

GREATER ATTLEBORO-TAUNTON REGIONAL TRANSIT AUTHORITY

ANNUAL FINANCIAL STATEMENTS

JUNE 30, 2019

GREATER ATTLEBORO-TAUNTON REGIONAL TRANSIT AUTHORITY

JUNE 30, 2019

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INDEPENDENT AUDITOR'S REPORT

To the Advisory Board of the Greater Attleboro-Taunton Regional Transit Authority
Taunton, Massachusetts

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities of the Greater Attleboro-Taunton Regional Transit Authority ("the Authority") as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the Greater Attleboro-Taunton Regional Transit Authority, as of June 30, 2019, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

GREATER ATTLEBORO-TAUNTON REGIONAL TRANSIT AUTHORITY

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 7 and certain pension and post-employment benefit information on pages 24 through 27 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinion on the financial statements that collectively comprise the Authority's basic financial statements. The schedule of local (cities and towns) funding and the statement of net cost of service are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplemental information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplemental information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The schedule of local (cities and towns) funding and the statement of net cost of service have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 28, 2019 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 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 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.

Hague, Sahady & Co., CPAs, P.C.

Hague, Sahady & Co., CPAs, P.C.

Fall River, Massachusetts
October 28, 2019

Greater Attleboro-Taunton Regional Transit Authority
Management's Discussion and Analysis
June 30, 2019

Introduction

As Management of the Greater Attleboro-Taunton Regional Transit Authority (the Authority) we present this Management's Discussion and Analysis (MD&A) to provide financial statement readers with an introduction and overview to the Authority's financial activities during the fiscal year ended June 30, 2019. The components of the Authority's Financial Statements as defined by GASB Statement 34 are as follows:

I. Management's Discussion and Analysis

The Management's Discussion and Analysis (MD&A) is required supplementary information that accompanies the financial statements and is unaudited. The MD&A precedes the proprietary fund financial statements. In this section, management aims to provide an analysis of the overall financial position of the Authority and results of the fiscal year operations, assess whether financial position improved or deteriorated during the year, consider economic factors that may affect operating results, and describe currently known events or conditions that may affect the Authority's future financial position.

II. Proprietary Fund Financial Statements

The Greater Attleboro-Taunton Regional Transit Authority's financial statements are presented as follows:

1. Statement of Net Position – Reports financial position at year end, or June 30. The statement distinguishes between current and noncurrent assets and liabilities of the Authority. The difference between assets and liabilities is presented as net position. Increases or decreases to net position may serve as a useful indicator of whether the Authority's financial position is improving or deteriorating over time. Net position is divided into three categories (net investment in capital assets, restricted, and unrestricted). "Total Net Position" per the Statement of Net Position equals the "Net Position – June 30" reported on the Statement of Revenues, Expenses, and Changes in Net Position.
2. Statement of Revenues, Expenses, and Changes in Net Position – Measures performance for the fiscal year. Revenues and expenses are presented in three categories (operating, non-operating, and capital). This statement provides information on the costs of providing the services requested of us, how the

Authority finances the services (i.e user fees, federal and state grants, local assessments, other revenues), and if current year revenues were sufficient to pay for current year expenses. The “Operating Income (Loss)” per the Statement of Revenues, Expenses, and Changes in Net Position is reconciled to “Cash Flows from Operating Activities” on the Statement of Cash Flows.

3. Statement of Cash Flows – Reports whether cash increased or decreased during the year. Cash flows are reported in four categories (operating, noncapital financing, capital and related financing, and investing). This statement provides useful information on the cash receipts/uses of the Authority during the fiscal year and helps users to analyze the Authority’s ability to generate future cash flows and meet future obligations. “Cash and Cash Equivalents – June 30” reported on the Statement of Cash Flows equals “Cash” per the Statement of Net Position.
4. Notes to Financial Statements – Communicates additional objective information to financial statement readers, including the Authority’s accounting policies and explanations or data not shown on the face of the statements.

III. Required Supplementary Information

In addition to the Management’s Discussion and Analysis, the following information is required material that is unaudited: Schedule of Proportionate Share of Net Pension Liability, Schedule of Contributions, and Schedule of Changes in Total OPEB Liability and Related Ratios. These schedules are found following the proprietary fund financial statements.

IV. Supplementary Information

The following are supplemental schedules: Schedule of Local (Cities and Towns) Funding and Net Cost of Service. These schedules are found following the proprietary fund financial statements and required supplementary information.

Financial Information

Table 1: Condensed and Comparative Statement of Net Position

	Proprietary Activities 2019	Proprietary Activities 2018
Current Assets	\$ 19,007,300	\$ 17,045,399
Noncurrent Other Assets	\$ 4,345,997	\$ 4,239,997
Capital Assets	\$ 26,651,021	\$ 26,013,391
Total Assets.....	\$ 50,004,318	\$ 47,298,787
Deferred Outflows of Resources	\$ 490,436	\$ 360,476
Current Liabilities	\$ 18,625,392	\$ 17,370,690
Noncurrent Liabilities	\$ 6,131,548	\$ 5,434,884
Total Liabilities.....	\$ 24,756,940	\$ 22,805,574
Deferred Inflows of Resources.....	\$ 590,211	\$ 664,968
Net Position:		
Net Invested in Capital Assets	\$ 26,651,021	\$ 26,013,391
Restricted.....	\$ 1,763,040	\$ 1,486,595
Unrestricted (deficit)	\$ (3,266,458)	\$ (3,311,265)
Total Net Position	\$ 25,147,603	\$ 24,188,721

Table 2. Condensed and Comparative Statement of Revenues, Expenses, and Changes in Net Position

