



Suburban Mobility Authority for Regional Transportation

**Financial Report
with Supplemental Information
June 30, 2020**



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Independent Auditor's Report

To the Board of Directors
Suburban Mobility Authority for
Regional Transportation

Report on the Financial Statements

We have audited the accompanying basic financial statements of the Suburban Mobility Authority for Regional Transportation (the "Authority" or SMART) as of and for the years ended June 30, 2020 and 2019 and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the Suburban Mobility Authority for Regional Transportation as of June 30, 2020 and 2019 and the changes in its financial position and its cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

To the Board of Directors
Suburban Mobility Authority for
Regional Transportation

Required Supplemental Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplemental information, as identified in the table of contents, 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, which 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 supplemental information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Suburban Mobility Authority for Regional Transportation's basic financial statements. The other supplemental information, as identified in the table of contents, is presented for the purpose of additional analysis and is not a required part of the basic financial statements.

The other supplemental information, except for the nonfinancial reports on pages 73 and 76 and all reports for the year ended September 30, 2019 (those on pages 41, 43, 46-47, 51-53, 55, 64-72, and 74-75) is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplemental information, except for the nonfinancial reports on pages 73 and 76 and all reports for the year ended September 30, 2019 (those on pages 41, 43, 46-47, 51-53, 55, 64-72, and 74-75) is fairly stated in all material respects in relation to the basic financial statements as a whole.

The nonfinancial reports on pages 73 and 76 and all reports for the year ended September 30, 2019 (those on pages 41, 43, 46-47, 51-53, 55, 64-72, and 74-75), 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 December 10, 2020 on our consideration of the Suburban Mobility Authority for Regional Transportation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the 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 Suburban Mobility Authority for Regional Transportation's internal control over financial reporting and compliance.



December 10, 2020

Suburban Mobility Authority for Regional Transportation

Management's Discussion and Analysis

The following discussion and analysis has been prepared by the Suburban Mobility Authority for Regional Transportation's (the "Authority" or SMART) management and should be read in conjunction with the financial statements and related note disclosures. The discussion is intended to present an overview of SMART's financial performance for the years ended June 30, 2020 and 2019 and does not purport to make any statement regarding the future operations of the organization. While SMART is an instrumentality of the State of Michigan, it is not a component of the State, as defined by the Governmental Accounting Standards Board (GASB).

Using This Annual Report

This annual financial report consists of a series of financial statements. The statement of net position and the statement of revenue, expenses, and changes in net position provide information about the activities of SMART as a whole and present a longer-term view of the Authority's finances. This longer-term view uses the accrual basis of accounting so that it can measure the cost of providing services during the current year and whether the cost of providing the Authority's services has been fully funded.

Financial Highlights

- Total operating revenue has decreased in fiscal year 2019-2020 (FY 2020) as compared to fiscal year 2018-2019 (FY 2019). This total operating revenue decrease is 35 percent, or approximately \$4.8 million. The Authority suspended collecting fare revenue effective March 18, 2020 due to the outbreak of the novel strain of coronavirus (COVID-19).
- SMART experienced an overall decrease in ridership during FY 2020 as a result of COVID-19. Effective March 18, 2020, SMART temporarily reduced service levels to approximately 30 percent of normal operations to match the decreased ridership. Service levels were restored to 60 percent of normal operating levels in June 2020. SMART continues to monitor ridership and will adjust service levels to ensure reliable service while not overcrowding the buses.
- SMART has adjusted operations and implemented new protocols in response to the COVID-19 pandemic. SMART is committed to maintaining reliable service while keeping riders and staff safe. Masks are required to be worn by all riders, and bus capacity has been reduced to allow riders to socially distance. All buses and SMART facilities are cleaned daily with an electrostatic microbacterial spray, which kills microbes on surfaces for up to seven days. SMART is committed to ensuring all buses are clean and safe for riders and drivers.
- The other component of total operating revenue is other operating income. This revenue component had an actual overall decrease of approximately \$149,000, or approximately 10 percent, compared to FY 2019. This revenue stream primarily consists of advertising, rental, and miscellaneous operating revenue.
- Nonoperating revenue decreased by \$1.1 million, or approximately 1 percent, in FY 2020 compared to FY 2019. SMART utilized \$6 million of federal CARES Act Funding reimbursement during 2020 for expenses related to COVID-19. Investment earnings decreased approximately \$407,000, and local property tax contributions decreased by \$1.4 million despite improving property values in the tricounty area.
- In FY 2020, operating expenses of \$116.4 million, before depreciation, are approximately \$1.9 million lower than FY 2019. This is due to a decrease in salary and fringe benefit costs to authority staff and decreased insurance premium expense during FY 2020.
- Capital contribution spending in FY 2020 amounted to \$33.0 million. This is an increase of approximately \$2.6 million, or 8 percent, for FY 2020. Spending \$33.0 million is a continuing result of the increased millage rate, allowing SMART to use federal capital funds to purchase capital assets (i.e., bus replacement and facility rehabilitation) rather than using these funds for preventive maintenance in the operating budget, as had been done prior to FY 2016.

