

GREATER ATTLEBORO-TAUNTON REGIONAL TRANSIT AUTHORITY

ANNUAL FINANCIAL STATEMENTS

JUNE 30, 2022

GREATER ATTLEBORO-TAUNTON REGIONAL TRANSIT AUTHORITY

JUNE 30, 2022

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INDEPENDENT AUDITOR'S REPORT

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

Opinions

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, 2022, 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 financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the Authority, as of June 30, 2022, 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.

Basis for Opinions

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. Our responsibilities under those standards are further described in the Auditor’s 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.

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.

GREATER ATTLEBORO-TAUNTON REGIONAL TRANSIT AUTHORITY

Auditor's 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 auditor's 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 generally accepted auditing standards 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 generally accepted auditing standards 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 certain pension and post-employment benefit information listed under Required Supplementary Information 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.

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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 Schedule of Local (Cities and Towns) Funding, Schedule of Revenues and Expenses – Brokerage Department, and Net Cost of Service 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 was 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 accompanying supplemental information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 31, 2023 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.

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

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

Fall River, Massachusetts

January 31, 2023

Greater Attleboro-Taunton Regional Transit Authority
Management's Discussion and Analysis
June 30, 2022

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, 2022. 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 Pension 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, Net Cost of Service, and Schedule of Revenues and Expenses – Brokerage Department. 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 2022	Proprietary Activities 2021
Current Assets	\$ 22,599,066	\$ 15,536,750
Noncurrent Other Assets	\$ 4,680,163	\$ 4,566,013
Capital Assets	\$ 25,257,386	\$ 21,388,692
Total Assets.....	<u>\$ 52,536,615</u>	<u>\$ 41,491,455</u>
Deferred Outflows of Resources	<u>\$ 2,020,720</u>	<u>\$ 1,220,936</u>
Current Liabilities	\$ 19,911,774	\$ 14,473,503
Noncurrent Liabilities	\$ 7,032,496	\$ 6,655,604
Total Liabilities.....	<u>\$ 26,944,270</u>	<u>\$ 21,129,107</u>
Deferred Inflows of Resources.....	<u>\$ 2,145,219</u>	<u>\$ 1,560,209</u>
Net Position:		
Net Invested in Capital Assets	\$ 25,257,386	\$ 21,388,692
Restricted.....	\$ 1,672,497	\$ 1,564,443
Unrestricted (deficit)	<u>\$ (1,462,037)</u>	<u>\$ (2,930,060)</u>
Total Net Position	<u>\$ 25,467,846</u>	<u>\$ 20,023,075</u>

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

	Proprietary Activities 2022	Proprietary Activities 2021
Operating Revenues:		
Charges for Services	\$50,584,459	\$26,131,872
Total Operating Revenues.....	\$50,584,459	\$26,131,872
Operating Expenses:		
Purchased Transportation Services	\$60,644,195	\$34,663,738
Payroll and Fringe Benefits.....	3,215,686	2,699,273
Other.....	2,975,336	2,888,734
Depreciation	3,622,204	3,518,427
Total Operating Expenses.....	70,457,421	43,770,172
Operations Income (Loss).....	(19,872,962)	(17,638,300)
Non-Operating Revenues (Expenses)		
Federal Assistance.....	7,832,858	4,347,855
State Assistance.....	5,120,331	5,382,781
Local Assessments	4,680,163	4,566,013
Other	145,801	47,896
Interest Expense	(60,882)	(91,033)
Total Non-Operating Revenues (Expenses).....	17,718,271	14,253,512
Capital Contributions	7,599,462	4,198,498
Change in Net Position.....	5,444,771	813,710
Prior Period Adjustment	-	(1,565,186)
Ending Net Position	\$ 25,467,846	\$ 20,023,075

Financial Analysis

The COVID-19 pandemic, beginning in March 2020 and continuing through fiscal year end, June 30, 2021, significantly affected GATRA’s operations and financial trends during the two-year period. During fiscal year end June 30, 2022 GATRA experienced an increase in services, with operations trending towards pre-pandemic levels. Detailed analyses of the normal trends and COVID-specific impacts are detailed below.

Total current assets increased in 2022 by approximately \$7,062,316 (45.5%). This was primarily caused by an increase in cash of \$1,558,573, due from other governments of \$1,850,453, and unbilled receivables of \$2,612,199.. 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. In the two prior years, GATRA reduced human services transportation programs beginning in March 2020 in response to the pandemic, resulting in a decrease in reimbursement billings sent to the State through fiscal year end. In the current year, GATRA continued to resume these programs and experience an increase in services, which increased the balances in receivables at year end.