	Proprietary Activities 2019	Proprietary Activities 2018
Operating Revenues:		
Charges for Services	\$48,486,328	\$43,588,958
Total Operating Revenues.....	\$48,486,328	\$43,588,958
Operating Expenses:		
Purchased Transportation Services	\$57,565,541	\$52,679,000
Payroll and Fringe Benefits.....	2,612,776	2,476,237
Other.....	2,310,359	2,398,789
Depreciation	3,961,196	3,929,051
Total Operating Expenses.....	66,449,872	61,483,077
Operations Income (Loss).....	(17,963,544)	(17,894,119)
Non-Operating Revenues (Expenses)		
Federal Assistance.....	4,964,119	5,376,342
State Assistance.....	5,035,034	4,461,068
Local Assessments	4,345,997	4,239,997
Other	108,605	123,629
Interest Expense	(165,918)	(97,153)
Total Non-Operating Revenues (Expenses).....	14,287,837	14,103,883
Capital Contributions	4,634,589	3,517,048
Change in Net Position.....	958,882	(273,188)
Ending Net Position	\$ 25,147,603	\$24,188,721

Financial Analysis

Total current assets increased in 2019 by approximately \$1,961,901 (11.5%). This was primarily caused by an increase in due from other governments of \$2,108,720. Fluctuation in this balance from one year to the next is common and due to timing differences in the receipt of operating and capital assistance from Federal and State sources.

Total current liabilities increased in 2019 by approximately \$1,254,702 (7.2%). This was primarily caused by an increase in accounts payable of \$828,910. Again, fluctuation in this balance from one year to the next is common and due to timing differences in payment of operating and capital invoices at year end. Additionally, fiscal year 2019 saw an increase in notes payable of \$300,000. While \$7.5 million in revenue anticipation notes were retired during the year, \$7.8 million in new notes were issued.

Total noncurrent liabilities increased in 2019 by approximately \$696,664 (12.8%). This was primarily caused by an increase in OPEB liability of \$440,379 and an increase in net pension liability of \$249,015. The increases in post-employment benefit liabilities were due to changes in actuarial valuations.

GATRA recognized a substantial increase in capital assets in FY 2019. This resulted from purchases of facilities (\$1,555,686), buses and vans (\$2,173,852), equipment (\$552,571), and other (\$325,488). FY 2019 Capital Asset purchases totaled \$4,607,597. During the fiscal year, GATRA also sold buses and services vehicles that were no longer useful with a net book value of \$8,771.

At the end of the current fiscal year, Greater Attleboro-Taunton Regional Transit Authority had no long-term bonded debt outstanding. The Authority regularly borrows on a short-term basis in anticipation of state and federal grant revenues to supplement its cash flow during the year.

As of the close of the current fiscal year, the Authority's proprietary fund reported ending net position of \$25,147,603, an increase over the prior year of \$958,882. This increase was the combination of a \$637,630 increase in net investment in capital assets, a \$276,445 increase in restricted net position (see financial statement Note 7), and a \$44,807 increase in unrestricted net position.

The increase in net position was the result of the Authority's revenues and capital contributions exceeding expenses by \$958,882.

Total operating revenues increased in FY19 by \$4,897,370 (11.2%). The increase was primarily due to fare increases starting in February 2019, and significant increases in the volume of DMA and Dayhab brokerage services.

Total operating expenses increased by \$4,966,795 (8.1%). The increases were related to costs to provide the additional DMA and Dayhab brokerage services noted above, post employment benefit expenses resulting from changes in actuarial valuations, vehicle fuels and materials, and insurance costs.

Economic Factors

The unemployment rate for the Taunton-Norton-Raynham Labor Market as of June 30, 2019 was 3.4%, which decreased 0.8% from 4.2% a year ago. This compares similarly to the statewide unemployment rate of 3.0%. The inflationary trend in the region (2.0% annual – BLS CPI Boston-Cambridge-Newton region for all items) is slightly higher than the national inflation rate (1.6% - BLS CPI Urban areas - all items) for the last year. Note however, GATRA procurements are driven by national factors as much as regional.

All of these factors were considered in preparing the Greater Attleboro-Taunton Regional Transit Authority's budget for the 2020 fiscal year and GATRA has presented the planned level of expense to the Greater Attleboro-Taunton Regional Transit Authority Board of Directors and to the State of Massachusetts Department of Transportation.

GREATER ATTLEBORO-TAUNTON REGIONAL TRANSIT AUTHORITY
STATEMENT OF NET POSITION
JUNE 30,

	2019
ASSETS	
Current assets:	
Cash	\$ 573,057
Receivables (net)	83,133
Due from other governments (net)	13,278,411
Unbilled - Due from other governments	4,806,986
Inventories	265,713
Total current assets	19,007,300
Noncurrent assets:	
Due from other governments (net)	4,345,997
Capital assets	69,239,547
Less accumulated depreciation	(42,588,526)
Total noncurrent assets	30,997,018
TOTAL ASSETS	50,004,318
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows related to pensions	490,436
TOTAL DEFERRED OUTFLOWS OF RESOURCES	490,436
LIABILITIES	
Current liabilities:	
Accounts payable	10,321,619
Accrued payroll	37,263
Accrued other	165,616
Notes payable	7,800,000
Other current liability	300,894
Total current liabilities	18,625,392
Noncurrent liabilities:	
OPEB liability	4,800,937
Net pension liability	905,826
Accrued compensated absences	424,785
Total noncurrent liabilities	6,131,548
TOTAL LIABILITIES	24,756,940
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows related to OPEB	411,787
Deferred inflows related to pensions	178,424
TOTAL DEFERRED INFLOWS OF RESOURCES	590,211
NET POSITION	
Net investment in capital assets	26,651,021
Restricted	1,763,040
Unrestricted	(3,266,458)
TOTAL NET POSITION	\$ 25,147,603

See accompanying notes to financial statements.