Suburban Mobility Authority for Regional Transportation

Management's Discussion and Analysis (Continued)

- Deferred inflows of resources and deferred outflows of resources are directly related to GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, and GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. See Notes 10 (for pension) and 12 (for OPEB) in the notes to the financial statements for additional information.
- Current liabilities increased by approximately \$8.5 million primarily due to an increase in balances due to the State of Michigan of \$4.6 million and accounts payable of \$1.4 million.
- Net position, which is detailed later, increased by \$39.1 million to \$115.4 million, which is a combination of the \$19.9 million increase in net investment in capital assets and \$19.3 million increase in unrestricted net position due to FY 2020 financial activity.

The Authority's Net Position

A summary of SMART's assets, liabilities, deferred outflows and inflows, and net position at June 30, 2020, 2019, and 2018 is as follows:

	2018	2019	2020
Assets			
Current and other assets:			
Cash and investments	\$ 110,877,845	\$ 129,462,570	\$ 139,048,962
Receivables	17,380,853	29,718,396	40,959,353
Other assets	3,419,937	3,451,365	3,323,684
Capital assets	111,417,330	123,256,998	143,183,939
Total assets	243,095,965	285,889,329	326,515,938
Deferred Outflows of Resources	7,471,392	37,766,920	27,670,543
Liabilities			
Current liabilities	23,006,636	24,620,559	33,099,498
Noncurrent liabilities	184,809,068	197,543,142	184,439,569
Total liabilities	207,815,704	222,163,701	217,539,067
Deferred Inflows of Resources	8,851,659	25,169,566	21,227,144
Net Position			
Net investment in capital assets	111,417,330	123,256,998	143,183,939
Restricted	250,801	216,367	62,254
Unrestricted	(77,768,137)	(47,150,383)	(27,825,923)
Total net position	\$ 33,899,994	\$ 76,322,982	\$ 115,420,270

SMART's current assets, including restricted cash, had a net increase of \$20.7 million, which represents an increase of approximately 13 percent compared to FY 2019. Restricted cash decreased from approximately \$216,000 to \$62,000 at the end of FY 2020.

Amounts invested in capital assets increased 16.2 percent from a year ago, increasing \$19.9 million to \$143.2 million. The current year increase is due to current year net capital asset purchases exceeding depreciation expense.

Unrestricted net position, the portion of net position that can be used to finance day-to-day operations, increased by \$19.3 million from FY 2019. This change in unrestricted net position represents an unrestricted net position balance increase of 41.0 percent. The overall negative unrestricted net position balance is still a negative amount totaling \$(27,825,923) and is due to SMART implementing the required GASB Statement No. 75 other postemployment benefit accounting standard in 2018 and recording the associated net liability, which now stands at \$114,775,704, in accordance with generally accepted accounting principles. SMART continued to pay down these liabilities in line with the funding plan in FY 2020.

Suburban Mobility Authority for Regional Transportation

Management's Discussion and Analysis (Continued)

The Authority's Changes in Net Position

	2018	2019	2020
Operating Revenue	\$ 14,776,615	\$ 13,507,791	\$ 8,754,652
Operating Expenses	124,373,828	133,911,478	133,919,431
Operating Loss	(109,597,213)	(120,403,687)	(125,164,779)
Nonoperating Revenue	112,600,706	132,387,358	131,254,791
Income - Before capital contributions	3,003,493	11,983,671	6,090,012
Capital Contributions	27,970,471	30,439,317	33,007,276
Change in Net Position	30,973,964	42,422,988	39,097,288
Net Position - Beginning of year	2,926,030	33,899,994	76,322,982
Net Position - End of year	\$ 33,899,994	\$ 76,322,982	\$ 115,420,270

As described earlier in financial highlights, total operating revenue has decreased in FY 2020 as compared to FY 2019. This is mainly a result of suspending fare collections for rides in March 2020. This total operating revenue decrease is 35 percent, or approximately \$4.8 million, for the fiscal year.