Total current liabilities increased in 2022 by approximately \$5,438,271 (37.6%). This was primarily caused by an increase in accounts payable of \$5,308,172. 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. Due to the pandemic and the reduction in human service transportation operations described above, fewer bills were received from the operators and outstanding at the end of the prior fiscal year. In FY22 GATRA continue to resume normal operations in these programs to pre-pandemic levels, which increased the balances in payables at year end. Additionally, fiscal year 2022 was consistent with the prior year in note payables. While \$8.2 million in revenue anticipation notes were retired during the year, \$8.2 million in new notes were issued.

Total noncurrent liabilities increased in 2022 by approximately \$376,892 (5.6%). This was primarily caused by an increase in OPEB liability of \$635,724 and a decrease in net pension liability of \$228,824. The changes in pension and post-employment benefit liabilities were due to changes in the actuarial valuations.

GATRA recognized a substantial increase in capital assets in FY 2022. This resulted from purchases of facilities (\$103,629), buses and vans (\$5,505,280), equipment (\$1,723,371), and other (\$223,838). Most notably, GATRA acquired six electric buses via a VW Settlement Fund grant through the Massachusetts Department of Environmental Protection. FY 2022 Capital Asset purchases totaled \$7,556,118. During the fiscal year, GATRA also disposed of buses and service vehicles that were no longer useful with a net book value of \$65,219.

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 an ending net position of \$25,467,846 an increase over the prior year of \$5,444,771. This increase was the combination of a \$3,868,694 increase in net investment in capital assets, a \$108,054 increase in restricted net position (see financial statement Note 7), and a \$1,468,023 increase in unrestricted net position.

The increase in net position was the result of the Authority's revenues and capital contributions exceeding expenses by \$5,444,771.

Total operating revenues increased in FY22 by \$24,452,587 (94%). The increase was primarily the result of increased ridership in response to the recovery from the COVID pandemic. Both fixed route and demand response ridership was higher compared to prior years. Additionally, throughout the fiscal year, the volume of brokerage services provided was significantly higher compared to that experienced during the pandemic, with service levels trending towards pre-pandemic numbers. GATRA anticipates that these numbers will continue to trend upwards as we recover from the pandemic and return to normalcy.

Total operating expenses increased by \$26,687,249 (61%). The increases were related to increased brokerage services and ridership 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-Middleborough-Norton Labor Market as of June 30, 2022 was 3.8%, which decreased 1.7% from 5.5% a year ago. The trend is continuing downwards towards rates similar to those experienced pre-COVID pandemic. This compares similarly to the statewide trend experienced in which the unemployment rate of 5.0% in June 2021 decreased to 3.7% by the end of fiscal year 2022. The inflationary trend in the region (7.0% annual – BLS CPI Boston-Cambridge-Newton region for all items) is higher than the national inflation rate (1.3% - 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 2023 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,

	<u>2022</u>
ASSETS	
Current assets:	
Cash	\$ 4,188,743
Receivables (net)	217,112
Due from other governments (net)	11,018,403
Unbilled - Due from other governments	5,983,741
Inventories	365,499
Other current assets	825,568
Total current assets	<u>22,599,066</u>
Noncurrent assets:	
Due from other governments (net)	4,680,163
Capital assets	76,688,405
Less accumulated depreciation	(51,431,019)
Total noncurrent assets	<u>29,937,549</u>
TOTAL ASSETS	<u>52,536,615</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows related to OPEB	1,489,888
Deferred outflows related to pensions	530,832
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>2,020,720</u>
LIABILITIES	
Current liabilities:	
Accounts payable	11,231,883
Accrued payroll	74,362
Accrued liabilities	268,343
Accrued compensated absences, current	36,754
Notes payable	8,200,000
Unearned Revenue	100,432
Total current liabilities	<u>19,911,774</u>
Noncurrent liabilities:	
OPEB liability	6,150,772
Net pension liability	603,645
Accrued compensated absences	278,079
Total noncurrent liabilities	<u>7,032,496</u>
TOTAL LIABILITIES	<u>26,944,270</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows related to OPEB	1,714,777
Deferred inflows related to pensions	430,442
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>2,145,219</u>
NET POSITION	
Net investment in capital assets	25,257,386
Restricted	1,672,497
Unrestricted	(1,462,037)
TOTAL NET POSITION	<u>\$ 25,467,846</u>

