AUTHORITY

## Management's Discussion and Analysis

**Supplementary Information.** In addition to the basic financial statements and accompanying notes, this report also presents the management's discussion and analysis and schedules for the other postemployment benefits plan immediately following the notes to the financial statements, which are considered required supplementary information. Other supplementary information includes schedules required by the OPT.

### Financial Analysis

As previously stated, net position may serve over time as a useful indicator of any entity's financial position. In the case of the Authority, net position was \$80,645,008 at the close of the most recent fiscal year. The following provides a summary of the Authority's net position at September 30.

	2024	2023	2022
Current and other assets	\$ 27,939,105	\$ 31,460,746	\$ 25,015,988
Capital assets, net	62,465,130	58,400,361	57,478,906
<b>Total assets</b>	<b>90,404,235</b>	<b>89,861,107</b>	<b>82,494,894</b>
<b>Deferred outflows of resources</b>	<b>39,764</b>	<b>244,511</b>	<b>449,415</b>
Long-term liabilities	4,163,413	4,679,961	1,247,934
Other liabilities	4,442,219	5,197,924	4,217,317
<b>Total liabilities</b>	<b>8,605,632</b>	<b>9,877,885</b>	<b>5,465,251</b>
<b>Deferred inflows of resources</b>	<b>1,193,359</b>	<b>1,217,125</b>	<b>649,281</b>
Net position:			
Net investment in capital assets	59,107,134	54,629,027	57,063,906
Restricted	1,639,151	1,164,707	279,469
Unrestricted	19,898,723	23,216,874	19,486,402
<b>Total net position</b>	<b>\$ 80,645,008</b>	<b>\$ 79,010,608</b>	<b>\$ 76,829,777</b>

Of the Authority's net position, \$59,107,134 (73.3 percent) reflects its net investment in capital assets consisting of buses and operating facilities, reduced by any outstanding debt. The Authority uses these capital assets to provide public transportation services to citizens in the Genesee County area; consequently, these assets are not available for future spending.

The Authority reports restricted net position of \$1,639,151 related to its other postemployment benefits plan, principal and interest revenue bond payments, and capital construction. The Authority may use the remaining balance of unrestricted net position of \$19,898,723 or 24.7 percent to meet its ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the Authority is able to report positive balances in all categories of net position.

Current and other assets decreased by \$3,521,641 from the year end September 30, 2023 to 2024 as a result of capital grants receivables were significantly lower at year end compared to prior year due to major purchases recorded and reimbursed well before 9/30/24 end of fiscal year.

Other liabilities decreased by \$755,705 from the year end September 30, 2023 to 2024 as a result of capital grants payables were significantly lower at year end compared to prior year due to major expenses purchased well before 9/30/24 end of fiscal year.

## MASS TRANSPORTATION AUTHORITY

### Management's Discussion and Analysis

Current and other assets increased by \$6,444,758 from the year end September 30, 2022 to 2023 as a result of grant receivables (Federal and State) having larger balances at year end due to a large amount of fiscal year 2023 grant expenditures awaiting reimbursement at year end. This also explains the large decrease in fiscal year 2024.

Other liabilities increased by \$980,607 from the year end September 30, 2022 to 2023 as a result of grant payables (Federal and State) having larger balances at year end due to a large amount of fiscal year 2023 grant expenditure invoices received at year end. This also explains the large decrease in fiscal year 2024.

A condensed summary of the Authority's changes in net position for the years ended September 30 is provided below:

	2024	2023	2022
Operating revenues	\$ 5,772,513	\$ 5,747,208	\$ 4,572,028
Operating expenses	60,657,943	56,786,866	50,185,598
Net operating loss	(54,885,430)	(51,039,658)	(45,613,570)
Nonoperating revenues, net	45,325,442	48,051,306	39,211,183
Loss before capital contributions	(9,559,988)	(2,988,352)	(6,402,387)
Capital contributions	11,194,388	5,169,183	1,579,086
Change in net position	1,634,400	2,180,831	(4,823,301)
Net position, beginning of year	79,010,608	76,829,777	81,653,078
<b>Net position, end of year</b>	<b>\$ 80,645,008</b>	<b>\$ 79,010,608</b>	<b>\$ 76,829,777</b>

The Authority's net position increased by \$1,634,400 during the fiscal year ended September 30, 2024.

Operating revenues remained consistent with the year end September 30, 2023, increasing only \$25,305.

Operating expenses increased by \$3,871,077 from the year end September 30, 2023 to 2024 as a result of the related staffing costs associated with expanding services provided to the community, an increase in labor fees and associated fringes.

Nonoperating revenues, net decreased by \$2,725,864 from the year end September 30, 2023 to 2024 as a result of Section 5311 revenues decreasing by half as well as ARPA Funding decreasing with the balance to be exhausted by September 30, 2025.

Capital contributions increased by \$6,025,205 from the year end September 30, 2023 to 2024 as a result of significant investment in infrastructure at the Rides to Wellness location, replacing many older vehicles and expanding MTA's hydrogen fuel bus fleet.

The Authority's net position increased by \$2,180,831 during the fiscal year ended September 30, 2023.

Operating revenues increased by \$1,175,180 from the year end September 30, 2022 to 2023 due to additional fares with more riders taking public transit after the COVID-19 pandemic.

Operating expenses increased by \$6,601,268 from the year end September 30, 2022 to 2023 as a result of an increase in labor fees and the associated fringes.

Nonoperating revenues, net increased by \$8,840,123 from the year end September 30, 2022 to 2023 due to the Authority drawing down more of its COVID-19 funding.

Capital contributions increased by \$3,590,097 from the year end September 30, 2022 to 2023 as a result of the purchase of the Compressed Natural Gas (CNG) Station from Consumers Energy during Fiscal year 2023.

# MASS TRANSPORTATION AUTHORITY

## Management's Discussion and Analysis

### Capital Asset and Debt Administration

**Capital Assets.** During fiscal year 2024, the Authority invested \$12,106,054 in capital asset additions, resulting in an ending capital asset balance of \$62,465,130 at year end. During fiscal year 2023, the Authority invested \$9,024,455 in capital asset additions, resulting in an ending capital asset balance of \$58,400,361 at year end. Major capital asset events during 2024 included significant investment in infrastructure at the Rides to Wellness location, replacing many older vehicles and expanding MTA's hydrogen fuel bus fleet. In 2023, the Authority made a significant investment in the implementation of a contactless fare system (Genfare) and to expand the Authority's hydrogen fueling station in Grand Blanc to accommodate the hydrogen buses.

	2024	2023	2022
Land	\$ 3,781,718	\$ 3,781,718	\$ 3,781,718
Construction in progress	8,144,892	2,403,832	224,565
Buildings	77,170,821	78,099,426	73,245,074
Revenue equipment	71,907,825	65,618,408	65,818,311
Service cars	1,005,453	905,387	923,482
Furniture and fixtures	5,754,354	5,669,082	5,200,717
Maintenance and garage equipment	1,566,324	1,354,807	1,333,061
	169,331,387	157,832,660	150,526,928
Less: accumulated depreciation	(106,866,257)	(99,432,299)	(93,048,022)
<b>Total capital assets, net</b>	<b>\$ 62,465,130</b>	<b>\$ 58,400,361</b>	<b>\$ 57,478,906</b>

Additional information on the Authority's capital assets can be found in Note 3 of this report.

**Long-term Debt.** At September 30, 2024 and 2023, the Authority had \$3,152,322 and \$3,771,334, respectively, of long-term debt and \$1,011,091 and \$908,627, respectively, of compensated absences. The Authority's total debt decreased by \$516,548 from 2024 to 2023 which was due to scheduled debt payments. The increase in long-term debt from 2022 to 2023 is related to the purchase of the CNG station from Consumers Energy, which occurred in December 2022.

Additional information on the Authority's long-term debt can be found in Note 4 of this report.

### Economic Factors and Next Year's Budget and Rates

The Mass Transportation Authority is slowly recovering from the ridership and economic impact of the COVID-19 pandemic. The MTA's service area of Flint and Genesee County is experiencing significant changes and developing a new identity. With an understanding of past events and a clear vision for the future, the MTA strives to meet the transportation needs of the community, and the family of transit services must constantly be evaluated in the context of current and future needs.

The overall reduction in ridership signals caution to MTA operations, however, growth opportunities exist, and it is a time to grow services with careful consideration of the cost and benefit. Dual attention will be paid to improving and enhancing existing services while planning for increased services. Technology upgrades will allow more efficient and economical business practices. This, combined with improvements in external customer service and internal processes and procedures, will allow the MTA to expand services. Sustainable practices and investments that enhance long-term stability are our priorities. MTA must also balance the relationship between services offered, passengers served, and the related revenues and expenses. With the ever-present challenge of traditional funding sources remaining relatively stagnant, MTA must pursue other sources of revenue to maintain current or enhanced levels of service.

## MASS TRANSPORTATION AUTHORITY

### Management's Discussion and Analysis

#### Requests for Information

This financial report is intended to provide a general overview of the Authority's finances and demonstrate the Authority's accountability for the money it receives. If you have questions about this report or need additional information, please contact the Mass Transportation Authority at 1401 S. Dort Highway, Flint, MI 48503.

**This page intentionally left blank.**

## **BASIC FINANCIAL STATEMENTS**



# MASS TRANSPORTATION AUTHORITY

## Statements of Net Position

	September 30,	
	2024	2023
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 15,913,654	\$ 16,769,811
Accounts receivable	1,052,119	1,177,549
Due from other governmental units	7,825,739	10,509,254
Inventories	1,628,960	1,973,455
Prepays	110,998	97,486
Total current assets	<u>26,531,470</u>	<u>30,527,555</u>
Noncurrent assets:		
Restricted cash	37,628	36,410
Net OPEB asset	1,370,007	896,781
Capital assets not being depreciated	11,926,610	6,185,550
Capital assets being depreciated, net	50,538,520	52,214,811
Total noncurrent assets	<u>63,872,765</u>	<u>59,333,552</u>
<b>Total assets</b>	<u>90,404,235</u>	<u>89,861,107</u>
<b>Deferred outflows of resources</b>		
Deferred OPEB amounts	<u>39,764</u>	<u>244,511</u>
<b>Liabilities</b>		
Current liabilities:		
Accounts payable	1,225,849	2,569,432
Accrued liabilities	1,209,374	607,802
Accrued interest	5,510	18,810
Due to other governmental units	228,122	362,576
Current portion of self-insurance liabilities	743,713	592,335
Current portion of compensated absences	1,011,091	908,627
Current portion of bonds and other long-term liabilities	654,596	619,012
Total current liabilities	<u>5,078,255</u>	<u>5,678,594</u>
Noncurrent liabilities:		
Self-insurance liabilities, net of current portion	1,029,651	1,046,969
Bond and other long-term liabilities, net of current portion	2,497,726	3,152,322
Total noncurrent liabilities	<u>3,527,377</u>	<u>4,199,291</u>
<b>Total liabilities</b>	<u>8,605,632</u>	<u>9,877,885</u>

continued...

# MASS TRANSPORTATION AUTHORITY

## Statements of Net Position

	September 30,	
	2024	2023
<b>Deferred inflows of resources</b>		
Deferred OPEB amounts	\$ 1,193,359	\$ 1,217,125
<b>Net position</b>		
Net investment in capital assets	59,107,134	54,629,027
Restricted:		
Debt service	37,628	36,410
Capital projects	231,516	231,516
Other postemployment benefits	1,370,007	896,781
Unrestricted	19,898,723	23,216,874
<b>Total net position</b>	<u>\$ 80,645,008</u>	<u>\$ 79,010,608</u>
		concluded

The accompanying notes are an integral part of these financial statements.