Operating expenses before depreciation are \$1.9 million lower than FY 2019. This is due primarily to a net decrease in salary and fringe benefit costs to the Authority and the employee defined benefit pension liability. Salary and fringe benefit decreases are due to reduced overtime wages and lower health fringe rates in FY 2020. Contract negotiations are still ongoing as of June 30, 2020.

Capital Assets and Debt Administration

The Authority continues to invest in infrastructure, equipment, and vehicles. SMART had approximately \$143.2 million and \$123.3 million invested in capital assets as of June 30, 2020 and 2019, respectively. During FY 2020, SMART had total capital asset additions of approximately \$37.4 million, primarily consisting of \$23.5 million for new vehicles, \$2.2 million in facility and bus equipment, and approximately \$11.7 in building improvements.

More detailed information concerning capital assets can be found in Note 5 in the notes to the financial statements.

Economic Factors and Next Year's Budgets and Rates

The Regional Transit Authority (RTA) is the designated recipient for federal funds to the tricounty urbanized area consisting of Wayne, Oakland, and Macomb counties. A portion of these funds is passed through to SMART. The current allocation of Section 5307 federal capital funding passed through the RTA is 50.0 percent to SMART, 49.0 percent to DDOT, and 1 percent to the Detroit Transportation Corporation (the "People Mover"). It is anticipated for FY 2021 that the Section 5307 federal capital funding passed through the RTA will again be 50.0 percent to SMART, 49.0 percent to DDOT, and 1 percent to the Detroit Transportation Corporation. For FY 2021, Section 5307 funding of approximately \$33.4 million is included in SMART's capital budget.

On August 7, 2018, voters in the service areas of Macomb, Oakland, and Wayne counties approved a \$1.00 per thousand taxable value millage rate. The millage is applied against taxable value across Macomb County and in participating communities in Oakland and Wayne counties. The millage rate is subject to the State Headlee Amendment annually. The millage has been voter approved for a four-year fiscal period starting in FY 2018 and is estimated to generate \$74 million annually. The millage revenue has allowed the Authority to fund the much-needed replacement of its aging bus fleet by utilizing Section 5307 capital funds previously used to support operations.

Since FY 2018, SMART has received 223 fixed route replacement buses as part of its commitment to utilize the federal funds made available as a result of the millage rate increase. SMART has replaced all diesel connector buses with propane-fueled vehicles. SMART has also purchased 24 enhanced shelters at high-use bus stops.

Suburban Mobility Authority for Regional Transportation

Management's Discussion and Analysis (Continued)

SMART has adopted a balanced budget for FY 2021. The FY 2021 operating budget is approved for \$136.4 million. In addition, the FY 2021 restricted pass-through revenue and expense budget has been approved for \$7.9 million. In FY 2021, the board also approved a federal/state \$302.1 million capital spending plan. This capital plan is a six-year spending plan with an estimated \$50.3 million per year to be applied for and spent. In addition, the board continued to support incorporating \$55.0 million in prior year unspent approved grant dollars within the FY 2021 capital spending plan.

Requests for Further Information

This financial report is designed to provide our customers, taxpayers, and other interested parties with a general overview of the finances of the Suburban Mobility Authority for Regional Transportation and to demonstrate SMART's accountability for the money it receives. If you have questions about this report or need additional information, contact SMART at the Buhl Building, 535 Griswold Street, Suite 600, Detroit, MI 48226.