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,

	<u>2022</u>
OPERATING REVENUES	
Charges for services	\$ 50,584,459
Total operating revenues	<u>50,584,459</u>
OPERATING EXPENSES	
Purchased Transportation Services	60,644,195
Payroll	2,272,999
Fringe Benefits	942,687
Professional & Technical Services	670,287
Other Contracted Services	359,095
Other Materials & Supplies	271,315
Utilities	177,000
Insurance	1,290,951
Miscellaneous	206,688
Depreciation	3,622,204
Total operating expenses	<u>70,457,421</u>
OPERATING INCOME (LOSS)	<u>(19,872,962)</u>
NON-OPERATING REVENUES (EXPENSES)	
Operating assistance	
Federal Grants - Operating	7,832,858
State Contract Assistance - Appropriated	4,680,163
State Contract - Other	440,168
Local Assessments	4,680,163
Other	143,884
Interest Income	1,917
Interest Expense	(60,882)
Total non-operating revenues (expenses)	<u>17,718,271</u>
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS	(2,154,691)
CAPITAL CONTRIBUTIONS	
Federal	581,904
State	6,983,652
Other	33,906
Total capital contributions	<u>7,599,462</u>
CHANGE IN NET POSITION	5,444,771
NET POSITION - JULY 1	<u>20,023,075</u>
NET POSITION - JUNE 30	<u><u>\$ 25,467,846</u></u>

See accompanying notes to financial statements.

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

	2022
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers	\$ 48,143,452
Payments to vendors and suppliers	(59,321,379)
Payments to employees	(2,272,999)
Payments of fringe	(942,687)
Net cash provided (used) by operating activities	(14,393,613)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Proceeds from notes	8,200,000
Repayment of notes	(8,200,000)
Operating assistance grants	14,688,660
Interest expense	(77,420)
Net cash provided (used) by noncapital financing activities	14,611,240
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Acquisition of capital assets	(6,296,191)
Capital contributions	
United States Department of Transportation	1,443,856
Commonwealth of Massachusetts	6,134,542
Other	9,051
Proceeds from sale of capital assets	141,739
Net cash provided (used) by capital and related financing activities	1,432,997
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest income	1,917
Rental income	(93,978)
Net cash provided (used) by investing activities	(92,061)
NET INCREASE (DECREASE) IN CASH	1,558,563
CASH AND CASH EQUIVALENTS - JULY 1	2,630,180
CASH AND CASH EQUIVALENTS - JUNE 30	\$ 4,188,743

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>2022</u>
Operating income (loss)	\$ (19,872,962)
Adjustments to reconcile net income (loss) to net cash provided (used) by operating activities:	
Depreciation	3,622,204
Changes in assets and liabilities:	
Receivables (net)	(1,641,242)
Inventories	(45,762)
Other current assets	(812,815)
Deferred outflows-opeb	(823,415)
Deferred outflows-pension	23,631
Accounts payable	4,048,268
Accrued payroll	10,974
Accrued liabilities	49,300
Unearned revenue	100,432
OPEB liability	635,724
Net pension liability	(228,824)
Accrued compensated absences	(44,136)
Deferred inflows-opeb	512,009
Deferred inflows-pension	73,001
Net Cash Provided (Used) in Operating Activities	<u><u>\$ (14,393,613)</u></u>

See accompanying notes to financial statements.

GREATER ATTLEBORO-TAUNTON REGIONAL TRANSIT AUTHORITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

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.

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 charges for services. 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, 2022

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 – 14 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 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, 2022

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 places its funds in deposits that are insured or collateralized with securities held by the pledging financial institution's trust department in the financial institution's name. The total amount of the Authority's bank deposits consists of the following at June 30, 2022:

	2022
Balance per banks	<u>\$ 4,953,650</u>
Deposits covered by:	
Federal Depository Insurance Corporation	(576,797)
Depositors Insurance Fund	(1,028,352)
Collateralized with pledged securities	<u>(250,593)</u>
Total uninsured and uncollateralized deposits	<u><u>\$ 3,097,908</u></u>

As of November 7, 2022, all bank deposits have been fully insured and collateralized.

4. Allowance for Uncollectible Accounts

As of June 30, 2022 the allowance for uncollectible accounts was estimated at \$137,652.