# MASS TRANSPORTATION AUTHORITY

## Statements of Revenues, Expenses and Change in Fund Net Position

	Year Ended September 30,	
	2024	2023
<b>Operating revenues</b>		
Passenger fares	\$ 5,226,932	\$ 5,407,014
Other	545,581	340,194
<b>Total operating revenues</b>	<u>5,772,513</u>	<u>5,747,208</u>
<b>Operating expenses</b>		
Labor	26,657,354	24,390,113
Fringe benefits	9,310,298	8,300,930
Services	5,004,261	4,441,222
Materials and supplies	7,124,144	7,813,892
Utilities	1,362,711	1,380,005
Insurance	2,969,843	2,072,859
Taxes and fees	3,170	2,382
Leases and rentals	16,000	23,250
Miscellaneous	172,451	259,213
Depreciation	8,037,711	8,103,000
<b>Total operating expenses</b>	<u>60,657,943</u>	<u>56,786,866</u>
Operating loss	<u>(54,885,430)</u>	<u>(51,039,658)</u>
<b>Nonoperating revenues (expenses)</b>		
Property taxes	14,549,759	13,944,913
Intergovernmental:		
Federal	12,429,350	18,064,338
State	17,536,108	15,059,037
Local	50,000	35,581
Interest income	157,375	135,440
Interest expense	(163,605)	(154,549)
Gain on sale of capital assets	5,055	114,637
Other revenue	761,400	851,909
<b>Total nonoperating revenues (expenses)</b>	<u>45,325,442</u>	<u>48,051,306</u>
Loss before capital contributions	<u>(9,559,988)</u>	<u>(2,988,352)</u>
<b>Capital contributions</b>		
Federal	9,016,437	4,305,868
State	2,177,951	863,315
<b>Total capital contributions</b>	<u>11,194,388</u>	<u>5,169,183</u>
<b>Change in net position</b>	<u>1,634,400</u>	<u>2,180,831</u>
Net position, beginning of year	<u>79,010,608</u>	<u>76,829,777</u>
<b>Net position, end of year</b>	<u>\$ 80,645,008</u>	<u>\$ 79,010,608</u>

The accompanying notes are an integral part of these financial statements.

**This page intentionally left blank.**

# MASS TRANSPORTATION AUTHORITY

## Statements of Cash Flows

	Year Ended September 30,	
	2024	2023
<b>Cash flows from operating activities</b>		
Cash received from customers	\$ 6,107,400	\$ 5,724,307
Cash payments to employees	(35,508,329)	(33,111,516)
Cash payments to suppliers	(17,784,326)	(16,600,483)
<b>Net change in cash from operating activities</b>	<b>(47,185,255)</b>	<b>(43,987,692)</b>
<b>Cash flows from noncapital financing activities</b>		
Property taxes collected	14,549,759	13,612,826
Federal operating grants collected	12,709,665	17,718,175
State operating grants collected	18,033,856	9,233,326
Local operating grants collected	50,000	208,853
Other revenues collected	761,400	882,068
<b>Net change in cash from noncapital financing activities</b>	<b>46,104,680</b>	<b>41,655,248</b>
<b>Cash flows from capital and related financing activities</b>		
Capital grants received	12,755,929	4,411,706
Acquisition/construction of capital assets	(11,900,380)	(5,174,455)
Proceeds from sale of capital assets	8,629	114,637
Principal paid on bond and other long-term liabilities	(619,012)	(493,666)
Interest paid on bond and other long-term liabilities	(176,905)	(144,811)
<b>Net change in cash from capital and related financing activities</b>	<b>68,261</b>	<b>(1,286,589)</b>
<b>Cash flows from investing activities</b>		
Interest income received	157,375	135,440
<b>Net change in cash and cash equivalents</b>	<b>(854,939)</b>	<b>(3,483,593)</b>
Cash and cash equivalents, beginning of year	16,806,221	20,289,814
<b>Cash and cash equivalents, end of year</b>	<b>\$ 15,951,282</b>	<b>\$ 16,806,221</b>
<b>Reconciliation to statement of net position</b>		
Cash and cash equivalents	\$ 15,913,654	\$ 16,769,811
Restricted cash	37,628	36,410
	<b>\$ 15,951,282</b>	<b>\$ 16,806,221</b>

continued...

# MASS TRANSPORTATION AUTHORITY

## Statements of Cash Flows

	Year Ended September 30,	
	2024	2023
<b>Reconciliation of operating loss to net change in cash from operating activities:</b>		
Operating loss	\$ (54,885,430)	\$ (51,039,658)
Adjustments to reconcile operating loss to net change in cash from operating activities:		
Depreciation	8,037,711	8,103,000
Changes in operating assets and liabilities that provided (used) cash:		
Accounts receivable	125,430	(22,900)
Due from other governmental units	209,457	-
Inventories	344,495	(410,546)
Prepays	(13,512)	8,032
Accounts payable	(1,549,257)	(338,493)
Accrued wages	601,572	593,567
Self-insurance	134,060	-
Compensated absences	102,464	-
Net OPEB asset	(473,226)	(1,085,598)
OPEB deferred outflows	204,747	-
OPEB deferred inflows	(23,766)	204,904
<b>Net change in cash from operating activities</b>	<u><u>\$ (47,185,255)</u></u>	<u><u>\$ (43,987,692)</u></u>
Noncash transactions:		
Capital assets financed with accounts payable	\$ 205,674	\$ -
Capital assets financed through installment purchase agreement	-	3,850,000
<b>Total noncash transactions</b>	<u><u>\$ 205,674</u></u>	<u><u>\$ 3,850,000</u></u>

concluded

The accompanying notes are an integral part of these financial statements.

## MASS TRANSPORTATION AUTHORITY

### Statements of Fiduciary Net Position

Fiduciary Fund - Postemployment Health Benefits Trust Fund

	September 30,	
	2024	2023
<b>Assets</b>		
Cash and cash equivalents	\$ 70,834	\$ 64,019
Investments:		
Equities - mutual funds	1,567,592	1,155,591
Fixed income	<u>1,458,278</u>	<u>1,284,618</u>
<b>Total assets (equal to net position restricted for postemployment health benefits)</b>	<u><u>3,096,704</u></u>	<u><u>2,504,228</u></u>

The accompanying notes are an integral part of these basic financial statements.

# MASS TRANSPORTATION AUTHORITY

## Statements of Changes in Fiduciary Net Position

Fiduciary Fund - Postemployment Health Benefits Trust Fund

	Year Ended September 30,	
	2024	2023
<b>Additions</b>		
Contributions:		
Employer	\$ 94,553	\$ 289,077
Investment income, net:		
Net appreciation in fair value of investments	462,930	114,552
Interest and dividends	84,079	88,649
Less: investment expense	(23,009)	(20,336)
Net investment income	524,000	182,865
<b>Total additions</b>	618,553	471,942
<b>Deductions</b>		
Benefit payments	26,077	28,589
<b>Change in net position</b>	592,476	443,353
Net position, beginning of year	2,504,228	2,060,875
<b>Net position, end of year</b>	<u>\$ 3,096,704</u>	<u>\$ 2,504,228</u>

The accompanying notes are an integral part of these basic financial statements.



## **NOTES TO FINANCIAL STATEMENTS**

# MASS TRANSPORTATION AUTHORITY

## Notes to Financial Statements

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Mass Transportation Authority (the "Authority") have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the Authority's accounting policies are described below.

#### **Reporting Entity**

The Mass Transportation Authority (the "Authority" or "MTA") was incorporated on September 27, 1971 under the provisions of the Mass Transportation System Authorities Act, Act 55 of the Public Acts of Michigan of 1963. The Authority provides transportation to the general public in the City of Flint and Genesee County area. The Authority is managed by a governing committee consisting of the city administrator of the City of Flint, Michigan or his or her designee and 10 United States citizens, including the following: (1) the chairperson of Genesee County Board of Commissioners or another county commissioner designated by the chairperson, (2) a representative of Genesee County Chapter of the Michigan Township Association, (3) a representative of Genesee County Chapter of Small Cities and Villages Association, (4) a representative of the education community designated by Flint Schools superintendent, (5) the president of the Flint City Council or his or her designee, (6) the county commissioner selected by the Genesee County Board of Commissioners, (7) two Flint residents appointed by the mayor with concurrence of the Flint City Council, (8) one Flint resident appointed by the Flint City Council, and (9) one Genesee County resident appointed by the Genesee County Board of Commissioners. The respective representatives of the Michigan Township Association and the Small Cities and Villages Association shall be selected, from among at least three persons nominated by the associations, by the Board of County Commissioners.

The Retiree OPEB Trust is governed by the Authority's board. Although it is legally separate from the Authority, it is reported as a fiduciary component unit because the Authority appoints a voting majority board and the plan imposes a financial burden on the Authority.

The Authority is eligible to receive federal and state financial assistance in the form of operating and capital grant funding to support its operations, expanded marketing, and specialized services, and replace buses and other equipment. The Authority provides demand-response public transportation services for the Genesee County area.

#### ***Measurement Focus, Basis of Accounting, and Financial Statement Presentation***

Separate financial statements are provided for the proprietary fund (enterprise fund) and fiduciary fund. The Authority reports a single enterprise fund that accounts for the Authority's business-type activities – i.e., activities that are financed in whole or in part by fees charged to external parties and are operated in a manner similar to private business where the determination of revenues earned, costs incurred and/or net income is necessary for management accountability. The postemployment health benefits fiduciary component unit (Trust Fund) accounts for the accumulation of resources to be used for retiree healthcare benefit payments. These amounts are not used to operate the Authority's programs.

The financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place.

# MASS TRANSPORTATION AUTHORITY

## Notes to Financial Statements

Proprietary funds distinguish *operating revenues* and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Authority relate to charges for services for passenger fares as well as funds provided by federal and state grants. Operating expenses for the Authority include the personnel cost, maintenance, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Property taxes, intergovernmental revenue, charges for services and interest associated with the current fiscal period are all considered to be susceptible to accrual and as such have been recognized as revenues of the current fiscal period.

Restricted net position consists of assets that are subject to restrictions beyond the Authority's control. The restrictions may be externally imposed or imposed by law. When both restricted and unrestricted resources are available for use, it is the Authority's policy to use restricted resources first, then unrestricted resources as they are needed.

### **Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Equity**

#### ***Cash and Cash Equivalents***

Cash and cash equivalents include cash on hand, demand deposit accounts and certificates of deposit. State statutes authorize the Authority to deposit in the accounts of federally insured banks, credit unions and savings and loan associations and to invest in obligations of the United States, certain commercial papers, repurchase agreements and banker acceptances.

#### ***Investments***

Michigan law authorizes the Authority to deposit and invest in:

- a. Bonds, securities, other obligations and repurchase agreements of the United States, or an agency or instrumentality of the United States.
- b. Certificates of deposit, savings accounts, deposit accounts or depository receipts of a qualified institution.
- c. Commercial paper rated at the time of purchase within the two highest classifications established by not less than two standard rating services and that matures not more than 270 days after the date of purchase.
- d. Banker's acceptances of United States banks.
- e. Obligations of the State of Michigan and its political subdivisions that, at the time of purchase are rated as investment grade by at least one standard rating service.
- f. Mutual funds registered under the investments company act of 1940 with the Authority to purchase only investment vehicles that are legal for direct investment by a public corporation.
- g. External investment pools as authorized by Public Act 20 as amended through December 31, 1997.