Suburban Mobility Authority for Regional Transportation

Statement of Net Position

June 30, 2020 and 2019

	Enterprise Operating Fund	
	2020	2019
Assets		
Current assets:		
Cash and cash equivalents (Note 3)	\$ 120,583,813	\$ 113,367,102
Investments (Note 3)	18,465,149	16,095,468
Receivables:		
Local contributions receivable (Note 1)	6,450,493	6,978,777
Other receivables	649,427	440,500
Grant receivable (Note 4)	33,859,433	22,299,119
Materials and supplies inventories	2,979,146	3,079,493
Prepaid expenses and other assets	282,284	155,505
Total current assets	183,269,745	162,415,964
Noncurrent assets:		
Restricted cash (Note 3)	62,254	216,367
Nondepreciable capital assets (Note 5)	15,524,568	4,098,623
Depreciable capital assets - Net (Note 5)	127,659,371	119,158,375
Total noncurrent assets	143,246,193	123,473,365
Total assets	326,515,938	285,889,329
Deferred Outflows of Resources		
Deferred pension costs (Note 10)	10,956,370	18,263,852
Deferred OPEB costs (Note 12)	16,714,173	19,503,068
Total deferred outflows of resources	27,670,543	37,766,920
Liabilities		
Current liabilities:		
Municipal and community credits payable (Note 1)	4,710,001	3,343,011
Amounts payable under purchase of service agreements	504,988	321,035
Current portion of accrued self-insurance (Note 9)	7,024,913	7,997,958
Accounts payable	7,577,693	5,487,710
Accrued liabilities and other:		
Accrued salaries and wages	1,544,917	1,150,129
Operating assistance reserve	7,159,306	2,579,888
Other accrued liabilities	1,043,813	686,090
Current portion of compensated absences (Note 8)	3,533,867	3,054,738
Total current liabilities	33,099,498	24,620,559
Noncurrent liabilities:		
Accrued self-insurance - Net of current portion (Note 9)	4,509,805	3,474,382
Net pension liability (Note 10)	64,882,834	74,399,179
Net OPEB liability (Note 12)	114,775,704	119,479,780
Compensated absences - Net of current portion (Note 8)	271,226	189,801
Total noncurrent liabilities	184,439,569	197,543,142
Total liabilities	217,539,067	222,163,701
Deferred Inflows of Resources		
Deferred pension cost reductions (Note 10)	3,005,615	2,948,554
Deferred OPEB cost reductions (Note 12)	18,221,529	22,221,012
Total deferred inflows of resources	21,227,144	25,169,566
Net Position		
Net investment in capital assets	143,183,939	123,256,998
Restricted	62,254	216,367
Unrestricted	(27,825,923)	(47,150,383)
Total net position	\$ 115,420,270	\$ 76,322,982

Suburban Mobility Authority for Regional Transportation

Statement of Revenue, Expenses, and Changes in Net Position

Years Ended June 30, 2020 and 2019

	Enterprise Operating Fund	
	2020	2019
Operating Revenue		
Fares	\$ 7,355,544	\$ 11,960,158
Other income	1,399,108	1,547,633
Total operating revenue	8,754,652	13,507,791
Operating Expenses		
Salaries and wages	48,913,330	44,846,396
Fringe benefits	33,122,897	37,445,780
Materials and supplies	9,690,019	11,709,084
Contractual services	3,624,761	4,149,675
Utilities	1,413,006	1,428,006
Claims and insurance	5,957,593	6,477,006
Purchased transportation (Note 7)	13,498,906	12,151,136
Miscellaneous expense	221,803	120,032
Depreciation	17,477,116	15,584,363
Total operating expenses	133,919,431	133,911,478
Operating Loss	(125,164,779)	(120,403,687)
Nonoperating Revenue (Expense)		
Investment income	1,853,643	2,260,456
Gain (loss) on sale of assets	93,804	(337,450)
Federal operating and preventive maintenance assistance	13,001,337	8,597,258
State operating grants	37,962,579	42,578,071
Local contributions (Note 6)	75,007,776	76,434,266
Other state and local sources	2,552,806	2,354,563
Other nonoperating revenue	782,846	500,194
Total nonoperating revenue	131,254,791	132,387,358
Income - Before capital contributions	6,090,012	11,983,671
Capital Contributions	33,007,276	30,439,317
Change in Net Position	39,097,288	42,422,988
Net Position - Beginning of year	76,322,982	33,899,994
Net Position - End of year	\$ 115,420,270	\$ 76,322,982