GREATER ATTLEBORO-TAUNTON REGIONAL TRANSIT AUTHORITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

5. Capital Assets and Depreciation

The capital asset activity for the year ended June 30, 2022 was as follows:

	Balance 7/1/2021	Increases	Decreases	Balance 6/30/2022
Capital assets (non-depreciable):				
Land & other non-depreciable assets	\$ 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	31,421,821	103,629	-	31,525,450
Buses & vans	23,562,739	5,505,280	(2,494,257)	26,573,762
Equipment	7,162,448	1,723,371	-	8,885,819
Intangible & other	8,572,656	223,838	-	8,796,494
Land Improvements	142,739	-	-	142,739
Total other capital assets at historical cost	<u>70,862,403</u>	<u>7,556,118</u>	<u>(2,494,257)</u>	<u>75,924,264</u>
Less accumulated depreciation for:				
Facilities	(20,554,181)	(1,058,591)	-	(21,612,772)
Buses & vans	(16,035,647)	(1,771,984)	2,429,038	(15,378,593)
Equipment	(5,402,141)	(573,933)	-	(5,976,074)
Intangible & other	(8,103,145)	(217,697)	-	(8,320,842)
Land Improvements	(142,738)	-	-	(142,738)
Total accumulated depreciation	<u>(50,237,852)</u>	<u>(3,622,205)</u>	<u>2,429,038</u>	<u>(51,431,019)</u>
Other capital assets, net	<u>20,624,551</u>	<u>3,933,913</u>	<u>(65,219)</u>	<u>24,493,245</u>
Capital assets, net	<u>\$ 21,388,692</u>	<u>\$ 3,933,913</u>	<u>\$ (65,219)</u>	<u>\$ 25,257,386</u>

Depreciation expense for 2022 was \$3,622,205.

6. Short – Term Debt

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

	2022
\$8,200,000 Revenue Anticipation Note (RAN) - stated interest rate of 1.00% (0.20% effective interest rate after applying premium) due in August, 2022 and fully guaranteed by the Commonwealth of Massachusetts.	\$ 8,200,000
\$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.	-
	<u>\$ 8,200,000</u>

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

	Balance 7/1/2021	Additions	Deletions	Balance 6/30/2022
2020 RAN	\$ 8,200,000	\$ -	\$ (8,200,000)	\$ -
2021 RAN	-	8,200,000	-	8,200,000
Line of Credit	-	1,300,000	(1,300,000)	-
	<u>\$ 8,200,000</u>	<u>\$ 9,500,000</u>	<u>\$ (9,500,000)</u>	<u>\$ 8,200,000</u>

GREATER ATTLEBORO-TAUNTON REGIONAL TRANSIT AUTHORITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

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 \$129,072 to the reserve. The balance in the reserve account at June 30, 2022 is \$913,203.

Restricted for Attleboro Station Improvements

The Authority leases a commuter rail station 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, 2022 is \$759,294.

8. Post Employment Benefit 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 System issues a publicly available financial report that may be obtained by contacting the System located at 140 Dean Street, Suite 203, 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, 2022

8. Post Employment Benefit 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. System members are required to pay into the System 5% to 11% of their covered compensation, depending on plan entry date and the level of compensation. The Authority’s required contribution for the year ended June 30, 2022, was \$176,615 (which was 9% of actual payroll expense), 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.

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

At June 30, 2022, the Authority reported a liability of \$603,645 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2022. 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, 2021, the Authority’s proportion of net pension liability was approximately 0.93 percent.

Changes in Assumptions – Since the prior valuation, some key assumptions changed that affected measurement of the net pension liability:

- ✓ The discount rate changed from 7.75% to 7.60%
- ✓ The base to which the annual Cost-of-Living Adjustment (COLA) is applied was raised from \$15,000 to \$16,000.