# MASS TRANSPORTATION AUTHORITY

## Notes to Financial Statements

### *Accounts Receivable*

Receivables consist of all revenues earned at year-end but not yet received.

### *Inventories and Prepaids*

Inventories are reported at cost using the first-in/first-out method and are recorded as expenses when consumed (consumption method).

The Authority made certain payments to vendors prior to year-end for services that will be performed in the next fiscal year. In these situations, the Authority records an asset to reflect the investment in future services.

### *Restricted Assets*

The revenue bonds require amounts to be set aside for debt service principal and interest. These amounts have been classified as restricted cash.

### *Capital Assets*

Capital assets are defined by the Authority as assets whose initial cost exceeds \$5,000 and an estimated useful life in excess of one year. Capital assets are stated at historical cost or estimated historical cost where actual cost information is not available. Donated capital assets are recorded at their estimated acquisition cost as of the donation date.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable.

Depreciation on the capital assets of the Authority is computed using the straight-line method over the following estimated useful lives:

	Years
Buildings	20-30
Revenue equipment	4-12
Service cars	3-6
Furniture and fixtures	4-10
Maintenance and garage equipment	5-10

# MASS TRANSPORTATION AUTHORITY

## Notes to Financial Statements

### *Grant Activities and Due from Other Governmental Units*

The federal government, through the Federal Transit Administration (FTA) and the Michigan Department of Transportation (MDOT), provides financial assistance and grants directly to the Authority for operations and acquisition of property and equipment. Operating grants are recorded as grant receivables and revenue when the qualified expenditures are recorded. Federal and state capital acquisition grants fund the purchase of capital items, including buses and related transportation equipment used by the Authority. Capital grants for the acquisition of capital assets are recorded as grants receivable in the statements of net position and capital contributions in the statements of revenue, expenses, and changes in net position when the related qualified expenditures are incurred.

When assets acquired with capital grant funds are disposed of, the Authority is required to notify the granting federal agency. A proportional amount of the sale proceeds or fair market value, if any, of such property may be used to acquire like-kind replacement assets or can be remitted to the granting federal agency at its discretion.

### *State of Michigan Operating Assistance Funds*

Under Act 51 of the Public Acts of 1951 (Act 51), as amended, the State of Michigan makes distributions of funds that have been appropriated for mass transit operating assistance. The Authority has recorded operating grant revenue under Act 51 based on a formula that takes into account the eligible costs incurred by the Authority and preliminary information made available by the Michigan Department of Transportation as to the eligible expenses reimbursement percentage for the fiscal year ended September 30, 2024.

The latest final determination of State of Michigan operating assistance allocable to the Authority in accordance with the Act 51 funding formula was for the fiscal year ended September 30, 2020. The resulting increase in revenue has been finalized with the State and has been received by the Authority. Furthermore, the Authority awaits the final determination for the years ended September 30, 2021, 2022, 2023, and 2024. The Authority has recorded a liability or receivable based on MDOT's preliminary eligible expenses reimbursement percentage for 2024 based on management's anticipation of the results of the State's final determination of the Act 51 funding formula for 2024.

### *Deferred Outflows of Resources*

In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Authority reports deferred outflows related to its OPEB plan.

### *Compensated Absences*

Vacation and sick pay are recorded as an expense at the time the benefit is earned by the employee, taking into consideration maximum contractual amounts. Vacation leave time is accrued at varying amounts depending on the number of years of service of an employee. Vacation leave is credited to hourly employees annually on the anniversary of their seniority date; for management employees, vacation credit is accrued monthly. Earned vacation credit is payable at 100 percent to employees upon termination up to a maximum of 320 hours. Vacation used during the year is recorded as current salaries and wages expenses, and vacation earned during the year is recorded as an accrued liability. At year end, each employee's accumulated leave is computed by applying their current (year-end) rate of pay times total accumulated hours. Accumulated compensated absences represent a liability to the Authority, which is presented as a current liability.

# MASS TRANSPORTATION AUTHORITY

## Notes to Financial Statements

### ***Long-term Obligations***

Long-term debt and other long-term obligations are reported as liabilities in the applicable statements of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed when incurred.

### ***Deferred Inflows of Resources***

In addition to liabilities, the statements of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Authority reports deferred inflows related to its OPEB plan.

### ***Property Taxes***

Property taxes are levied in each political jurisdiction within Genesee County. Property taxes attach as an enforceable lien on property as of December 31. Taxes are levied in the following December and are payable without penalty through February 28. The political jurisdictions within Genesee County bill and collect their own property taxes and remit payments to the Mass Transportation Authority. Real property taxes delinquent at March 1 are remitted to the county. Property tax revenue is recognized in the fiscal year levied. The one exception is the City of Flint, Michigan, which levies the millage itself and then remits it to the Authority. That millage is levied in July and is payable without penalty through September of that same year.

Real and personal property in Genesee County for the current levy was assessed and equalized at approximately \$11.9 billion. For the year ended September 30, 2024, the Authority levied 1.2095 mills.

### ***Other Postemployment Benefits Plan***

The financial statements of the Postemployment Health Benefits Trust Fund (the "Plan") are prepared using the accrual basis of accounting. The Authority's contributions are recognized when due and a formal commitment to provide the contributions has been made. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan. Dividend income is recognized based on the ex-dividend date, and interest income is recognized on the accrual basis as earned. All realized gains and losses on investments are recognized at the point of sale and are included in investment income. Purchases and sales of investments are recorded as of the trade date, which is the date when the transaction is initiated. Administration costs are financed initially through forfeited contributions by terminated employees not vested in the Plan's and through the Plan's investment earnings. Investments are reported at fair value.

### ***Self-insurance Liabilities/Expense***

The Authority has a self-insurance program for general liability, property damage claims, and the workers' compensation claims. Claims are accrued in the year the expenses are incurred based upon the estimates of the claim liabilities made by management, legal counsel of the Authority, and actuaries. Also provided for are estimates of claims incurred during the year but not yet reported. Claims expense is accrued in the period the incidents of loss occur based upon estimates of liability made by management with the assistance of third-party administration, legal counsel, and actuaries. The claims liability is the best estimate based on known information.

# MASS TRANSPORTATION AUTHORITY

## Notes to Financial Statements

### *Use of Estimates*

The preparation 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 amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

### *Reclassification*

Certain amounts as reported in the 2023 financial statements have been reclassified to conform with the 2024 presentation.

## 2. CASH AND INVESTMENTS

The cash and investments are included in the statements of net position and the statements of fiduciary net position under the following classifications as of September 30:

	2024	2023
<b>Statements of Net Position</b>		
Cash and cash equivalents	\$ 15,913,654	16,769,811
Restricted cash	37,628	36,410
<b>Statements of Fiduciary Net Position</b>		
Cash and cash equivalents	70,834	64,019
Investments	3,025,870	2,440,209
<b>Total</b>	<u>\$ 19,047,986</u>	<u>\$ 19,310,449</u>
<b>Deposits and investments</b>		
Deposits:		
Checking and savings accounts	\$ 16,015,851	\$ 16,867,790
Investments:		
Mutual funds:		
Equities	1,567,592	1,155,591
Fixed income	1,458,278	1,284,618
Petty cash	6,265	2,450
<b>Total</b>	<u>\$ 19,047,986</u>	<u>\$ 19,310,449</u>

The Retiree OPEB Trust is authorized by Michigan Public Act 314 of 1965, as amended, to invest in certain reverse repurchase agreements, stocks, diversified investment companies, annuity investment contracts, real estate leased to public entities, mortgages, real estate (if the trust fund's assets exceed \$250 million), debt or equity of certain small businesses, certain state and local government obligations, and certain other specified investment vehicles.

# MASS TRANSPORTATION AUTHORITY

## Notes to Financial Statements

The Authority has designated one bank for the deposit of its funds. The investment policy adopted by the Board in accordance with Public Act 196 of 1997 has authorized investment in bonds, securities, and other obligations of the United States or an agency or instrumentality of the United States, certificates of deposit, savings accounts, deposit accounts or depository receipts of a financial institution, commercial paper, repurchase agreements, bankers' acceptances of United States banks, mutual funds, investment pools organized under the surplus funds investment pool act (1982 PA 367), and investment pools organized under the local government investment pool act (1985 PA 121). The Authority's deposits and investments are in accordance with statutory authority.

*Custodial Credit Risk - Deposits.* Custodial credit risk is the risk that, in the event of a bank failure, the Authority's deposits might not be returned. State law does not require and the Authority's investment policy does not have specific limits in excess of state law pertaining to custodial credit risk. As of September 30, 2024 and 2023, \$16,442,676 and \$17,062,263, respectively, of the Authority's bank balance was exposed to custodial credit risk because it was uninsured and uncollateralized.

*Interest Rate Risk.* State law limits the allowable investments and the maturities of some of the allowable investments as identified in the list of authorized investments in Note 1. The Authority's investment policy does not have specific limits in excess of state law on investment maturities as a means of managing its exposure to losses arising from increasing interest rates.

*Credit Risk.* State law limits investments to specific government securities, certificates of deposit and bank accounts with qualified financial institutions, commercial paper with specific maximum maturities and ratings when purchased, bankers acceptances of specific financial institutions, qualified mutual funds and qualified external investment pools as identified in the list of authorized investments above. The Authority's investment policy does not have specific limits in excess of state law on investment credit risk. The investments held at year-end were not rated for 2024 and 2023.

*Fair Value Measurement.* The Authority categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

As of September 30, 2024, mutual funds of \$3,025,870 are valued using quoted market prices (Level 1 inputs), including both equities and fixed income.

As of September 30, 2024, mutual funds of \$2,440,209 are valued using quoted market prices (Level 1 inputs), including both equities and fixed income.



# MASS TRANSPORTATION AUTHORITY

## Notes to Financial Statements

### 3. CAPITAL ASSETS

Capital asset activity for the Authority for the year ended September 30, 2024, was as follows:

	Beginning Balance	Additions	Disposals	Transfers	Ending Balance
Capital assets, not being depreciated:					
Land	\$ 3,781,718	\$ -	\$ -	\$ -	\$ 3,781,718
Construction in progress	2,403,832	5,001,462	-	739,598	8,144,892
	<u>6,185,550</u>	<u>5,001,462</u>	<u>-</u>	<u>739,598</u>	<u>11,926,610</u>
Capital assets, being depreciated:					
Buildings	78,099,426	9,897	-	(938,502)	77,170,821
Revenue equipment	65,618,408	6,861,749	(582,332)	10,000	71,907,825
Service cards	905,387	125,061	(24,995)	-	1,005,453
Furniture and fixtures	5,669,082	85,272	-	-	5,754,354
Maintenance and garage equipment	1,354,807	22,613	-	188,904	1,566,324
	<u>151,647,110</u>	<u>7,104,592</u>	<u>(607,327)</u>	<u>(739,598)</u>	<u>157,404,777</u>
Less accumulated depreciation for:					
Buildings	(51,859,875)	(1,883,252)	-	-	(53,743,127)
Revenue equipment	(41,479,694)	(5,674,823)	582,332	-	(46,572,185)
Service cards	(794,017)	(40,831)	21,421	-	(813,427)
Furniture and fixtures	(4,607,910)	(318,025)	-	-	(4,925,935)
Maintenance and garage equipment	(690,803)	(120,780)	-	-	(811,583)
	<u>(99,432,299)</u>	<u>(8,037,711)</u>	<u>603,753</u>	<u>-</u>	<u>(106,866,257)</u>
Total capital assets being depreciated, net	<u>52,214,811</u>	<u>(933,119)</u>	<u>(3,574)</u>	<u>(739,598)</u>	<u>50,538,520</u>
<b>Capital assets, net</b>	<u>\$ 58,400,361</u>	<u>\$ 4,068,343</u>	<u>\$ (3,574)</u>	<u>\$ -</u>	<u>\$ 62,465,130</u>