GREATER ATTLEBORO-TAUNTON REGIONAL TRANSIT AUTHORITY
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
YEAR ENDED JUNE 30,

	2019
OPERATING REVENUES	
Charges for services	\$ 48,486,328
Total operating revenues	48,486,328
OPERATING EXPENSES	
Purchased Transportation Services	57,565,541
Payroll	1,594,054
Fringe Benefits	1,018,722
Professional & Technical Services	314,250
Other Contracted Services	497,723
Other Materials & Supplies	129,205
Utilities	125,858
Insurance	947,767
Miscellaneous	295,556
Depreciation	3,961,196
Total operating expenses	66,449,872
OPERATING INCOME (LOSS)	(17,963,544)
NON-OPERATING REVENUES (EXPENSES)	
Operating assistance	
Federal Grants - Operating	4,920,000
Federal Grants - Other	44,119
State Contract Assistance - Appropriated	4,036,560
State Contract Assistance - Addition per Ch161B	309,437
State Contract - Other	689,037
Local Assessments	4,345,997
Other	102,074
Interest Income	6,531
Interest Expense	(165,918)
Total non-operating revenues (expenses)	14,287,837
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS	(3,675,707)
CAPITAL CONTRIBUTIONS	
Federal	2,896,755
State	1,440,792
Other	297,042
Total capital contributions	4,634,589
CHANGE IN NET POSITION	958,882
NET POSITION - JULY 1	24,188,721
NET POSITION - JUNE 30	\$ 25,147,603

See accompanying notes to financial statements.

GREATER ATTLEBORO-TAUNTON REGIONAL TRANSIT AUTHORITY
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30,

	2019
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers	\$ 48,470,556
Payments to vendors and suppliers	(59,286,393)
Payments to employees	(1,578,735)
Payments of fringe	(1,018,722)
Net cash provided (used) by operating activities	(13,413,294)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Proceeds from notes	7,800,000
Repayment of notes	(7,500,000)
Operating assistance grants	13,075,257
Interest expense	(127,699)
Net cash provided (used) by noncapital financing activities	13,247,558
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Acquisition of capital assets	(3,641,407)
Capital contributions	
United States Department of Transportation	2,052,544
Commonwealth of Massachusetts	1,213,196
Other	297,042
Proceeds from sale of capital assets	16,168
Net cash provided (used) by capital and related financing activities	(62,457)
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest income	6,531
Rental income	90,058
Net cash provided (used) by investing activities	96,589
NET INCREASE (DECREASE) IN CASH	(131,604)
CASH AND CASH EQUIVALENTS - JULY 1	704,661
CASH AND CASH EQUIVALENTS - JUNE 30	\$ 573,057

See accompanying notes to financial statements.

GREATER ATTLEBORO-TAUNTON REGIONAL TRANSIT AUTHORITY
STATEMENT OF CASH FLOWS (CONTINUED)
YEAR ENDED JUNE 30,

Reconciliation of operating income (loss) to net cash provided (used) by operating activities:	<u>2019</u>
Operating income (loss)	\$ (17,963,544)
Adjustments to reconcile net income (loss) to net cash provided (used) by operating activities:	
Depreciation	3,961,196
Changes in assets and liabilities:	
Receivables (net)	114,187
Inventories	32,627
Deferred outflows	(129,960)
Accounts payable	(137,279)
Accrued payroll	8,050
Other current liability	79,523
OPEB liability	440,379
Net pension liability	249,015
Accrued compensated absences	7,269
Deferred inflows-opeb	(82,358)
Deferred inflows-pension	7,601
Net Cash Provided (Used) in Operating Activities	<u><u>\$ (13,413,294)</u></u>

See accompanying notes to financial statements.

GREATER ATTLEBORO-TAUNTON REGIONAL TRANSIT AUTHORITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

1. The Authority and Operators

The Greater Attleboro-Taunton Regional Transit Authority (the Authority) is a component unit of the Massachusetts Department of Transportation (MassDOT) and MassDOT is a component unit of the Commonwealth of Massachusetts (the Commonwealth). The Authority was established as a political subdivision of the Commonwealth on December 15, 1976, by the various cities and towns constituting the Authority, pursuant to Section 3 of Chapter 161B of the General Laws of the Commonwealth, for the purpose of continuing and improving local transit service.

The Authority is managed by an Administrator appointed by an Advisory Board. The Advisory Board is made up of appointed representatives from the member communities. The Authority's operations are primarily funded through passenger fares, contractual reimbursements and operating subsidies from the Federal government, MassDOT, and the member communities. In addition, the Authority receives federal and state capital grants that are used to finance acquisitions and improvements to facilities and equipment.

The operation and maintenance of the Authority is performed by various private sector transportation companies (the Operators) under terms and agreements whereby the carriers provide mass transit along such routes and according to such schedules as may be defined by the Authority. In return, the Authority agreed to reimburse the Operators for all costs and expenses which are reasonable and necessary for the efficient operation of the system.

The Authority also has a brokerage contract with the Commonwealth's Executive Office of Health and Human Services, whereby, the Authority coordinates with this Agency to provide its clients with transportation services. The actual services are provided by various private sector transportation companies.

2. Summary of Significant Accounting Policies

a) Measurement Focus, Basis of Accounting and Financial Reporting Presentation – The financial statements of the Authority have been prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP") as applied to government entities. The Governmental Accounting Standards Board ("GASB") is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Under these standards, the Authority meets the definition of a special-purpose government, engaged only in business-type activities.

The financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recognized at the time transportation services are provided. Unearned revenue represents cash received in advance of future services.