For the year ended June 30, 2022, the Authority recognized pension expense of \$44,423 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	\$ 191,061
Changes of Assumptions	175,953
Net Difference between Projected and Actual Investment Earnings on Pension Plan Investments	-
Changes in proportion and difference between employer contributions and proportionate share of contributions	75,510
Subsequent contributions after measurement	88,308
	<u>\$ 530,832</u>

GREATER ATTLEBORO-TAUNTON REGIONAL TRANSIT AUTHORITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

8. Post Employment Benefit Plans (continued):

	Deferred Inflows of Resources
Difference between Expected and Actual Experience	\$ -
Changes of Assumptions	-
Net Difference between Projected and Actual Investment Earnings on Pension Plan Investments	(399,905)
Changes in proportion and difference between employer contributions and proportionate share of contributions	(30,537)
	\$ (430,442)

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

Year				
2023	\$	191,310		
2024	\$	(15,748)		
2025	\$	(45,032)		
2026	\$	(30,140)		
2027	\$	-		

Actuarial Assumptions – The total pension liability in the January 1, 2022 actuarial valuation, were determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial cost method:	Individual entry age normal actuarial cost method
Asset valuation method:	The difference between the expected return and the actual investment return on a fair value basis is recognized over a five-year period. Asset value is adjusted as necessary to be within 20% of the market value
Salary scale:	4.00% per annum
Investment rate of return:	7.60% net of pension plan investment expense. This is based on an average inflation rate of 3.00% and a real rate of return of 4.60%
Cost of living adjustment:	3.00% of first \$16,000 of the annual retirement allowance.
Mortality rates:	Various Pub-G2010 specific to the Group, Disabled vs. Non.

All rates are amount-weighted and projected from 2010 to 2025 with Scale MP-2021. Separate annuitant and non-annuitant rate tables were used.

GREATER ATTLEBORO-TAUNTON REGIONAL TRANSIT AUTHORITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

8. Post Employment Benefit Plans (continued):

The long-term expected rate of return on pension plan investments was determined using best-estimate ranges of expected future nominal rates of return (expected returns, net of pension plan investment expense and inflation) developed for each major asset class using an econometric model that forecasts a variety of economic environments and then calculates asset class returns based on functional relationships between the economic variables and the asset classes. The target allocation and projected arithmetic real rates of return for each major asset class, used in the derivation of the long-term expected investment rate of return assumption as of December 31, 2021 are summarized in the following table:

<u>Asset Class</u>	<u>Long-Term Expected Asset Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
Equity	60.0%	9.03%
Alternative Assets	5.0%	6.61%
Real Assets	15.0%	6.71%
Fixed Income	20.0%	2.93%
Total	100%	

Discount rate – The discount rate used to measure the total pension liability was 7.60% at December 31, 2021, and 7.75% at December 31, 2020. The projection of cash flows used to determine the discount rate assumed plan member contributions will be made at the current contribution rate and that contributions from employers will be made at rates equal to the actuarially determined contribution rate. Based on those assumptions, the System’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. 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 7.60 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 (6.60 percent) or 1-percentage-point higher (8.60 percent) than the current rate:

	1% Decrease (6.60%)	Discount Rate (7.60%)	1% Increase (8.60%)
Authority’s proportionate share of the net pension liability	\$156,805	\$603,645	\$1,128,155

GREATER ATTLEBORO-TAUNTON REGIONAL TRANSIT AUTHORITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

8. Post Employment Benefit 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 – The Authority administers a single-employer, defined-benefit post-employment health care plan. The plan provides 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, 2021, the actuarial valuation date, 32 active employees and 7 retirees or beneficiaries currently receiving benefits met eligibility requirements. The plan does not accumulate assets in a trust that meets the criteria of GASBS No.75 and 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, grandfathered retirees must pay 10% of the enrollment cost (the “working rate”) as established annually by the Plan administrator and all other retirees pay 25%. The Authority contributes the remainder of the health plan costs.

For dental coverage, the retired employee must pay 0% 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 \$6,150,772 was measured, as of June 30, 2022, based on an actuarial valuation that was performed on July 1, 2021.

GREATER ATTLEBORO-TAUNTON REGIONAL TRANSIT AUTHORITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

8. Post Employment Benefit Plans (continued):

Changes in Assumptions – Since the prior valuation, some key assumptions changed that affected measurement of the total OPEB liability:

- ✓ The discount rate changed from 2.25% to 4.09%
- ✓ Based on recommendations by PERAC, the mortality table was updated to the RP-2014 Mortality Table projected generationally with scale MP-2016 for males and females.
- ✓ Based on recent actuarial research, the Getzen model was adopted for future projected healthcare costs.