## MASS TRANSPORTATION AUTHORITY

### Notes to Financial Statements

Capital asset activity for the Authority for the year ended September 30, 2023, was as follows:

	Beginning Balance	Additions	Disposals	Transfers	Ending Balance
Capital assets, not being depreciated:					
Land	\$ 3,781,718	\$ -	\$ -	\$ -	\$ 3,781,718
Construction in progress	224,565	2,248,532	-	(69,265)	2,403,832
	<u>4,006,283</u>	<u>2,248,532</u>	<u>-</u>	<u>(69,265)</u>	<u>6,185,550</u>
Capital assets, being depreciated:					
Buildings	73,245,074	4,854,352	-	-	78,099,426
Revenue equipment	65,818,311	1,441,116	(1,641,019)	-	65,618,408
Service cards	923,482	52,809	(70,904)	-	905,387
Furniture and fixtures	5,200,717	399,100	-	69,265	5,669,082
Maintenance and garage equipment	1,333,061	28,546	(6,800)	-	1,354,807
	<u>146,520,645</u>	<u>6,775,923</u>	<u>(1,718,723)</u>	<u>69,265</u>	<u>151,647,110</u>
Less accumulated depreciation for:					
Buildings	(50,025,585)	(1,834,290)	-	-	(51,859,875)
Revenue equipment	(37,377,690)	(5,760,407)	1,658,403	-	(41,479,694)
Service cards	(796,408)	(57,929)	60,320	-	(794,017)
Furniture and fixtures	(4,253,336)	(354,574)	-	-	(4,607,910)
Maintenance and garage equipment	(595,003)	(95,800)	-	-	(690,803)
	<u>(93,048,022)</u>	<u>(8,103,000)</u>	<u>1,718,723</u>	<u>-</u>	<u>(99,432,299)</u>
Total capital assets being depreciated, net	<u>53,472,623</u>	<u>(1,327,077)</u>	<u>-</u>	<u>69,265</u>	<u>52,214,811</u>
<b>Capital assets, net</b>	<u>\$ 57,478,906</u>	<u>\$ 921,455</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 58,400,361</u>

### Commitments

At year end, the Authority's commitments on active projects with contractors are as follows:

	Spent to Date	Remaining Commitment
Genfare	\$ 2,259,376	\$ 318,930
Canopy project	7,189,478	205,894
<b>Total</b>	<u>\$ 9,448,854</u>	<u>\$ 524,824</u>

# MASS TRANSPORTATION AUTHORITY

## Notes to Financial Statements

### 4. BOND AND OTHER LONG-TERM LIABILITIES

Bond and other long-term liabilities activity for the year ended September 30, 2024, was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Direct Placement:					
Installment purchase agreement - CNG fueling station, due in monthly installments of \$181,010 to \$623,878 through December 1, 2029; interest at 5.00%	\$ 3,491,334	\$ -	\$ (484,012)	\$ 3,007,322	\$ 509,596
2018 revenue bonds, due in annual installments of \$135,000 to \$145,000 through June 1, 2025; interest at 3.80%	280,000	-	(135,000)	145,000	145,000
Subtotal	3,771,334	-	(619,012)	3,152,322	654,596
Compensated absences	908,627	881,638	(779,174)	1,011,091	1,011,091
	<u>\$ 4,679,961</u>	<u>\$ 881,638</u>	<u>\$ (1,398,186)</u>	<u>\$ 4,163,413</u>	<u>\$ 1,665,687</u>

Bond and other long-term liabilities activity for the year ended September 30, 2023, was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Direct Placement:					
Installment purchase agreement - CNG fueling station, due in monthly installments of \$181,010 to \$623,878 through December 1, 2029; interest at 5.00%	\$ -	\$ 3,850,000	\$ (358,666)	\$ 3,491,334	\$ 484,012
2018 revenue bonds, due in annual installments of \$135,000 to \$145,000 through June 1, 2025; interest at 3.80%	415,000	-	(135,000)	280,000	135,000
Subtotal	415,000	3,850,000	(493,666)	3,771,334	619,012
Compensated absences	832,934	1,436,327	(1,360,634)	908,627	908,627
	<u>\$ 1,247,934</u>	<u>\$ 5,286,327</u>	<u>\$ (1,854,300)</u>	<u>\$ 4,679,961</u>	<u>\$ 1,527,639</u>

## MASS TRANSPORTATION AUTHORITY

### Notes to Financial Statements

Annual debt service requirements to maturity for the bonds and other long-term liabilities is as follows:

Year Ended September 30,	Installment Purchase Agreement		Bonds	
	Principal	Interest	Principal	Interest
2025	\$ 509,596	\$ 140,681	\$ 145,000	\$ 5,510
2026	536,039	114,239	-	-
2027	563,853	86,424	-	-
2028	592,946	57,331	-	-
2029	623,878	26,399	-	-
2030	181,010	1,612	-	-
<b>Total</b>	<b>\$ 3,007,322</b>	<b>\$ 426,686</b>	<b>\$ 145,000</b>	<b>\$ 5,510</b>

The 2018 revenue bonds above require a restriction at year end of principal and interest based on a percentage of amounts due. As of September 30, 2024, the \$145,000 principal due within one year includes \$108,750 current portion of bonds payable and \$36,250 principal payable from restricted assets. As of September 30, 2023, the \$135,000 principal due within one year includes \$101,250 current portion of bonds payable and \$33,750 principal payable from restricted assets.

The outstanding revenue bonds contain a provision that, in an event of default and upon the filing of a suit by the owners of 20 percent or more of the principal amount of the bonds outstanding, any court having jurisdiction of the action may appoint a receiver to administer the system on behalf of the Authority with power to charge and collect rates sufficient to provide for the payment of the bonds, for the payment of operation expenses, and to apply income and revenue in accordance with the bond resolution and the laws of the State of Michigan.

#### ***Pledged Revenue***

Revenue bonds involve a pledge of specific income derived from the acquired or constructed assets and to pay debt service. The Authority has pledged substantially all of the proprietary fund, net of operating expenses, to repay the revenue bonds listed above. Proceeds from the bonds provided financing for the purchase of the land, buildings, and related facilities to be used in part to house various functions of the Authority, as well as all work and equipment necessary or incidental to these facilities. The bonds are payable from the net revenue of the Authority's transportation system. As additional security, the Authority has also pledged to the payment of the bonds any grants received by the Authority available for such purposes and any other funds of the Authority that are available and legally authorized to be used for such purposes. The remaining principal and interest to be paid on the bonds were \$150,510 and \$296,150 as of September 30, 2024 and 2023, respectively. Net revenue of the system was \$9,600,334 and \$10,438,380, compared to annual debt requirements of \$150,510 and \$145,640 as of September 30, 2024 and 2023, respectively.

# MASS TRANSPORTATION AUTHORITY

## Notes to Financial Statements

### 5. CONTINGENT LIABILITIES

Under the terms of various federal and state grants, periodic compliance audits are required, and certain costs may be questioned, allowed, or disallowed, which could result in funds being returned and/or received from grantor agencies. There is legal action pending against the Authority. Due to the inconclusive nature of the action, it is not possible for counsel to determine the probable outcome or a reasonable estimate of the potential liability, if any. This potential liability, if any, is considered by authority management and legal counsel to be immaterial or the potential liability would be covered by insurance.

### 6. COST ALLOCATION PLANS

The Authority allocates expenses between various program activities for grant reporting purposes. The allocations are prepared based on a cost allocation plan and methodology that has been approved by the grantor agency (i.e., service hours, service miles, or peak vehicle).

The Authority maintains four cost allocation plans for which the methodology has been approved by the Michigan Office of Passenger Transportation (OPT). Those cost allocations are for the specialized service cost, urban/nonurban and JARC program cost, and JARC revenue. These cost allocation plans were adhered to in the preparation of the financial statements.

### 7. RISK MANAGEMENT

The Authority is exposed to various risks of loss related to property loss, torts, errors and omissions, and employee injuries (workers' compensation), as well as medical benefits provided to employees. The Authority has purchased commercial insurance for property, boiler and machinery, crime, inland marine, public officials' liability, employee dishonesty, underground storage tank liability, excess workers' compensation, employee life, accidental death and dismemberment, short-term disability, medical, and dental coverages. The transfer of these risks to outside commercial insurers is regularly reviewed to be certain it makes economic sense. Settled claims relating to the commercial insurance have not exceeded the amount of insurance coverage in any of the past three fiscal years.

The Authority is self-insured for automobile liability, general liability, and workers' compensation. The Authority purchases excess of loss reinsurances to protect the Authority in the event of catastrophic losses on either a single occurrence or an annual aggregate basis. The Authority has contracted with third-party administrators to oversee, adjust, and ultimately settle claims.

The claim liabilities are based on the requirements of GAAP which requires that a liability for claims be reported if it is probable that a liability has been incurred at the date of the financial statements and the amount of loss can be reasonably estimated. The claim liability is estimated by the independent administrator.

The changes in the claim liability for the years ended September 30 are as follows:

	2024	2023	2022
Estimated liability, beginning of year	\$ 1,639,304	\$ 2,248,976	\$ 2,332,925
Estimated claims incurred	1,000,135	1,271,314	196,726
Claim payments	(866,075)	(1,880,986)	(280,675)
<b>Estimated liability, end of year</b>	<b>\$ 1,773,364</b>	<b>\$ 1,639,304</b>	<b>\$ 2,248,976</b>

# MASS TRANSPORTATION AUTHORITY

## Notes to Financial Statements

### 8. EMPLOYEE RETIREMENT PLANS

#### Management Employees' Retirement Plan

*Plan Description.* The Management Employees' Retirement Plan is a single-employer money purchase 401(a) pension plan that covers all management employees. There are no service or age requirements, and employees are 100 percent vested after five years of service (0 percent vested prior to five years of service). Employees are 100 percent vested in the employee rollover from the terminated defined benefit plan. The plan is fully funded, as it is MTA's policy to fund pension costs as they accrue. No liability existed for the plan for the years ended September 30, 2024 and 2023.

Employer contributions are to be determined by the employer and may be changed from time to time. The employer is to advise plan participants in writing of the percentage and of any change in the percentage. Employee contributions are mandatory to receive the employer contribution. Employees are required to contribute 4% to participate in the employer match of 8%.

The plan has the right to recover overpayments made by the plan to satisfy any claim arising from embezzlement or fraud committed by a participating employee, former participant, beneficiary, or other person who has a claim to an accumulated balance or any other benefit from the plan

During the years ended September 30, 2024 and 2023, employer contributions were \$444,033 and \$413,631, respectively. During the years ended September 30, 2024 and 2023, employee contributions were \$221,917 and \$206,769, respectively.

#### Hourly Employees' Retirement Plan

*Plan Description.* The Hourly Employees' Retirement Plan is a single-employer defined contribution plan that covers all full-time hourly employees. There are no service or age requirements, and employees are 100 percent vested after five years of service (0 percent vested prior to five years of service).

The plan is fully funded, as it is MTA's policy to fund pension costs as they accrue. Employees are required to contribute 4% to participate in the employer match of 4%. No liability existed for the plan for the years ended September 30, 2024 and 2023.