The Authority distinguishes between operating revenues and expenses and nonoperating revenues and expenses. Operating revenues and expenses generally result from providing services in connection with the Authority's principal ongoing operations. The Authority's principal operating revenues are passenger fares and brokerage contracts. Operating expenses include the cost of transit services, provided by third party vendors, maintenance, administrative and depreciation expense. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

GREATER ATTLEBORO-TAUNTON REGIONAL TRANSIT AUTHORITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

2. Summary of Significant Accounting Policies (continued):

b) Inventories – Inventories of fuel are stated at the lower of cost or market on a first-in, first-out basis (FIFO). Inventories of parts are stated at the lower of cost or market on an average cost basis.

c) Capital Assets – Capital assets are stated at cost less accumulated depreciation. Depreciation is computed using the straight-line method based on the estimated service lives of the assets. The Authority’s capitalization policy is to capitalize all assets acquired with capital funds regardless of the dollar amount. The estimated service lives are as follows:

Buildings	20 – 40 years
Vehicles	4 – 12 years
Equipment	5 – 7 years
Intangible assets	2 – 7 years

d) Net Position - Net position is the residual of all other elements presented in a statement of net position. It is the difference between (a) assets and deferred outflows of resources and (b) liabilities and deferred inflows of resources. Net position is reported in three categories and these are defined as follows: (1) amounts invested in capital assets consists of capital assets, net of accumulated depreciation and is reduced by the related debt that is attributed to the acquisition, construction, or improvement of those assets, (2) restricted net position results when constraints are placed on net position use, and are either externally imposed by creditors, grantors, contributors, and the like, or imposed by law through enabling legislation. (3) Unrestricted net position consists of net position that does not meet the definition of the two preceding categories.

e) 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 could differ from those estimates.

f) Statement of Cash Flows – For purposes of the statement of cash flows, the Authority considers all highly liquid investments purchased with a maturity of three months or less to be cash equivalents.

g) Available Unrestricted Resources – The Authority’s policy is to utilize available restricted resources prior to unrestricted resources.

h) Pensions – For purposes of measuring the Authority’s net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Taunton Contributory Retirement System (the System) and additions to/deductions from the System’s fiduciary net position have been determined on the same basis as they are reported by the System.

For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

GREATER ATTLEBORO-TAUNTON REGIONAL TRANSIT AUTHORITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

3. Cash

State and local statutes place certain limitations on the nature of deposits and investments available to the Authority. Deposits (including demand deposits, term deposits and certificates of deposit) in any one financial institution may not exceed certain levels without collateralization by the financial institutions involved. Investments can also be made in securities issued by or unconditionally guaranteed by the U.S. Government or its agencies that have a maturity of less than one year from the date of purchase and repurchase agreements guaranteed by such securities with maturity dates of no more than 90 days from the date of purchase.

Custodial credit risk exists for cash deposits when, in the event of the failure of a depository financial institution, the Authority's deposits will not be recovered. The Authority does not have a formal policy with regard to custodial credit risk, but invests its funds in deposits that are fully FDIC insured or collateralized with securities held by the pledging financial institution's trust department in the financial institution's name. At June 30, 2019, the Authority does not have any uninsured or uncollateralized bank deposits.

	2019
Balance per banks	\$ 940,023
Deposits covered by:	
Federal Depository Insurance Corporation	(465,184)
Depositors Insurance Fund	(474,839)
Collateralized with pledged securities	-
 Total uninsured and uncollateralized deposits	 \$ -

4. Allowance for Uncollectible Accounts

As of June 30, 2019 the allowance for uncollectible accounts was estimated at \$10,000.

GREATER ATTLEBORO-TAUNTON REGIONAL TRANSIT AUTHORITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

5. Capital Assets and Depreciation

The capital asset activity for the year ended June 30, 2019 was as follows:

	Balance 7/1/2018	Increases	Decreases	Balance 6/30/2019
Capital assets (non-depreciable):				
Land	\$ 764,141	\$ -	\$ -	\$ 764,141
Total capital assets (non-depreciable):	<u>764,141</u>	<u>-</u>	<u>-</u>	<u>764,141</u>
Other capital assets				
Facilities	28,540,319	1,555,686	-	30,096,005
Buses & Vans	22,716,719	2,173,852	(687,579)	24,202,992
Equipment	5,461,069	552,571	-	6,013,640
Intangible & Other	7,694,539	325,488	-	8,020,027
Land Improvements	142,739	-	-	142,739
Total other capital assets at historical cost	<u>64,555,385</u>	<u>4,607,597</u>	<u>(687,579)</u>	<u>68,475,403</u>
Less accumulated depreciation for:				
Facilities	(14,461,627)	(1,227,521)	-	(15,689,148)
Buses & Vans	(14,210,515)	(2,003,066)	678,808	(15,534,773)
Equipment	(4,271,191)	(334,371)	-	(4,605,562)
Intangible & Other	(6,224,396)	(393,350)	-	(6,617,746)
Land Improvements	(138,406)	(2,888)	-	(141,294)
Total accumulated depreciation	<u>(39,306,135)</u>	<u>(3,961,196)</u>	<u>678,808</u>	<u>(42,588,523)</u>
Other capital assets, net	<u>25,249,250</u>	<u>646,401</u>	<u>(8,771)</u>	<u>25,886,880</u>
Capital assets, net	<u>\$ 26,013,391</u>	<u>\$ 646,401</u>	<u>\$ (8,771)</u>	<u>\$ 26,651,021</u>

Depreciation expense for 2019 was \$3,961,196.