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

	2022
Total OPEB liability	
Service costs	\$ 276,353
Interest	141,860
Changes of benefit terms	-
Difference between expected & actual plan experience	657,627
Changes of assumptions or other inputs	(366,183)
Benefit payments	<u>(73,933)</u>
Net change in total OPEB liability	635,724
Total OPEB liability - beginning	5,515,048
Prior Period Adjustment	-
Total OPEB liability - beginning with adjustment	<u>5,515,048</u>
Total OPEB liability - ending	<u><u>\$ 6,150,772</u></u>

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB – For the year ended June 30, 2022, the Authority recognized an OPEB expense of \$398,251. At June 30, 2022, the Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between actual & expected experience	\$ 563,681	\$ (929,270)
Changes of assumptions	926,207	(785,507)
Net difference between projected and actual earnings on OPEB plan investments	-	-
	<u>\$ 1,489,888</u>	<u>\$ (1,714,777)</u>

GREATER ATTLEBORO-TAUNTON REGIONAL TRANSIT AUTHORITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

8. Post Employment Benefit Plans (continued):

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>	Outflow/(Inflow)
2023	\$ (98,568)
2024	\$ (98,565)
2025	\$ (16,210)
2026	\$ (16,209)
2027	\$ 41,634
Thereafter	\$ (36,971)

Actuarial Assumptions and Other Inputs – The total OPEB liability in the July 1, 2021 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
Asset-valuation method	Market value of assets
Investment rate of return	N/A
Municipal bond rate	4.09% (source: S&P Municipal Bond 20-year High Grade Index – SAPIHG)
Discount rate	4.09%, net of OPEB plan investment expense, including inflation
Inflation	2.50%
Salary increases	3.00%
Cost of living adjustment	N/A
Healthcare cost trend rates	4.50%
Mortality	
Pre-Retirement	RP-2014 Mortality Table for Blue Collar Employees projected generationally with scale MP-2016 for males and females, set forward 1 year for females.
Post-Retirement	RP-2014 Mortality Table for Blue Collar Healthy Annuitants projected generationally with scale MP-2016 for males and females, set forward 1 year for females.
Disabled	RP-2014 Mortality Table for Blue Collar Healthy Annuitants projected generationally with scale MP-2016 for males and females, set forward 1 year.

The actuarial assumptions used to calculate the actuarial accrued liability and the service cost primarily reflect the latest experience studies of the Massachusetts PERAC issued in 2014 and their most recent analysis of retiree mortality during 2015 and 2016.

GREATER ATTLEBORO-TAUNTON REGIONAL TRANSIT AUTHORITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

8. Post Employment Benefit Plans (continued):

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 (3.09%)	Discount Rate (4.09%)	1% Increase (5.09%)
Total OPEB liability	\$7,327,396	\$6,150,772	\$5,220,087

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 (3.50%)	Healthcare Cost Trend Rates (4.50%)	1% Increase (5.50%)
Total OPEB liability	\$5,129,418	\$6,150,772	\$7,469,870

9. Commitments and Contingencies

- a) Purchase commitments – Construction in progress at June 30, 2022 consisted of expenditures by the Authority for various construction projects, which management expects will be completed in fiscal year 2022. At June 30, 2022, 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.

GREATER ATTLEBORO-TAUNTON REGIONAL TRANSIT AUTHORITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

11. Subsequent Events

a) Subsequent to June 30, 2022, the Authority issued an \$8,200,000 revenue anticipation note that had an interest rate of 3.75%. The RAN will mature in August, 2023 and is guaranteed by the Commonwealth of Massachusetts.

b) Adoption of New Accounting Pronouncements –

The GASB has issued the following statements, which may require adoption subsequent to June 30, 2022. 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
91	<i>Conduit Debt Obligations</i>	12/15/2021
94	<i>Public-Private and Public-Public Partnerships and Availability Payment Arrangements</i>	06/15/2022
96	<i>Subscription Based IT Arrangements</i>	06/15/2022
99	<i>Omnibus 2022</i>	06/15/2022
100	<i>Accounting Changes and Error Corrections – An Amendment of GASB Statement No. 62</i>	06/15/2023
101	<i>Compensated Absences</i>	12/15/2023

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

	2022	2021	2020	2019	2018
Proportion of the net pension liability	0.934%	0.981%	0.981%	0.861%	0.862%
Proportionate share of net pension liability	\$ 603,645	\$ 832,469	\$ 1,020,277	\$ 905,826	\$ 656,811
Covered payroll	\$ 1,960,390	\$ 1,742,315	\$ 1,615,375	\$ 1,505,115	\$ 1,466,129
Proportionate share of the net pension liability as a percentage of covered payroll	30.8%	47.8%	63.2%	60.2%	44.8%
Plan fiduciary net position as a percentage of the total pension liability	87.55%	82.28%	77.64%	74.30%	80.86%