During the years ended September 30, 2024 and 2023, employer contributions were \$367,370 and \$342,272, respectively. During the years ended September 30, 2024 and 2023, employee contributions were \$367,297 and \$342,094, respectively.

A stand-alone pension plan report has not been issued for the Plans.

### 9. DEFERRED COMPENSATION

The Authority offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to key officials and employees, permits them to defer a portion of their salary until future years. Participation in the plan is optional. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. During a previous year, the law was changed to allow trusts to be created for the plan assets, thereby insulating the assets from the unit of government's general creditors. The Authority's plan administrator created the trust and placed the assets of the plan within the trust. As a result, the plan assets have been removed from the enterprise fund to reflect that the Authority no longer has any fiduciary or administrative responsibility for the plan.

# MASS TRANSPORTATION AUTHORITY

## Notes to Financial Statements

### 10. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS

*Plan description.* The Authority provides retiree health care benefits for all employees who retired after January 1, 1993 and meet eligibility requirements. The benefits are provided through the plan, a single-employer defined benefit OPEB plan administered by the Authority.

*Benefits provided.* The Authority reimburses all retirees with at least 10 years of service up to \$1,200 per year (\$100 per month) and retirees with at least 20 years of service up to \$1,800 per year (\$150 per month) for basic Medicare supplement coverage purchased for themselves.

Plan membership consisted of the following as of the most recent valuation date September 30:

	2022
Retirees and beneficiaries	24
Inactive, nonretired members	8
Active plan members	<u>605</u>
Total plan members	<u><u>637</u></u>

*Funding policy.* The contribution requirements of the plan members and the Authority are established and may be amended by the authority board. Actively employed plan members have no obligation to contribute to the plan. Retiree health care costs are paid by the Authority on a pay-as-you-go basis. The Authority has no obligation to make contributions in advance of when the insurance premiums are due for payment. At its discretion, the Authority will contribute to the trust as able.

*Investment policy.* The OPEB plan's policy in regard to the allocation of invested assets is established and may be amended by the OPEB board by a majority vote of its members. It is the policy of the OPEB board to pursue an investment strategy that manages risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The OPEB plan's investment policy discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short time spans.

# MASS TRANSPORTATION AUTHORITY

## Notes to Financial Statements

Asset Class	Target Allocation	
	2024	2023
Equity	35-65%	35-65%
Fixed income	35-65	35-65
Cash	0-15	0-15

*Rate of return.* For the year ended September 30, 2024, the annual money-weighted rate of return on investments, net of investment expense, was 10.59 percent. For the year ended September 30, 2023, the annual money-weighted rate of return on investments, net of investment expense, was 8.69 percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

*Concentrations.* At September 30, 2024, the plan held approximately 8.7 percent of its investment portfolio in the Federated Total Return Bond Fund, approximately 8.7 percent of its investment portfolio in the Metropolitan West Total Return Fund, 23.4 percent of its investment portfolio in the Vanguard Total Bond Market Index Fund - Admiral Shares, 20.7 percent of its investment portfolio in the DFA US Core Equity 1 Portfolio, 5.1 percent of its investment portfolio in the Pioneer Fundamental Growth Fund, 6.3 percent in Vanguard Developed Markets Index Fund - Admiral Shares, and 9.2 percent of its investment portfolio in the Vanguard Total Stock Market Index Fund.

*Actuarial assumptions.* The total OPEB liability was determined by an actuarial valuation as of September 30, 2022, rolled forward to September 30, 2024, using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial cost method	Entry-age normal
Amortization method	Level percent, closed
Remaining amortization period	17 years
Asset valuation method	Market value of assets
Price inflation	4.0%
Salary increases	3.5%
Investment rate of return	4.0%, net of OPEB plan investment expense, including inflation
Retirement age	Experience-based table of rates that are specific to the type of
Mortality	PubG-2010 Mortality Tables for males and females with two-dimensional, fully generational improvements using the MP-2021 Mortality Improvement Scales.
Health care trend rates	Regarding the sensitivity of the net OPEB asset to changes in the health care cost trend rates, since the stipend is a fixed payment, there is no trend applied. Therefore, a health care cost trend sensitivity is not applicable and was not performed by the actuary.
Aging factors	N/A (Stipend is not age based.)



## MASS TRANSPORTATION AUTHORITY

### Notes to Financial Statements

*Long-term expected rate of return.* The long-term expected rate of return on OPEB plan investments was determined using a model method in which the best-estimate ranges of expected future real rates of return (expected returns, net of investment and administrative expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Long-term Expected Real Rate of Return
U.S. equity	6.90%
Fixed income	1.35%

*Discount rate.* The discount rate used to measure the total OPEB liability was 4.00 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that authority contributions will be made at rates equal to the difference between actuarially determined contribution rates and the employee rate. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

#### *Changes in Net OPEB Liability (Asset)*

The components of the change in net OPEB liability (asset) are summarized as follows:

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (Asset) (a) - (b)
<b>Balance at September 30, 2023</b>	<u>\$ 1,607,447</u>	<u>\$ 2,504,228</u>	<u>\$ (896,781)</u>
Changes for the year:			
Service cost	105,031	-	105,031
Interest	65,878	-	65,878
Difference between expected and actual experience	(25,582)	-	(25,582)
Employer contributions	-	94,553	(94,553)
Net investment income (loss)	-	524,000	(524,000)
Benefit payments	(26,077)	(26,077)	-
Net changes	<u>119,250</u>	<u>592,476</u>	<u>(473,226)</u>
<b>Balance at September 30, 2024</b>	<u><u>\$ 1,726,697</u></u>	<u><u>\$ 3,096,704</u></u>	<u><u>\$ (1,370,007)</u></u>

# MASS TRANSPORTATION AUTHORITY

## Notes to Financial Statements

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (Asset) (a) - (b)
<b>Balance at September 30, 2022</b>	<u>\$ 2,249,692</u>	<u>\$ 2,060,875</u>	<u>\$ 188,817</u>
Changes for the year:			
Service cost	149,379	-	149,379
Interest	92,404	-	92,404
Difference between expected and actual experience	(13,488)	-	(13,488)
Change in assumptions	(841,951)	-	(841,951)
Employer contributions	-	289,077	(289,077)
Net investment income (loss)	-	182,865	(182,865)
Benefit payments	(28,589)	(28,589)	-
Net changes	<u>(642,245)</u>	<u>443,353</u>	<u>(1,085,598)</u>
<b>Balance at September 30, 2023</b>	<u><u>\$ 1,607,447</u></u>	<u><u>\$ 2,504,228</u></u>	<u><u>\$ (896,781)</u></u>

*Changes in assumptions.* The following assumptions were changed in 2023: mortality table assumptions changed from the PubG-2010 Morality Tables using the MP-2018 Mortality Improvement Scales to the MP-2021 Mortality Improvement Scales.

*Sensitivity of the net OPEB liability (asset) to changes in the discount rate.* The following presents the net OPEB liability (asset) of the Authority, calculated using the discount rate of 4.00% as well as what the Authority's net OPEB liability (asset) would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current rate:

	1% Decrease (3.00%)	Current Discount Rate (4.00%)	1% increase (5.00%)
September 30, 2024	\$ (1,115,181)	\$ (1,370,007)	\$ (1,539,635)

*Sensitivity of the net OPEB liability (asset) to changes in the discount rate.* The following presents the net OPEB liability (asset) of the Authority, calculated using the discount rate of 4.00% as well as what the Authority's net OPEB liability (asset) would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current rate:

	1% Decrease (3.00%)	Current Discount Rate (4.00%)	1% increase (5.00%)
September 30, 2023	\$ (673,461)	\$ (896,781)	\$ (1,075,213)

# MASS TRANSPORTATION AUTHORITY

## Notes to Financial Statements

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

The Authority recognized OPEB (benefit) expense of \$(197,692) as of September 30, 2024 and \$114,644 as of September 30, 2023. The Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources as of September 30:

	2024		
	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows (Inflows) of Resources
Difference between expected and actual experience	\$ 4,507	\$ 233,365	\$ (228,858)
Changes in assumptions	35,257	718,505	(683,248)
Net difference between projected and actual earnings on OPEB plan investments	-	241,489	(241,489)
<b>Total</b>	<b>\$ 39,764</b>	<b>\$ 1,193,359</b>	<b>\$ (1,153,595)</b>

  

	2023		
	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows (Inflows) of Resources
Difference between expected and actual experience	\$ 12,882	\$ 301,677	\$ (288,795)
Changes in assumptions	100,725	915,448	(814,723)
Net difference between projected and actual earnings on OPEB plan investments	130,904	-	130,904
<b>Total</b>	<b>\$ 244,511</b>	<b>\$ 1,217,125</b>	<b>\$ (972,614)</b>

Amounts reported as deferred outflows/inflows of resources related to the OPEB as of September 30, 2024 will be recognized in pension expense as follows:

Year Ended September 30,	Amount
2025	\$ (294,900)
2026	(293,784)
2027	(298,627)
2028	(227,151)
2029	(38,115)
Thereafter	(1,018)
<b>Total</b>	<b>\$ (1,153,595)</b>

*Payable to the OPEB Plan.* There was no payable to the OPEB plan for the years ended September 30, 2024 and 2023.

MASS TRANSPORTATION AUTHORITY

Notes to Financial Statements

11. NET POSITION

*Net Investment in Capital Assets*

The composition of the Authority's net investment in capital assets as of September 30, was as follows:

	2024	2023
Capital assets:		
Capital assets not being depreciated	\$ 11,926,610	\$ 6,185,550
Capital assets being depreciated, net	50,538,520	52,214,811
	<u>62,465,130</u>	<u>58,400,361</u>
Related debt:		
Total installment debt	3,152,322	3,771,334
Capital and retainage related payables	205,674	-
	<u>3,357,996</u>	<u>3,771,334</u>
Net investment in capital assets	<u>\$ 59,107,134</u>	<u>\$ 54,629,027</u>

■ ■ ■ ■ ■

**This page intentionally left blank.**

## **REQUIRED SUPPLEMENTARY INFORMATION**

# MASS TRANSPORTATION AUTHORITY

## Required Supplementary Information

Single-Employer Defined Benefit Other Postemployment Benefits Plan  
Schedule of Changes in the Net OPEB Liability (Asset) and Related Ratios

	Year Ended September 30,		
	2024	2023	2022
<b>Total OPEB liability</b>			
Service cost	\$ 105,031	\$ 149,379	\$ 144,328
Interest	65,878	92,404	85,429
Differences between expected and actual experience	(25,582)	(13,488)	(30,299)
Change in assumptions	-	(841,951)	-
Benefit payments	(26,077)	(28,589)	(26,646)
<b>Net change in total OPEB liability</b>	<u>119,250</u>	<u>(642,245)</u>	<u>172,812</u>
Total OPEB liability, beginning of year	<u>1,607,447</u>	<u>2,249,692</u>	<u>2,076,880</u>
<b>Total OPEB liability, end of year</b>	<u>1,726,697</u>	<u>1,607,447</u>	<u>2,249,692</u>
<b>Plan fiduciary net position</b>			
Employer contributions	94,553	289,077	281,707
Net investment income (loss)	524,000	182,865	(393,182)
Benefit payments, including refunds of employee contributions	(26,077)	(28,589)	(26,646)
Administrative expenses	-	-	-
Other changes	-	-	-
<b>Net change in plan fiduciary net position</b>	<u>592,476</u>	<u>443,353</u>	<u>(138,121)</u>
Plan fiduciary net position, beginning of year	<u>2,504,228</u>	<u>2,060,875</u>	<u>2,198,996</u>
<b>Plan fiduciary net position, end of year</b>	<u>3,096,704</u>	<u>2,504,228</u>	<u>2,060,875</u>
<b>Authority's net OPEB liability (asset)</b>	<u>\$ (1,370,007)</u>	<u>\$ (896,781)</u>	<u>\$ 188,817</u>
Plan fiduciary net position as a percentage of total OPEB liability (asset)	179.34%	155.79%	91.61%
Covered-employee payroll	\$ 28,349,411	\$ 26,202,788	\$ 18,505,709
Authority's net OPEB liability (asset) as a percentage of covered-employee payroll	-4.8%	-3.4%	1.0%

See notes to required supplementary information.