6. Short – Term Debt

The following is a summary of outstanding short-term debt at June 30,:

	2019
\$7,800,000 Revenue Anticipation Note (RAN) - stated interest rate of 2.5% (1.79% effective interest rate after applying premium) due in August, 2019 and fully guaranteed by the Commonwealth of Massachusetts.	\$ 7,800,000
\$2,500,000 Line of Credit - interest rate of base minus .50% floating, no floor. Payable on demand. All assets of the Authority have been pledged as collateral on the line of credit. In the event of a default, the lender may access the collateral.	\$ -
	<u>\$ 7,800,000</u>

The following is a summary of changes in short-term debt:

	Balance 7/1/2018	Additions	Deletions	Balance 6/30/2019
2017 RAN	\$ 7,500,000	\$ -	\$ (7,500,000)	\$ -
2018 RAN	-	7,800,000	-	7,800,000
Line of Credit	-	-	-	-
	<u>\$ 7,500,000</u>	<u>\$ 7,800,000</u>	<u>\$ (7,500,000)</u>	<u>\$ 7,800,000</u>

GREATER ATTLEBORO-TAUNTON REGIONAL TRANSIT AUTHORITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

7. Restricted Net Position

Reserve for Extraordinary Expense

In accordance with Section 6 of Chapter 161B of the General Laws of the Commonwealth, the Authority is allowed to establish a reserve account for the purpose of meeting the cost of extraordinary expenses in an amount not to exceed three percent of the prior year's local assessment. Any balance in the reserve account at the end of the fiscal year may be carried forward into the next fiscal year; provided, however, that the aggregate amount in the account does not exceed twenty percent of the prior year's local assessment. During the current year, the Authority contributed \$125,847 to the reserve. The balance in the reserve account at June 30, 2019 is \$650,492.

Restricted for Attleboro Station Improvements

The Authority leases commuter rail stations from the Massachusetts Bay Transportation Authority (MBTA). The lease allows the Authority to operate the MBTA's Attleboro Station paid parking facility. The excess of the revenues over expenses is shared with the MBTA. However, the Authority's share of income is restricted as to use as it must be used for capital improvements to the Attleboro Station. At the end of the lease term, any remaining excess revenues not used for improvements will be returned to the MBTA. The balance restricted for Attleboro Station improvements at June 30, 2019 is \$1,112,548.

8. Retirement Plans

Pension Plan

General Information about the Pension Plan

Plan Description – The Authority provides employees retirement benefits through the Taunton Contributory Retirement System (the System). The System is a cost-sharing, multiple-employer, defined benefit pension plan. The System is a member of the Massachusetts Association of Contributory Retirement Systems and is governed by Massachusetts General Laws, Chapter 32. Oversight of the System is provided by a five person Board of Retirement. The Plan issues a publicly available financial report that may be obtained by contacting the Plan located at 40 Dean Street, Unit 3, Taunton, MA 02780.

Benefits Provided – The Plan covers all full-time employees and provides retirement, disability, cost of living adjustments and death benefits to all plan members and beneficiaries. The Plan provides for retirement allowance benefits up to a maximum of 80% of a member's highest three-year average annual rate of regular compensation for those hired prior to April 2, 2012. For persons who became members on or after April 2, 2012, average salary is the average annual rate of regular compensation received during the five consecutive years that produce the highest average, or, if greater, during the last five years (whether or not consecutive) preceding retirement. Benefit payments are based upon a member's age, length of creditable service, level of compensation, and group classification.

GREATER ATTLEBORO-TAUNTON REGIONAL TRANSIT AUTHORITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

8. Retirement Plans (continued):

Contributions – Pursuant to Massachusetts General Laws, Chapter 32, contribution requirements of the active employees and the participating employers are established and may be amended by the Massachusetts Contributory Retirement System. Plan members are required to pay into the Plan 5% to 11% of their covered compensation, depending on plan entry date and the level of compensation. The Authority’s contractually required contribution rate for the year ended June 30, 2019, was 9.4% of annual payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the pension plan from the Authority were \$140,798 for the year ended June 30, 2019.

Pension Liabilities, Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2019, the Authority reported a liability of \$905,826 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2018. The Authority’s proportion of the net pension liability was based on a projection of the long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At December 31, 2018, the Authority’s proportion of net pension liability was approximately 0.86 percent.

Changes in assumptions and difference between actual and expected experience are a result of an updated experience study performed for the January 1, 2018 actuarial valuation. The changes in assumptions and experience will be amortized over the average expected remaining service life of plan members.

For the year ended June 30, 2019, the Authority recognized pension expense of \$267,454 and reported deferred outflows and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>
Difference between Expected and Actual Experience	\$ 28,932
Changes of Assumptions	71,671
Net Difference between Projected and Actual Investment Earnings on Pension Plan Investments	316,535
Changes in proportion and difference between employer contributions and proportionate share of contributions	2,899
Subsequent contributions after measurement	70,399
	<u>\$ 490,436</u>

GREATER ATTLEBORO-TAUNTON REGIONAL TRANSIT AUTHORITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

8. Retirement Plans (continued):

	Deferred Inflows of Resources
Difference between Expected and Actual Experience	\$ (26,563)
Changes of Assumptions	(46,919)
Net Difference between Projected and Actual Investment Earnings on Pension Plan Investments	(102,043)
Changes in proportion and difference between employer contributions and proportionate share of contributions	(2,899)
	\$ (178,424)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year	
2020	\$ 114,182
2021	\$ 60,058
2022	\$ 63,678
2023	\$ 74,094
2024	\$ -

Actuarial Assumptions – The total pension liability in the January 1, 2018 actuarial valuation, were determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial cost method:	Individual entry age normal cost method
Amortization method:	Payments increase at 3%
Asset valuation method:	Assets held by the fund are valued at market values as reported by the Public Employees' Retirement Administration Commission (PERAC). The actuarial value of assets is determined using a five-year smoothing of asset returns greater than or less than the assumed rate of return.
Remaining amortization period:	5 years
Inflation:	3%
Salary increases:	3.5% average
Investment rate of return:	7.75%, net pension plan investment expense, including inflation
Cost of living adjustment:	3% up to a maximum of \$15,000
Rates of retirement:	Varies based on age
Mortality rates:	
Pre-retirement and post-retirement	The RP-2014 Blue Collar Mortality Table for males and females with Scale MP-2014.
Disabled Retiree	The RP-2000 Mortality Table set forward six years for all disabled members.