Suburban Mobility Authority for Regional Transportation

Statement of Cash Flows

Years Ended June 30, 2020 and 2019

	Enterprise Operating Fund	
	2020	2019
Cash Flows from Operating Activities		
Receipts from transit operations	\$ 8,545,725	\$ 13,476,828
Payments to suppliers	(12,528,315)	(16,138,888)
Payments to employees	(89,316,453)	(82,678,506)
Payments to claims and insurance	(5,895,215)	(7,599,240)
Payments for purchased transportation	(11,947,963)	(11,600,303)
Net cash and cash equivalents used in operating activities	(111,142,221)	(104,540,109)
Cash Flows from Noncapital Financing Activities		
State operating grants	41,635,094	41,458,658
Federal operating and preventive maintenance assistance	6,696,256	8,181,846
Local contributions	75,536,060	73,828,757
Other nonoperating receipts	3,335,652	2,900,909
Net cash and cash equivalents provided by noncapital financing activities	127,203,062	126,370,170
Cash Flows from Capital and Related Financing Activities		
Receipt of capital grants	28,921,982	22,197,829
Purchase of capital assets	(37,404,187)	(27,767,152)
Net cash and cash equivalents used in capital and related financing activities	(8,482,205)	(5,569,323)
Cash Flows from Investing Activities		
Interest received on investments	1,853,643	2,289,553
Purchases of investment securities	(2,369,681)	(4,038,983)
Net cash and cash equivalents used in investing activities	(516,038)	(1,749,430)
Net Increase in Cash and Cash Equivalents	7,062,598	14,511,308
Cash and Cash Equivalents - Beginning of year	113,583,469	99,072,161
Cash and Cash Equivalents - End of year	\$ 120,646,067	\$ 113,583,469
Classification of Cash and Cash Equivalents		
Cash and cash equivalents	\$ 120,583,813	\$ 113,367,102
Restricted cash	62,254	216,367
Total cash and cash equivalents	\$ 120,646,067	\$ 113,583,469
Reconciliation of Operating Loss to Net Cash from Operating Activities		
Operating loss	\$ (125,164,779)	\$ (120,403,687)
Adjustments to reconcile operating loss to net cash from operating activities:		
Depreciation	17,477,116	15,584,363
Noncash change in net pension liability	(2,320,904)	4,663,055
Noncash change in net OPEB liability	(5,914,664)	(5,223,474)
Noncash change in self-insurance liability	62,378	(1,122,234)
Changes in assets and liabilities:		
Materials and supplies inventory	100,347	(34,542)
Other receivables	(208,927)	(30,963)
Prepaid and other assets	(126,779)	(31,320)
Accounts payable and accrued liabilities	2,447,706	1,333,771
Municipal and community credits payable	1,366,990	350,430
Payable under purchase service contracts	183,953	200,403
Accrued wages and compensated absences	955,342	174,089
Net cash and cash equivalents used in operating activities	\$ (111,142,221)	\$ (104,540,109)

June 30, 2020 and 2019

Note 1 - Significant Accounting Policies

The following is a summary of the significant accounting policies used by the Suburban Mobility Authority for Regional Transportation (SMART or the "Authority"):

Organization

The Suburban Mobility Authority for Regional Transportation, an instrumentality of the State of Michigan, is a public benefit agency created pursuant to the provisions of Act No. 204 of the Public Acts of Michigan of 1967, as amended. SMART is charged with the responsibility to plan, acquire, construct, operate, maintain, replace, improve, extend, and contract for public transportation facilities within the counties of Macomb, Monroe, Oakland, and Wayne. SMART is managed by a seven-member board of directors, which represents the counties that comprise SMART's operating region.

In December 2012, the passage of Michigan Public Act (PA) 387 created the Regional Transit Authority (RTA) and added Washtenaw County to the formerly tricounty transit region composed of Macomb, Oakland, and Wayne counties. SMART, the Detroit Department of Transportation (DDOT), the Ann Arbor Area Transportation Authority (AAATA), and the Detroit Transportation Corporation (the "Detroit People Mover") are subrecipients of the RTA for state and federal operating assistance, capital grants, and loans. The State of Michigan and the Federal Transit Administration (FTA) pay such funds directly to SMART at the direction of the RTA.