--

Year Ended September 30,				
2021	2020	2019	2018	2017
\$ 165,148	\$ 157,153	\$ 108,634	\$ 89,768	\$ 86,315
111,827	102,359	75,766	71,165	66,016
(504,837)	-	54,757	(28,503)	-
(394,834)	-	428,065	-	-
(27,040)	(26,612)	(26,690)	(26,964)	(23,693)
(649,736)	232,900	640,532	105,466	128,638
2,726,616	2,493,716	1,853,184	1,747,718	1,619,080
2,076,880	2,726,616	2,493,716	1,853,184	1,747,718
354,355	422,351	277,894	283,795	252,304
274,834	67,753	31,931	28,185	451
(27,040)	(26,612)	(26,690)	(26,964)	(23,693)
-	-	-	-	(8,250)
-	-	-	4	7
602,149	463,492	283,135	285,020	220,819
1,596,847	1,133,355	850,220	565,200	344,381
2,198,996	1,596,847	1,133,355	850,220	565,200
\$ (122,116)	\$ 1,129,769	\$ 1,360,361	\$ 1,002,964	\$ 1,182,518
105.88%	58.57%	45.45%	45.88%	32.34%
\$ 23,072,543	\$ 20,025,800	\$ 19,819,717	\$ 18,574,435	\$ 17,193,615
-0.5%	5.6%	6.9%	5.4%	6.9%



## MASS TRANSPORTATION AUTHORITY

### Required Supplementary Information

Single-Employer Defined Benefit Other Postemployment Benefits Plan  
Schedule of Contributions

Fiscal Year Ending September 30,	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered- Employee Payroll	Contributions as Percentage of Covered- Employee Payroll
2024	\$ 70,873	\$ 94,553	\$ (23,680)	\$ 28,349,411	0.33%
2023	68,476	289,077	(220,601)	26,202,788	1.10%
2022	160,488	281,707	(121,219)	18,505,709	1.52%
2021	155,061	354,355	(199,294)	23,072,543	1.54%
2020	227,315	422,351	(195,036)	20,025,800	2.11%
2019	219,628	277,894	(58,266)	19,819,717	1.40%
2018	145,204	283,795	(138,591)	18,574,435	1.53%
2017	139,619	252,304	(112,685)	17,193,615	1.47%

See notes to required supplementary information.

## MASS TRANSPORTATION AUTHORITY

### Required Supplementary Information

Single-Employer Defined Benefit Other Postemployment Benefits Plan  
Schedule of Investment Returns

Year Ended September 30,	Annual Money- Weighted Rate of Return, Net of Investment Expense
2024	10.59%
2023	8.69%
2022	11.33%
2021	16.37%
2020	5.85%
2019	1.49%
2018	3.98%
2017	0.06%

See notes to required supplementary information.

## MASS TRANSPORTATION AUTHORITY

### Notes to Required Supplementary Information

#### Single-Employer Defined Benefit Other Postemployment Benefits Plan

#### Notes to Schedule of Changes in the Net OPEB Liability (Asset) and Related Ratios

Note: GASB 75 was implemented in fiscal year 2018. This schedule is being built prospectively. Ultimately, 10 years of data will be presented.

#### *Changes in assumptions*

In 2023, the mortality tables were updated from MP-2018 scales to MP-2021 scales.

In 2021, the election percentage assumption was revised from 60 percent choosing to elect coverage upon separation to 50 percent choosing to elect retiree health care at age 65.

In 2019, the mortality assumptions were updated to the recently released Public Sector mortality tables and projected salary increases were reduced from 4.0 percent annually to 3.5 percent.

## MASS TRANSPORTATION AUTHORITY

### Notes to Required Supplementary Information

#### Single-Employer Defined Benefit Other Postemployment Benefits Plan

##### Notes to Schedule of Contributions

Note: GASB 75 was implemented in fiscal year 2018. This schedule is being built prospectively. Ultimately, 10 years of data will be presented.

Valuation Date	September 30, 2022
Methods and assumptions used to determine contribution rates:	
Actuarial cost method	Entry age normal (level percent)
Amortization method	Level percent closed
Remaining amortization period	18 years
Asset valuation method	Market value of assets
Inflation	4.0%
Salary increases	3.5%
Investment rate of return	4.0%, net of OPEB plan expense
Health care trend rates	N/A (Stipend payments are not assumed to increase)
Retirement age	Experience-based table of rates that are specific to the type of eligibility condition
Mortality	Post-Retirement: PubG-2010 Healthy Retiree Mortality Table for males and females with 2-dimensional, fully generational improvements using the MP-2021 Mortality Improvement Scales. Disabled Retirement: PubG-2010 Disabled Retiree Table for males and females with 2-dimensional, fully generational improvements using the MP-2021 Mortality Improvement Scales. Pre-Retirement: PubG-2010 Employee Table for males and females with 2 dimensional, fully generational improvements using the MP-2021 Mortality Improvement Scales.

##### Notes to the Schedule of Investment Returns

Note: GASB 75 was implemented in fiscal year 2017 and the Authority created and began funding the trust in fiscal year 2019. This schedule is being built prospectively. Ultimately, 10 years of data will be presented.

The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

## **OTHER SUPPLEMENTARY INFORMATION**

**MICHIGAN OFFICE OF PASSENGER  
TRANSPORTATION SCHEDULES**

# MASS TRANSPORTATION AUTHORITY

## Schedule of Local Revenues

For the Year Ended September 30, 2024

Passenger fares:	
Urban regular service	\$ 3,719,104
Nonurban regular service	1,119,843
Job access and reverse commute	387,985
Property tax revenue:	
Urban regular service	11,195,663
Nonurban regular service	3,354,096
Local contracts and reimbursements	50,000
Other non-transportation revenues	1,192,198
Interest income	157,375
Refunds	761,400
Total local revenues	21,937,664
Total federal revenues	21,445,787
Total state revenues	19,714,059
<b>Total revenues</b>	<b>\$ 63,097,510</b>

### Revenues as presented on:

#### Statements of Revenues, Expenses and Change in Fund Net Position

Operating revenues	\$ 5,772,513
Property taxes	14,549,759
Intergovernmental:	
Federal	12,429,350
State	17,536,108
Local	50,000
Interest income	157,375
Gain on sale of capital assets	5,055
Other revenue	761,400
Capital contributions	11,194,388
<b>Total Statements of Revenues, Expenses and Change in Fund Net Position</b>	<b>62,455,948</b>

#### Statements of Changes in Fiduciary Net Position

Employer contributions	94,553
Net appreciation in fair value of investments	462,930
Interest and dividends	84,079
<b>Total Statements of Changes in Fiduciary Net Position</b>	<b>641,562</b>

<b>Total revenue</b>	<b>\$ 63,097,510</b>
----------------------	----------------------

# MASS TRANSPORTATION AUTHORITY

## Schedule of Expenditures of Federal and State Awards For the Year Ended September 30, 2024

				Current Year Expenditures				
Federal and State Agency / Pass-Through Grantor / Program Title	Assistance Listing Number	Pass-through / Grantor Number	Program Award Amount	Total	Federal	State	Prior Year's Expenditures	Award Amount Remaining
U.S. Department of Transportation								
Direct awards:								
Highway Planning and Construction Program:								
Local Areas of Persistent Poverty - FY 2023 Section 5305	20.205	MI-2023-036 & 2022-0098/P12	\$ 600,000	160,054	\$ 128,043	\$ 32,011	\$ -	439,946
Metropolitan Transportation Planning and State and Non-Metropolitan Planning and Research:								
Passed through the Michigan Department of Transportation:								
FTA Metro Transporation Planning - Section 5304 - 2023	20.505	MI-2022-037-01 & 2022-0098/P8	300,000	50,082	50,082	-	-	249,918
Genesee County Metro Planning Commission MDOT - 2024	20.505	n/a	97,671	97,671	97,671	-	-	-
			397,671	147,753	147,753	-	-	249,918
Federal Transit Cluster:								
Formula Grants - FY 2013,14,15 Section 5307	20.507	MI-90-X673-01 & 2012-0129/P14/R5	24,417,138	858,455	686,764	171,691	23,558,058	625
Formula Grants - FY 2016 Section 5307	20.507	MI-2016-011 & 2012-0129/P28/R1	10,046,596	7,224	5,779	1,445	10,039,368	4
Formula Grants - FY 2018 Section 5307	20.507	MI-2017-029-00 & 2017-0092/P8	7,161,168	23,297	18,638	4,659	7,137,682	189
Formula Grants - FY 2018 Section 5307	20.507	MI-2018-016 & 2017-0092/P13	8,044,045	73,422	58,737	14,685	7,970,564	59
Formula Grants - FY 2019 Section 5307	20.507	MI-2019-027 & 2017-0092/P20	9,922,339	13,959	11,167	2,792	9,725,016	183,364
Formula Grants - FY 2020 Section 5307	20.507	MI-2020-060 & 2017-0092/P25	7,002,884	178,436	142,749	35,687	6,700,799	123,649
Formula Grants - FY 2020 Section 5307	20.507	MI-2020-060 & 2017-0092/P25	3,105,000	105,000	84,000	21,000	3,000,000	-
Formula Grants - FY 2019 Section 5307	20.507	MI-2021-030-& 2017-0092/P32	6,833,660	548,326	438,661	109,665	5,750,133	535,201
Formula Grants - FY 2019 Section 5307	20.507	MI-2021-030-& 2017-0092/P32	3,125,000	125,000	100,000	25,000	3,000,000	-
Formula Grants - FY 2022 Section 5307	20.507	MI-2022-047 & 2022-0098/P4	9,923,288	4,709,691	3,767,753	941,938	1,943,373	3,270,224
Formula Grants - FY 2022 Section 5307	20.507	MI-2023-031 & 2022-0098/P9	9,698,408	2,332,610	1,866,088	466,522	-	7,365,798
Formula Grants - FY 2022 Section 5307	20.507	MI-2023-031 & 2022-0098/P9	3,000,000	3,000,000	2,400,000	600,000	-	-
Formula Grants - FY 2022 Section 5307	20.507	MI-2023-031 & 2022-0098/P9	1,700,000	1,700,000	300,000	1,400,000	-	-
COVID-19 CARES Act	20.507	MI-2020-013-00	19,049,485	568,386	568,386	-	17,623,467	857,632
COVID-19 CRRSAA	20.507	MI-2021-003-00	2,243,937	15,433	15,433	-	2,228,504	-
COVID-19 ARPA	20.507	MI-2022-007-00	16,183,000	4,601,064	4,601,064	-	7,094,963	4,486,973
COVID-19 ARPA	20.507	MI-2022-051-00	260,000	179,379	179,379	-	25,935	54,686
			141,715,948	19,039,682	15,244,598	3,795,084	105,797,862	16,878,404
Local Buses and Bus Facilities Discretionary Program:								
Section 5339 - FY2020	20.526	MI-2020-056-00 & 2017-0092/P26	5,375,000	2,847,880	2,278,304	569,576	-	2,527,120
Section 5339 - FY2022	20.526	MI-2023-002-00 & 2022-0098/P11	5,418,501	2,540,154	2,032,123	508,031	-	2,878,347
			10,793,501	5,388,034	4,310,427	1,077,607	-	5,405,467
Total Federal Transit Cluster			152,509,449	24,427,716	19,555,025	4,872,691	105,797,862	22,283,871

continued...