GREATER ATTLEBORO-TAUNTON REGIONAL TRANSIT AUTHORITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

8. Retirement Plans (continued):

The actuarial mortality assumptions used in the January 1, 2018 valuation were based on the results of actuarial experience study for the period of January 1, 2014 to January 1, 2016.

The long-term expected rate of return on pension plan investments was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense 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:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
Large Cap	23.5%	4.2%
Mid Cap	12.0%	7.4%
Small Cap	12.0%	6.2%
International equities	13.5%	2.5%
Emerging markets	4.0%	10.9%
Real assets	15.0%	7.7%
Fixed income	20.0%	1.0%
Total	100%	

Discount rate – The discount rate used to measure the total pension liability was 7.75 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 contributions from employers will be made at contractually required rates, actuarially determined. Based on those assumptions, the pension 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 pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Authority’s proportionate share of the net pension liability to changes in the discount rate – The following presents the Authority’s proportionate share of the net pension liability calculated using the discount rate of 7.75 percent, as well as what the Authority’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.75 percent) or 1-percentage-point higher (8.75 percent) than the current rate:

	1% Decrease (6.75%)	Discount Rate (7.75%)	1% Increase (8.75%)
Authority’s proportionate share of the net pension liability	\$1,269,793	\$905,826	\$592,359

GREATER ATTLEBORO-TAUNTON REGIONAL TRANSIT AUTHORITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

8. Retirement Plans (continued):

Pension plan fiduciary net position – Detailed information about the pension plan’s fiduciary net position is available in the separately issued System financial report. The Plan’s fiduciary net position uses the same basis as the plan. The Plan uses the accrual basis of accounting, and benefits and refunds are recognized when due and payable. Plan investments are measured at fair value.

Post Employment Healthcare Benefits Plan

Plan Description – In addition to pension benefits, the Authority provides postemployment health care benefits for eligible employees who have attained age 55 and render at least 10 or more years of service or at any age with 20 years of service, until the employee is eligible for Medicare. For those hired after April 1, 2012, benefits are received after attaining age 60 with 10 or more years of service. The benefits, benefit level, employee contributions and employer contributions are governed by the Authority. As of July 1, 2017, the actuarial valuation date, approximately 31 active employees and 4 retirees meet eligibility requirements. The plan does not issue separate stand-alone financial statements.

Benefits Provided – Medical coverage under the group health insurance plan for regular full-time employees will continue until the employee is eligible for Medicare. Coverage for the dependents of such regular full-time employees will also continue during this period. Once the retired employee is entitled to Medicare, health care coverage for the employee’s spouse will continue, provided that the enrollment costs as established annually by the Plan administrator are paid.

Dental coverage under the group health insurance plan for regular full-time employees will continue until the employee is eligible for Medicare. Coverage for the dependents of such regular full-time employees will also continue during this period. Once the retired employee is entitled to Medicare, health care coverage for the employee’s spouse will continue, provided that the enrollment costs as established annually by the Plan administrator are paid.

Contributions – For medical coverage, the retired employee must pay 10% of the enrollment cost (the “working rate”) as established annually by the Plan administrator. The Authority contributes the remainder of the health plan costs.

For dental coverage, the retired employee must pay 10% of the enrollment cost (the “working rate”) as established annually by the Plan administrator. The Authority contributes the remainder of the health plan costs.

Total OPEB Liability – The Authority’s total OPEB liability of \$4,800,937 was measured, as of July 1, 2018, based on an actuarial valuation that was performed on July 1, 2017.

GREATER ATTLEBORO-TAUNTON REGIONAL TRANSIT AUTHORITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

8. Retirement Plans (continued):

Changes in the Total OPEB Liability – Changes of assumptions and other inputs reflect a difference in actual and expected experience of the plan.

	2019
Total OPEB liability	
Service costs	\$ 315,049
Interest	151,535
Changes of benefit terms	-
Changes of assumptions or other inputs	-
Benefit payments	(26,205)
Net change in total OPEB liability	440,379
Total OPEB liability - beginning	4,360,558
Total OPEB liability - ending	\$ 4,800,937

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB – For the year ended June 30, 2019, the Authority recognized an OPEB expense of \$384,226. At June 30, 2019, the Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>
Difference between actual vs. expected experience	\$ -
Changes of assumptions	-
Net difference between projected and actual earnings on OPEB investments	-
	\$ -

	<u>Deferred Inflows of Resources</u>
Difference between actual vs. expected experience	\$ 411,787
Changes of assumptions	-
Net difference between projected and actual earnings on OPEB investments	-
	\$ 411,787

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year</u>	<u>Outflow/(Inflow)</u>
2020	\$ (82,358)
2021	\$ (82,358)
2022	\$ (82,358)
2023	\$ (82,358)
2024	\$ (82,355)
Thereafter	\$ -

GREATER ATTLEBORO-TAUNTON REGIONAL TRANSIT AUTHORITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

8. Retirement Plans (continued):

Actuarial Assumptions and Other Inputs – The total OPEB liability in the July 1, 2017 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Actuarial cost method	Individual entry age normal cost method
Amortization method	30 year level flat dollar
Inflation	2.75%
Salary increases	3.00%
Discount rate	3.25%, based on 20 year municipal bond index
Healthcare cost trend rates	5.00%
Retirees' share of benefit-related costs	10%
Mortality	
Pre-Retirement	RP-2000 Employees Mortality Table projected generationally with scale BB using a base year of 2009 for males and females
Post-Retirement and Disabled	RP-2000 Healthy Annuitant Mortality Table projected generationally with scale BB using a base year of 2009 for males and females