	2017	2016	2015	2014	2013
Proportion of the net pension liability	0.065%	0.065%	0.064%	*	*
Proportionate share of net pension liability	\$ 557,061	\$ 575,583	\$ 694,118	*	*
Covered payroll	\$ 1,418,447	\$ 1,449,379	\$ 1,247,249	*	*
Proportionate share of the net pension liability as a percentage of covered payroll	39.3%	39.7%	55.7%	*	*
Plan fiduciary net position as a percentage of the total pension liability	76.76%	75.22%	65.47%	*	*

* - Information not available.

See accompanying Independent Auditor's Report.

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

	2022	2021	2020	2019	2018
Actuarially determined contribution	\$ 176,615	\$ 167,016	\$ 162,881	\$ 140,798	\$ 136,825
Contributions in relation to the actuarially determined contribution	<u>(176,615)</u>	<u>(167,016)</u>	<u>(162,881)</u>	<u>(140,798)</u>	<u>(136,825)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 1,960,390	\$ 1,742,315	\$ 1,615,375	\$ 1,505,115	\$ 1,466,129
Contributions as a percentage of covered payroll	9.0%	9.6%	10.1%	9.4%	9.3%

	2017	2016	2015	2014	2013
Actuarially determined contribution	\$ 99,621	\$ 96,910	\$ 94,741	*	*
Contributions in relation to the actuarially determined contribution	<u>(99,621)</u>	<u>(96,910)</u>	<u>(94,741)</u>	<u>*</u>	<u>*</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>*</u>	<u>*</u>
Covered payroll	\$ 1,418,447	\$ 1,449,379	\$ 1,247,249	*	*
Contributions as a percentage of covered payroll	7.0%	6.7%	7.6%	*	*

* - 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**

	2022	2021	2020	2019	2018
Total OPEB liability					
Service costs	\$ 276,353	\$ 228,345	\$ 220,723	\$ 315,049	\$ 290,313
Interest	141,860	148,436	177,207	151,535	156,087
Changes of benefit terms	-	-	-	-	-
Difference between expected & actual plan experience	657,627	-	(1,337,977)	-	-
Changes of assumptions or other inputs	(366,183)	-	933,063	-	(576,503)
Benefit payments	<u>(73,933)</u>	<u>(61,721)</u>	<u>(49,242)</u>	<u>(26,205)</u>	<u>(43,066)</u>
Net change in total OPEB liability	635,724	315,060	(56,226)	440,379	(173,169)
Total OPEB liability - beginning	5,515,048	5,199,988	4,800,937	4,360,558	4,533,727
Prior Period Adjustment	-	-	455,277	-	-
Total OPEB liability - beginning with adjustment	<u>5,515,048</u>	<u>5,199,988</u>	<u>5,256,214</u>	<u>4,360,558</u>	<u>4,533,727</u>
Total OPEB liability - ending	<u>\$ 6,150,772</u>	<u>\$ 5,515,048</u>	<u>\$ 5,199,988</u>	<u>\$ 4,800,937</u>	<u>\$ 4,360,558</u>
Covered payroll	\$ 2,227,080	\$ 1,573,743	\$ 1,527,906	\$ 1,579,937	\$ 1,533,919
Total OPEB liability as a percentage of covered payroll	276.2%	350.4%	340.3%	303.9%	284.3%

	2017	2016	2015	2014	2013
Total OPEB liability					
Service costs	*	*	*	*	*
Interest	*	*	*	*	*
Changes of benefit terms	*	*	*	*	*
Difference between expected & actual plan experience	*	*	*	*	*
Differences of assumptions or other inputs	*	*	*	*	*
Benefit payments	*	*	*	*	*
Net change in total OPEB liability	<u>*</u>	<u>*</u>	<u>*</u>	<u>*</u>	<u>*</u>
Total OPEB liability - beginning	*	*	*	*	*
Prior Period Adjustment	*	*	*	*	*
Total OPEB liability - beginning with adjustment	<u>*</u>	<u>*</u>	<u>*</u>	<u>*</u>	<u>*</u>
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	*	*	*	*	*

No assets are accumulated in a trust that meets the criteria in GASBS No.75.

Changes to key assumptions significantly affect trends in the amounts reported on the ten year schedule.