## MASS TRANSPORTATION AUTHORITY

### Schedule of Expenditures of Federal and State Awards For the Year Ended September 30, 2024

				Current Year Expenditures				
Federal and State Agency / Pass-Through Grantor / Program Title	Assistance Listing Number	Pass-through / Grantor Number	Program Award Amount	Total	Federal	State	Prior Year's Expenditures	Award Amount Remaining
U.S. Department of Transportation (concluded)								
Formaula Grants for Rural Areas and Tribal Transit Programs:								
Passed through the Michigan Department of Transportation:								
Operating Assistance - Section 5311 FY22	20.509	MI-2021-023 & 2022-0098/P3	\$ (231,593)	\$ (231,593)	\$ (231,593)	\$ -	\$ -	\$ -
Operating Assistance - Section 5311 FY24	20.509	MI-2024-001 & 2022-0098/P14	1,079,764	1,079,764	1,079,764	-	-	-
			848,171	848,171	848,171	-	-	-
Transit Services Programs Cluster:								
Enhanced Mobility of Seniors and Individuals with Disabilities Program:								
FY2018	20.513	MI-2018-015-00 & 2017-0092/P14	552,076	47,152	37,722	9,430	504,924	-
FY2019	20.513	MI-2019-038-00 & 2017-0092/P21	260,931	61,714	49,371	12,343	196,410	2,807
FY2019	20.513	MI-2019-038-00 & 2017-0092/P21	172,736	59,076	59,076	-	113,660	-
FY2020	20.513	MI-2020-065-00 & 2017-0092/P27	273,750	103,806	83,045	20,761	169,944	-
FY2020	20.513	MI-2020-065-00 & 2017-0092/P27	167,172	128,181	128,181	-	-	38,991
FY2020	20.513	MI-2020-067-00 & 2017-0092/P28	682,120	287,579	230,063	57,516	394,541	-
FY2022	20.513	MI-2022-027-00 & 2022-0098/P5	500,617	140,411	112,329	28,082	-	360,206
COVID-19 ARPA	20.513	MI-2022-006-00	67,008	67,008	67,008	-	-	-
Total Transit Services Program Cluster			2,676,410	894,927	766,795	128,132	1,379,479	402,004
Total U.S. Department of Transportation			157,031,701	26,478,621	21,445,787	5,032,834	107,177,341	23,375,739
Michigan Department of Transportation								
Operating assistance - Act 51 (FY 2024):								
Urban	n/a	n/a	10,024,682	10,024,682	-	10,024,682	-	-
Nonurban	n/a	n/a	4,239,794	4,239,794	-	4,239,794	-	-
Total Michigan Department of Transportation			14,264,476	14,264,476	-	14,264,476	-	-
Specialized Services								
FY 23/24	n/a	2022-0098/P7	526,733	312,255	-	312,255	-	214,478
Local Community Stabilization Authority								
Local Community Stabilization Act	n/a	n/a	104,494	104,494	-	104,494	-	-
Total Expenditures of Federal and State Awards			\$ 171,927,404	\$ 41,159,846	\$ 21,445,787	\$ 19,714,059	\$ 107,177,341	\$ 23,590,217

concluded

## MASS TRANSPORTATION AUTHORITY

### Schedule of Operating and Contract Expenses

For the Year Ended September 30, 2024

Code	Description	Operating Assistance - Act 51		Section 5311 Contract # MI- 2023-031 & 2022-0098/P9	Specialized Services	Total
		Urban Regular Services	Nonurban Regular Services	Job Access and Reverse Commute		
501	Labor	\$ 19,682,377	\$ 5,920,278	\$ 1,054,699	\$ -	\$ 26,657,354
502	Fringe benefits	6,898,158	2,089,059	372,167	-	9,359,384
503	Services	3,519,667	1,058,683	188,604	-	4,766,954
504	Materials and supplies	5,260,090	1,582,187	281,867	-	7,124,144
505	Utilities	1,006,153	302,642	53,916	-	1,362,711
506	Insurance	2,192,774	659,567	117,502	-	2,969,843
507	Taxes and fees	2,341	704	125	-	3,170
509	Miscellaneous expenses	124,401	40,784	7,266	-	172,451
511	Interest on long-term debt	120,797	36,335	6,473	-	163,605
512	Operating leases and rentals	11,814	3,553	633	-	16,000
513	Depreciation	5,934,620	1,785,079	318,012	-	8,037,711
550	Services - specialized	-	-	-	237,307	237,307
<b>Total expenses</b>		<u>\$ 44,753,192</u>	<u>\$ 13,478,871</u>	<u>\$ 2,401,264</u>	<u>\$ 237,307</u>	<u>\$ 60,870,634</u>

#### Reconciliation of expenses:

##### Statements of Revenues, Expenses and Change in Fund Net Position

Operating expenses	\$ 60,657,943
Interest expense	163,605
	<u>60,821,548</u>

##### Statements of Changes in Fiduciary Net Position

Investment expense	23,009
Benefit payments	26,077
	<u>49,086</u>

##### Total expenses

\$ 60,870,634

# MASS TRANSPORTATION AUTHORITY

## Schedule of Operating Revenues

Urban Regular Service

For the Year Ended September 30, 2024

Code	Description	Total
<b>401: Farebox revenues</b>		
40100	Passenger fares	\$ 3,719,104
<b>406: Auxiliary trans revenues</b>		
40615	Advertising	145,854
<b>407: Non-transit revenues</b>		
40720	Rental of Bldgs or Other Property	150,016
40725	Parking Lot Revenue	42,470
40760	Gains from the sale of capital assets	5,055
40799	Other NonTrans Revenue	848,803
<b>Total Non-transit Revenues</b>		1,046,344
<b>408: Local revenue</b>		
40800	Taxes levied directly for/by transit agency	11,195,663
<b>409: Local revenue</b>		
40999	Other Local Contracts & Reimbursements - Survey Reimb. TANF, GCMPC 5303)	113,524
<b>411: State formulas and contracts</b>		
41101	State operating assistance	10,024,682
41111	Preventative Maintenance (20% State Share)	646,000
41114	Other Capital contract Reimburse for Operating Expenses	621,839
41199	Other MDOT/OPT contracts and reimbursements	104,494
<b>Total state formulas and contracts</b>		11,397,015
<b>413: Federal contracts</b>		
41311	Preventative Maintenance (80% Fed. Share)	2,584,000
41314	Other Capital Contract Reimburse for Operating Expenses	3,652,251
41361	CARES Act	263,752
41362	CRRSA Act	15,433
41363	ARP Act	4,668,072
<b>Total federal contracts</b>		11,183,508
<b>414: Other revenues</b>		
41400	Interest income	120,984
<b>440: Refunds and credits</b>		
44000	Refunds and credits (Alt. Fuel Tax cred., Scrap Metal, Garn. Processing Fees)	585,336
<b>Total revenues</b>		\$ 39,507,332

## MASS TRANSPORTATION AUTHORITY

### Schedule of Operating Expenses

Urban Regular Service

For the Year Ended September 30, 2024

Code	Description	Total
<b>501: Labor</b>		
50101	Operators' salaries and wages	\$ 9,296,624
50102	Other salaries and wages	10,343,458
50103	Dispatcher salaries and wages	42,295
	<b>Total labor</b>	<b>19,682,377</b>
<b>502: Fringe benefits</b>		
50200	Fringe benefits	6,484,235
50210	Defined contribution pension	535,961
50250	DB Other Post Employment Benefit	(122,038)
	<b>Total fringe benefits</b>	<b>6,898,158</b>
<b>503: Services</b>		
50302	Advertising	135,732
50305	Audit cost	150,997
50399	Other	3,232,938
	<b>Total services</b>	<b>3,519,667</b>
<b>504: Materials and supplies</b>		
50401	Fuel and lubricants	1,870,653
50402	Tires and tubes	1,067
50499	Other	3,388,370
	<b>Total materials and supplies</b>	<b>5,260,090</b>
<b>50500 Utilities</b>		<b>1,006,153</b>
<b>506: Insurance</b>		
50603	Liability insurance	1,946,405
50699	Other insurance	246,369
	<b>Total insurance</b>	<b>2,192,774</b>
<b>50700 Taxes and fees</b>		<b>2,341</b>
<b>509: Miscellaneous expenses</b>		
50902	Travel, meetings and training	51,936
50903	Association dues and subscriptions	71,576
50907	Lobbying	889
	<b>Total miscellaneous expenses</b>	<b>124,401</b>

continued...

## MASS TRANSPORTATION AUTHORITY

### Schedule of Operating Expenses

Urban Regular Service

For the Year Ended September 30, 2024

Code	Description	Total
511: <b>Interest Expense</b>		
51101	Interest on long-term debt	\$ 120,797
512: <b>Operating leases and rentals</b>		
51200	Operating leases and rentals	11,814
513: <b>Depreciation</b>		
51300	Depreciation	5,934,620
540-581: <b>Ineligible expenses</b>		
54000	Ineligible refunds and credits	585,336
55007	Ineligible depreciation	5,578,426
55008	Other ineligible expenses	1,566
55010	Other ineligible expenses assoc. with Aux & Nontrans	1,023
55011	Ineligible Preventative Maintenance	3,230,000
56004	Ineligible Expenses Assoc. w/ Rentals	2,202
57604	Other Ineligible operating expense paid by capital contract	4,274,090
58005	Ineligible Lobbying expense	889
58050	Ineligible DB Other Post Employment Benefit	(171,124)
<b>Total ineligible expenses</b>		13,502,408
<b>Total expenses</b>		44,753,192
Total ineligible expenses		13,502,408
<b>Total eligible expenses</b>		\$ 31,250,784
		concluded

**Nonfinancial Schedule Report**

Urban Regular Service

For the Year Ended September 30, 2024

Code	Description	Total/Quantity
<b>Public service</b>		
610	Vehicle hours	357,290
611	Vehicle miles	6,619,654
615	Unlinked passenger trips - regular	2,415,785
616	Unlinked passenger trips - elderly	45,793
617	Unlinked passenger trips - persons w/disabilities	132,915
618	Unlinked passenger trips - elderly persons w/disabilities	21,564
621	Total line-haul unlinked passenger trips	2,243,565
622	Total demand-response unlinked passenger trips	372,492
625	Days operated	726
<b>Vehicle information</b>		
653	Total line-haul vehicles	137
655	Total demand-response vehicles	103
656	Demand-response vehicle w/lifts	56
658	Total transit vehicles	240
<b>Miscellaneous information</b>		
659	LPG (propane) or CNG (compressed natural gas) gallons equivalent consumed	292,171
660	Diesel/gasoline gallons consumed	38,165