The July 1, 2017 actuarial mortality assumptions were based on the results of a 2014 actuarial experience study for the period 2006-2011 updated to reflect data through January 1, 2015.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate – The following presents the total OPEB liability of the Authority, as well as what the Authority's total OPEB liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current discount rate:

	1% Decrease (2.25%)	Discount Rate (3.25%)	1% Increase (4.25%)
Total OPEB liability	\$5,819,399	\$4,800,937	\$4,000,031

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates – The following presents the total OPEB liability of the Authority, as well as what the Authority's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1% lower or 1% higher than the current healthcare cost trend rate:

	1% Decrease (4.00%)	Healthcare Cost Trend Rates (5.00%)	1% Increase (6.00%)
Total OPEB liability	\$3,808,818	\$4,800,937	\$6,100,058

GREATER ATTLEBORO-TAUNTON REGIONAL TRANSIT AUTHORITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

9. Commitments and Contingencies

- a) Purchase commitments – Construction in progress at June 30, 2019 consisted of expenditures by the Authority for various construction projects, which management expects will be completed in fiscal year 2020. At June 30, 2019, remaining construction commitments for these projects was approximately \$0.
- b) Litigation – In the normal course of operations, the Authority has been named in various claims and litigation. Based upon information available to counsel and the Authority, management believes that the ultimate outcome from these claims and litigations will not have a material adverse effect on the Authority’s financial position.
- c) Risk management - The Authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; natural disasters; and workers compensation claims for which the Authority carries commercial insurance. Settlements have not exceeded coverages for each of the past three fiscal years.

The Authority’s workers compensation coverage is insured under a retrospectively rated policy. In the opinion of management, any insurance carrier audit adjustment, if any, will not be material to the accompanying financial statements. The Authority has received capital and operating financial assistance from Federal and State agencies in the form of grants. Expenditure of funds under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the Authority. In the opinion of Authority management, liabilities resulting from such disallowed expenditures, if any, would not be material to the accompanying financial statements.

10. Subsequent Events

- a) Subsequent to June 30, 2019, the Authority issued \$8,200,000 in revenue anticipation notes that had an interest rate of 2.00%. These RANs will mature in August, 2020 and are guaranteed by the Commonwealth of Massachusetts.

- b) Adoption of New Accounting Pronouncements –

The GASB has issued the following statements, which will require adoption subsequent to June 30, 2019 and are applicable to the Authority. The Authority has not yet adopted these statements, and the implication on the Authority’s fiscal practices and financial reports is being evaluated.

Statement No.		Effective Date (FY) Begins after
84	<i>Fiduciary Activities</i>	12/15/2018
87	<i>Leases</i>	12/15/2019
89	<i>Accounting for Interest Cost Incurred before the End of a Construction Period</i>	12/15/2019
90	<i>Majority Equity Interests</i>	12/15/2018
91	<i>Conduit Debt Obligations</i>	12/15/2020

**GREATER ATTLEBORO-TAUNTON REGIONAL TRANSIT AUTHORITY
SCHEDULE OF PROPORTIONATE SHARE
OF NET PENSION LIABILITY
LAST 10 FISCAL YEARS**

	2019	2018	2017	2016	2015
Proportion of the net pension liability	0.861%	0.862%	0.065%	0.065%	0.064%
Proportionate share of net pension liability	\$ 905,826	\$ 656,811	\$ 557,061	\$ 575,583	\$ 694,118
Covered payroll	\$ 1,505,115	\$ 1,466,129	\$ 1,418,447	\$ 1,449,379	\$ 1,247,249
Proportionate share of the net pension liability as a percentage of covered payroll	60.2%	44.8%	39.3%	39.7%	55.7%
Plan fiduciary net position as a percentage of the total pension liability	74.30%	80.86%	76.76%	75.22%	65.47%

	2014	2013	2012	2011	2010
Proportion of the net pension liability	0.0%*	0.0%*	0.0%*	0.0%*	0.0%*
Proportionate share of net pension liability	*	*	*	*	*
Covered payroll	*	*	*	*	*
Proportionate share of the net pension liability as a percentage of covered payroll	0.0%*	0.0%*	0.0%*	0.0%*	0.0%*
Plan fiduciary net position as a percentage of the total pension liability	0.0%*	0.0%*	0.0%*	0.0%*	0.0%*

* - Information not available.

See accompanying Independent Auditor's Report.

**GREATER ATTLEBORO-TAUNTON REGIONAL TRANSIT AUTHORITY
SCHEDULE OF CONTRIBUTIONS
LAST 10 FISCAL YEARS**

	2019	2018	2017	2016	2015
Actuarially determined contribution	\$ 140,798	\$ 136,825	\$ 99,621	\$ 96,910	\$ 94,741
Contributions in relation to the actuarially determined contribution	(140,798)	(136,825)	(99,621)	(96,910)	(94,741)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 1,505,115	\$ 1,466,129	\$ 1,418,447	\$ 1,449,379	\$ 1,247,249
Contributions as a percentage of covered payroll	9.4%	9.3%	7.0%	6.7%	7.6%

	2014	2013	2012	2011	2010
Actuarially determined contribution	*	*	*	*	*
Contributions in relation to the actuarially determined contribution	*	*	*	*	*
Contribution deficiency (excess)	<u>*</u>	<u>*</u>	<u>*</u>	<u>*</u>	<u>*</u>
Covered payroll	*	*	*	*	*
Contributions as a percentage of covered payroll	0.0%*	0.0%*	0.0%*	0.0%*	0.0%*

* - Information not available.

See accompanying Independent Auditor's Report.