* - 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, 2022

<u>Community</u>	<u>Share</u>
Attleboro	\$ 473,345
Bellingham	171,230
Berkley	41,199
Carver	65,972
Dighton	16,436
Duxbury	134,857
Kingston	105,555
Foxboro	144,987
Franklin	276,354
Hanover	102,808
Lakeville	63,350
Mansfield	194,001
Marshfield	219,955
Medway	103,332
Middleborough	192,470
Norfolk	133,514
North Attleboro	242,792
Norton	119,249
Pembroke	164,882
Plainville	31,265
Plymouth	466,014
Raynham	113,795
Rehoboth	22,191
Scituate	142,166
Seekonk	119,481
Taunton	482,981
Wareham	237,150
Wrentham	98,832
	<u>\$ 4,680,163</u>

See accompanying Independent Auditor's Report.

GREATER ATTLEBORO-TAUNTON REGIONAL TRANSIT AUTHORITY
NET COST OF SERVICE
YEAR ENDED JUNE 30, 2022

	Urbanized Area Service	Rural Area Service	Brokerage Area Service	Total Area Service
I. Operating costs				
A. RTA administrative costs (excluding depreciation)	\$ 2,278,363	\$ 135,157	\$ -	\$ 2,413,520
B. Transportation Services				
Fixed route	7,063,777	-	-	7,063,777
Demand response	7,954,420	1,220,228	-	9,174,648
Brokerage services	-	-	47,715,316	47,715,316
Commuter Rails	441,741	26,205	-	467,946
C. Debt Service	57,473	3,409	-	60,882
Total Operating Costs	17,795,773	1,385,000	47,715,316	66,896,089
II. Federal Operating Assistance				
A. FTA operating and administrative	7,832,858	-	-	7,832,858
B. Other federal	-	-	-	-
Total Federal Assistance	7,832,858	-	-	7,832,858
III. Revenues				
A. Farebox Revenue	734,165	43,552	-	777,717
B. Shuttle Revenue	-	-	-	-
C. Other third party reimbursement	-	-	49,053,768	49,053,768
D. Other Revenues				
1. Advertising	77,616	-	-	77,616
2. Parking	569,635	-	-	569,635
3. Sale of capital assets	76,520	-	-	76,520
4. Interest income	1,917	-	-	1,917
5. Miscellaneous	578,914	34,342	-	613,256
Total Other Revenues	2,038,767	77,894	49,053,768	51,170,429
IV. Net Operating Deficit (I-II-III)	7,924,149	1,307,105	(1,338,452)	7,892,802
V. Adjustments				
Extraordinary expenses (not to exceed 3% of prior years local assessment)	121,844	7,228	-	129,072
Stabilization Fund	-	-	-	-
MBTA Restricted for Rail Station Improvements	-	-	-	-
VI. Net Cost of Service IV+V)	\$ 8,045,993	\$ 1,314,333	\$ (1,338,452)	8,021,874
VII. Net Cost of Service Funding				
A. Local Assessments				4,680,163
B. State contract assistance				4,680,163
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				-
VIII. Total				\$ 1,338,452

See accompanying Independent Auditor's Report.

**GREATER ATTLEBORO-TAUNTON REGIONAL TRANSIT AUTHORITY
SCHEDULE OF REVENUES, EXPENSES – BROKERAGE DEPARTMENT
YEAR ENDED JUNE 30, 2022**

	BROKERAGE
OPERATING REVENUES	
Charges for services	\$ 45,752,345
Management Fee	3,000,000
Incentives	286,399
Other	15,024
Total operating revenues	49,053,768
OPERATING EXPENSES	
Purchased Transportation Services	45,711,095
Payroll	1,239,550
Fringe Benefits	418,720
Professional & Technical Services	268,357
Other Contracted Services	15,364
Other Materials & Supplies	3,098
Utilities	11,297
Insurance	8,562
Miscellaneous	39,273
Allocated Indirect Cost	-
Depreciation	-
Total operating expenses	47,715,316
OPERATING INCOME (LOSS)	1,338,452
NON-OPERATING REVENUES/EXPENSES	
Federal Grants	-
State Contract Assistance	-
State Contracts - Other	-
Local Assessments	-
Other	-
Interest Income	-
Interest Expense	-
Total non-operating revenues/expenses	-
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS	\$ 1,338,452

See accompanying Independent Auditor's Report.