## MASS TRANSPORTATION AUTHORITY

### Schedule of Operating Revenues

Nonurban Regular Service

For the Year Ended September 30, 2024

Code	Description	Total
401/402:	<b>Farebox revenues</b>	
40100	Passenger fares	\$ 1,119,843
408/409:	<b>Local revenues</b>	
40800	Taxes levied directly for/by transit agency	3,354,096
40999	Other Local Contracts & Reimbursements	34,147
	<b>Total local revenues</b>	3,388,243
411:	<b>State formulas and contracts</b>	
41101	State operating assistance	4,239,794
41114	Other capital contract reimbursement for operating expenses	187,044
	<b>Total state formulas and contracts</b>	4,426,838
413:	<b>Federal contracts</b>	
41301	Section 5311 Operating	848,171
414:	<b>Other revenues</b>	
41400	Interest income	36,391
440:	<b>Refunds and credits</b>	
44000	Refunds and credits	176,064
	<b>Total revenues</b>	\$ 9,995,550

## MASS TRANSPORTATION AUTHORITY

### Schedule of Operating Expenses

Nonurban Regular Service

For the Year Ended September 30, 2024

Code	Description	Total
<b>501: Labor</b>		
50101	Operators' salaries and wages	\$ 2,796,339
50102	Other salaries and wages	3,111,217
50103	Dispatcher salaries and wages	12,722
	<b>Total labor</b>	<b>5,920,278</b>
<b>502: Fringe benefits</b>		
50200	Fringe benefits	1,950,398
50210	Defined contribution pension	161,212
50250	DB Other Post Employment Benefit	(22,551)
	<b>Total fringe benefits</b>	<b>2,089,059</b>
<b>503: Services</b>		
50302	Advertising	40,827
50305	Audit cost	45,418
50399	Other	972,438
	<b>Total services</b>	<b>1,058,683</b>
<b>504: Materials and supplies</b>		
50401	Fuel and lubricants	562,675
50402	Tires and tubes	321
50499	Other	1,019,191
	<b>Total materials and supplies</b>	<b>1,582,187</b>
50500	<b>Utilities</b>	<b>302,642</b>
<b>506: Insurance</b>		
50603	Liability insurance	585,461
50699	Other insurance	74,106
	<b>Total insurance</b>	<b>659,567</b>
50700	<b>Taxes and fees</b>	<b>704</b>
<b>509: Miscellaneous expenses</b>		
50902	Travel, meetings and training	15,622
50903	Association dues and subscriptions	24,895
50907	Lobbying	267
	<b>Total miscellaneous expenses</b>	<b>40,784</b>
<b>511: Interest Expense</b>		
51101	Interest on long-term debt	36,335

continued...



## MASS TRANSPORTATION AUTHORITY

### Schedule of Operating Expenses

Nonurban Regular Service

For the Year Ended September 30, 2024

Code	Description	Total
512:	<b>Leases and rentals</b>	
51200	Operating leases and rentals	\$ 3,553
51300	<b>Depreciation</b>	1,785,079
540-581:	<b>Ineligible expenses</b>	
54000	Ineligible refunds and credits	176,064
55007	Ineligible depreciation	1,677,939
55008	Other ineligible expenses	2,073
55009	Ineligible percent of association dues	1,763
55010	Other Ineligible Expense Assoc. w/ Aux & Nontrans	308
56004	Ineligible Expenses Associated w/ Rentals	662
57604	Other Ineligible Oper Expense Paid by Capital Contract	187,044
58005	Ineligible Lobbying Expense	267
58050	Ineligible DB Other Post Employment Benefit	(22,551)
	<b>Total ineligible expenses</b>	2,023,569
	<b>Total expenses</b>	13,478,871
	Total ineligible expenses	2,023,569
	<b>Total eligible expenses</b>	\$ 11,455,302
		concluded

**Nonfinancial Schedule Report**

Nonurban Regular Service

For the Year Ended September 30, 2024

Code	Description	Total/Quantity
<b>Public service</b>		
610	Vehicle hours	86,296
611	Vehicle miles	1,756,534
615	Unlinked passenger trips - regular	53,290
616	Unlinked passenger trips - elderly	8,810
617	Unlinked passenger trips - persons w/disabilities	79,038
618	Unlinked passenger trips - elderly persons w/disabilities	5,532
622	Total demand-response unlinked passenger trips	146,670
625	Days operated	363
<b>Vehicle information</b>		
655	Total demand-response vehicles	81
656	Demand-response vehicle w/lifts	62
658	Total transit vehicles	81
<b>Miscellaneous information</b>		
659	LPG (propane) or CNG (compressed natural gas) gallons equivalent consumed	35,854
660	Diesel/gasoline gallons consumed	7,633

## MASS TRANSPORTATION AUTHORITY

### Schedule of Operating Revenues

Job Access and Reverse Commute

For the Year Ended September 30, 2024

Code	Description	Total
401: <b>Farebox revenue</b>		
40100	Passenger Fares	\$ 387,985
411: <b>State formulas and contracts</b>		
41199	Other MDOT/OPT contracts and reimbursements	1,400,000
413: <b>Federal contracts</b>		
41302	Federal Section 5307 Operating (operating funds only)	<u>300,000</u>
	<b>Total revenues</b>	<u><u>\$ 2,087,985</u></u>

## MASS TRANSPORTATION AUTHORITY

### Schedule of Operating Expenses

Job Access and Reverse Commute

For the Year Ended September 30, 2024

Code	Description	Total
<b>501: Labor</b>		
50101	Operators' salaries and wages	\$ 498,169
50102	Other salaries and wages	554,264
50103	Dispatcher salaries and wages	<u>2,266</u>
<b>Total labor</b>		<u>1,054,699</u>
<b>502: Fringe benefits</b>		
50200	Fringe benefits	347,464
50210	Defined contribution pension	28,720
50250	DB Other Post Employment Benefit	<u>(4,017)</u>
<b>Total fringe benefits</b>		<u>372,167</u>
<b>503: Services</b>		
50302	Advertising	7,273
50305	Audit Costs	8,091
50399	Other	<u>173,240</u>
<b>Total services</b>		<u>188,604</u>
<b>504: Materials and supplies</b>		
50401	Fuel and lubricants	100,241
50402	Tires and tubes	57
50499	Other	<u>181,569</u>
<b>Total materials and supplies</b>		<u>281,867</u>
<b>50500 Utilities</b>		<u>53,916</u>
<b>506: Insurance</b>		
50603	Liability insurance	104,300
50699	Other Insurance	<u>13,202</u>
<b>Total Insurance</b>		<u>117,502</u>
<b>50700 Taxes and fees</b>		<u>125</u>
<b>509: Miscellaneous expenses</b>		
50902	Travel, meetings and training	2,783
50903	Association dues and subscriptions	4,435
50907	Lobbying	<u>48</u>
<b>Total miscellaneous expenses</b>		<u>7,266</u>

continued...

## MASS TRANSPORTATION AUTHORITY

### Schedule of Operating Expenses

Job Access and Reverse Commute

For the Year Ended September 30, 2024

Code	Description	Total
51101	Interest on long-term debt	\$ 6,473
512:	Leases and rentals	
51200	Operating leases and rentals	633
51300	Depreciation	318,012
550-580:	Ineligible Expenses	
55000	Ineligible JARC and NF Fares	387,985
55007	Ineligible Depreciation	298,925
55008	Other Ineligible Expenses	368
55009	Ineligible Percent of Association Dues	314
55010	Other Ineligible Expense Associated w/ Aux. & Nontrans	55
56004	Ineligible Expenses Associated w/ Rentals	118
58005	Ineligible Lobbying Expenses	48
58050	Ineligible DB Other Post Employment Benefit	(4,017)
	Total ineligible expenses	683,796
	Total expenses	2,401,264
	Total ineligible expenses	683,796
	Total eligible expenses	\$ 1,717,468
		concluded

**Nonfinancial Schedule Report**

Job Access and Reverse Commute

For the Year Ended September 30, 2024

Code	Description	Total/Quantity
<b>Public service</b>		
610	Vehicle hours	41,065
611	Vehicle miles	1,311,056
615	Passengers - regular	390,204
621	Total line-haul passengers	390,204
<b>Vehicle information</b>		
653	Total line-haul vehicles	13
654	Line-haul vehicle w/lifts	13
658	Total transit vehicles	13
<b>Miscellaneous information</b>		
659	LPG (propane) or CNG (compressed natural gas) gallons equivalent consumed	68,534
660	Diesel/gasoline gallons consumed	2,750

**MASS TRANSPORTATION AUTHORITY**

**Schedule of Operating Revenues**

Specialized Service  
For the Year Ended September 30, 2024

Code	Description	Total
411: State formulas and contracts		
41199	Grants for services to elderly and persons with disabilities	<u>\$ 312,255</u>

MASS TRANSPORTATION AUTHORITY

**Schedule of Operating Expenses**

Specialized Service

For the Year Ended September 30, 2024

Code	Description	Total
550: <b>Services</b>		
55004	Specialized services	\$ 237,307
	<b>Total ineligible expenses</b>	<u>-</u>
	<b>Total eligible expenses</b>	<u><u>\$ 237,307</u></u>



**Nonfinancial Schedule Report**

Specialized Service

For the Year Ended September 30, 2024

Code	Description	Total/Quantity
<b>Public service</b>		
610	Vehicle hours	41,065
611	Vehicle miles	1,311,056
615	Passengers - regular	390,204
621	Total line-haul passengers	390,204
<b>Vehicle information</b>		
653	Total line-haul vehicles	13
654	Line-haul vehicle w/lifts	13
658	Total transit vehicles	13
<b>Miscellaneous information</b>		
659	LPG (propane) or CNG (compressed natural gas) gallons equivalent consumed	68,534
660	Diesel/gasoline gallons consumed	2,750

# MASS TRANSPORTATION AUTHORITY

## Operating Assistance Calculation

For the Year Ended September 30, 2024

	Urban Regular Services	Nonurban Regular Services	Job Access and Reverse Commute	Total
Total expenses	\$ 44,753,192	\$ 13,478,871	\$ 2,401,264	\$ 60,633,327
Less ineligible expenses:				
Ineligible refunds and credits	585,336	176,064	-	761,400
Ineligible JARC and NF fares	-	-	387,985	387,985
Ineligible depreciation	5,578,426	1,677,939	298,925	7,555,290
Other ineligible expenses	1,566	2,073	368	4,007
Ineligible percent of association dues	-	1,763	314	2,077
Other ineligible expenses assoc. with Aux & Nontrans	1,023	308	55	1,386
Ineligible Preventative Maintenance	3,230,000	-	-	3,230,000
Ineligible Expenses Associated w/ Rentals	2,202	662	118	2,982
paid by capital contract	4,274,090	187,044	-	4,461,134
Ineligible Lobbying expense	889	267	48	1,204
Ineligible DB Other Post Employment Benefit	(171,124)	(22,551)	(4,017)	(197,692)
Total ineligible expense per R&E manual	13,502,408	2,023,569	683,796	16,209,773
<b>Total State eligible expenses</b>	<b>\$ 31,250,784</b>	<b>\$ 11,455,302</b>	<b>\$ 1,717,468</b>	<b>\$ 44,423,554</b>
Eligible expenses for State reimbursement	\$ 31,250,784	\$ 11,455,302	\$ 1,717,468	\$ 44,423,554
Reimbursement percentage	33.8553%	40.2993%	100.00%	
	10,580,047	4,616,407	1,717,468	
Less: difference in cap for reimbursement	(555,365)	(376,613)	(17,468)	
State operating assistance - Act 51	\$ 10,024,682	\$ 4,239,794		\$ 14,264,476
Job Access Reverse Commute Section 5311			\$ 1,700,000	\$ 1,700,000
Total Federal eligible expenses		\$ 11,455,302		
Reimbursement percentage		18.0000%		
		2,061,955		
Less difference in cap for reimbursement		(982,191)		
Federal Section 5311 Operating Assistance		\$ 1,079,764		\$ 1,079,764