**GREATER ATTLEBORO-TAUNTON REGIONAL TRANSIT AUTHORITY
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
LAST TEN FISCAL YEARS**

	2019	2018	2017	2016	2015
Total OPEB liability					
Service costs	\$ 315,049	\$ 290,313	*	*	*
Interest	151,535	156,087	*	*	*
Changes of benefit terms	-	-	*	*	*
Changes of assumptions or other inputs	-	(576,503)	*	*	*
Benefit payments	(26,205)	(43,066)	*	*	*
Net change in total OPEB liability	440,379	(173,169)	*	*	*
Total OPEB liability - beginning	4,360,558	4,533,727	*	*	*
Total OPEB liability - ending	<u>\$ 4,800,937</u>	<u>\$ 4,360,558</u>	<u>*</u>	<u>*</u>	<u>*</u>
Covered payroll	\$ 1,579,937	\$ 1,533,919	\$ -	\$ -	*
Total OPEB liability as a percentage of covered payroll	303.9%	284.3%	0.0%*	0.0%*	0.0%*

	2014	2013	2012	2011	2010
Total OPEB liability					
Service costs	*	*	*	*	*
Interest	*	*	*	*	*
Changes of benefit terms	*	*	*	*	*
Differences of assumptions or other inputs	*	*	*	*	*
Benefit payments	*	*	*	*	*
Net change in total OPEB liability	*	*	*	*	*
Total OPEB liability - beginning	*	*	*	*	*
Total OPEB liability - ending	<u>*</u>	<u>*</u>	<u>*</u>	<u>*</u>	<u>*</u>
Covered payroll	\$ -	\$ -	\$ -	\$ -	*
Total OPEB liability as a percentage of covered payroll	0.0%*	0.0%*	0.0%*	0.0%*	0.0%*

Significant change:

The significant change of assumptions and other inputs was caused by the difference between expected and actual experience of the Plan.

* - Information not available.

See accompanying Independent Auditor's Report.

GREATER ATTLEBORO-TAUNTON REGIONAL TRANSIT AUTHORITY
SCHEDULE OF LOCAL (CITIES AND TOWNS) FUNDING
YEAR ENDED JUNE 30, 2019

<u>Community</u>	<u>Share</u>
Attleboro	\$ 439,548
Bellingham	159,005
Berkley	38,257
Carver	61,261
Dighton	15,263
Duxbury	125,229
Kingston	98,018
Foxboro	134,635
Franklin	256,623
Hanover	95,468
Lakeville	58,827
Mansfield	180,150
Marshfield	204,250
Medway	95,954
Middleborough	178,727
Norfolk	123,981
North Attleboro	225,457
Norton	110,734
Pembroke	153,109
Plainville	29,033
Plymouth	432,740
Raynham	105,670
Rehoboth	20,606
Scituate	132,015
Seekonk	110,950
Taunton	448,496
Wareham	220,217
Wrentham	91,775
	<u>\$ 4,345,997</u>

See accompanying Independent Auditor's Report.

GREATER ATTLEBORO-TAUNTON REGIONAL TRANSIT AUTHORITY
NET COST OF SERVICE
YEAR ENDED JUNE 30, 2019

	Urbanized Area Service	Rural Area Service	Total Area Service
I. Operating costs			
A. RTA administrative costs (excluding depreciation)	\$ 2,042,184	\$ 121,146	\$ 2,163,330
B. Transportation Services			
Fixed route	\$ 7,483,064	\$ -	\$ 7,483,064
Demand response	\$ 6,664,520	\$ 1,022,354	\$ 7,686,874
Brokerage services	\$ 42,626,707	\$ 2,528,703	\$ 45,155,410
C. Debt Service	\$ 156,627	\$ 9,291	\$ 165,918
Total Operating Costs	\$ 58,973,102	\$ 3,681,494	\$ 62,654,596
II. Federal Operating Assistance			
A. FTA operating and administrative	\$ 4,964,119	\$ -	\$ 4,964,119
B. Other federal	\$ -	\$ -	\$ -
Total Federal Assistance	\$ 4,964,119	\$ -	\$ 4,964,119
III. Revenues			
A. Farebox Revenue	\$ 1,136,843	\$ 67,440	\$ 1,204,283
B. Shuttle Revenue	\$ -	\$ -	\$ -
C. Other third party reimbursement	\$ 43,730,937	\$ 2,594,208	\$ 46,325,145
D. Other Revenues			
1. Advertising	\$ 53,501	\$ -	\$ 53,501
2. Parking	\$ 893,868	\$ -	\$ 893,868
3. Sale of capital assets	\$ 7,397	\$ -	\$ 7,397
4. Interest income	\$ 6,531	\$ -	\$ 6,531
5. Miscellaneous	\$ 748,824	\$ 44,422	\$ 793,246
Total Other Revenues	\$ 46,577,901	\$ 2,706,070	\$ 49,283,971
IV. Net Operating Deficit (I-II-III)	\$ 7,431,082	\$ 975,424	\$ 8,406,506
V. Adjustments			
Extraordinary expenses (not to exceed 2.5% of prior years local assessment)	\$ 118,800	\$ 7,047	\$ 125,847
Stabilization Fund	\$ -	\$ -	\$ -
MBTA Restricted for Rail Station Improvements	\$ 159,641	\$ -	\$ 159,641
VI. Net Cost of Service IV+V)	\$ 7,709,523	\$ 982,471	\$ 8,691,994
VII. Net Cost of Service Funding			
A. Local Assessments			\$ 4,345,997
B. State contract assistance			\$ 4,036,560
1. LESS: Adjustment for exceeding 2.5% cap on prior year net operating expenses			\$ -
C. Additional State Contract Assistance Receivable to be Funded Fully/CH161B			\$ 309,437
			\$ -

See accompanying Independent Auditor's Report.