PA 387 also terminated the Regional Transit Coordinating Council (RTCC), the then-existing designated recipient, and made the Southeast Michigan Council of Governments (SEMCOG) the designated recipient of federal funds until October 1, 2013, when the RTA became the designated recipient. In March 2013, prior to PA 387, SEMCOG determined the allocation of operating assistance funds under Act 51 and federal capital funds to the tricounty urbanized area. Based on information submitted by the agencies, SEMCOG allocated 51.5 percent to SMART, 47.5 percent to DDOT, and 1 percent to the Detroit Transportation Corporation. This allocation remains in effect and is subject to change based on annual review by the RTA. Capital grants or loans are not allocated on a formula basis but rather are allocated on a specific project or asset basis in accordance with the terms of the grant or loan.

Reporting Entity

The financial reporting entity, as defined by Statement Nos. 14 and 39 (as amended by Statement Nos. 61 and 80) of the Governmental Accounting Standards Board (GASB), is composed of the primary government and its component units. The primary government includes all departments and operations for which SMART exercises oversight responsibility. Oversight responsibility was evaluated based on consideration of financial interdependency, selection of governing authority, designation of management, the ability to significantly influence management, and accountability for fiscal matters. The reporting entity of SMART consists solely of the primary government. There are no component units.

Based on the guidelines outlined in GASB Statement Nos. 14 and 39 (as amended by GASB Statement Nos. 61 and 80), this is evidenced by the fact that, with respect to any other governmental unit, including the transportation agencies with which SMART has entered into purchase of service agreements, or the Act 196 Transportation Authorities in the counties served by SMART, SMART does not select its governing authority, designate its management, exercise significant influence over its daily operations, or maintain its accounting records.

SMART is not included within the reporting entity of the State of Michigan because the State of Michigan has no authority to appoint or remove SMART's management or board of directors and is not accountable for its fiscal matters.

June 30, 2020 and 2019

Note 1 - Significant Accounting Policies (Continued)

Accounting and Reporting Principles

The Authority follows accounting principles generally accepted in the United States of America (GAAP), as applicable to governmental units. Accounting and financial reporting pronouncements are promulgated by the Governmental Accounting Standards Board. The following is a summary of the significant accounting policies used by the Authority:

Report Presentation

This report includes the fund-based statements of the Authority. In accordance with government accounting principles, a government-wide presentation with program and general revenue is not applicable to special purpose governments engaged only in business-type activities.

Fund Accounting

Proprietary funds include enterprise funds (which provide goods or services to users in exchange for charges or fees). The Authority reports all activity in a single enterprise fund.

Basis of Accounting

Proprietary funds use the economic resources measurement focus and the full accrual basis of accounting. Revenue is recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Specific Balances and Transactions

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, demand deposits, and short-term investments with a maturity of three months or less when acquired.

Investments

Investments are reported at fair value or estimated fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sale price at current exchange rates.

Local Contributions Receivable

Local contributions receivable are shown net of estimated uncollectible amounts. No other allowances for anticipated uncollectible amounts are included in the financial statements, as SMART considers all other receivables to be fully collectible.

Materials and Supplies Inventory

Inventory consists of maintenance parts, repair parts, operating and office supplies, and fuel used in the operation of the transit system. Inventories are recorded at average cost. In accordance with industry practice, all inventories are classified as current assets, even though a portion of the inventories is not expected to be utilized within one year.

Restricted Assets

The Authority has unspent proceeds from the sale of assets originally acquired with capital grant funds. SMART has notified the federal granting agency and is required to segregate those funds for future acquisitions of capital assets.

Note 1 - Significant Accounting Policies (Continued)

Capital Assets

Capital assets are defined by the Authority as assets with an initial individual cost of more than \$2,500 (\$1,000 for computer equipment) and an estimated useful life in excess of one year. Purchased or constructed capital assets are reported at cost or estimated historical cost. Improvements that are expected to extend the useful lives of existing assets are capitalized. Donated fixed assets are recorded at estimated acquisition value. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Depreciation is computed using the straight-line method with a half year in the first and last years of the asset's depreciable life, based upon the estimated useful lives of the assets as follows:

<u>Capital Asset Class</u>	<u>Depreciable Life Years</u>
Connector transit buses and related equipment	4 to 10
Fixed-route buses and related equipment	7 to 14
Buildings and building improvements	25
Leasehold improvements*	5 to 25
Equipment and office furnishings	3 to 10

*Leasehold improvements are amortized over the shorter of the life of the specific improvement or the term of the related lease.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to future periods and so will not be recognized as an expense until then. The Authority has deferred outflows related to pensions and OPEB, as detailed in Notes 10 and 12, respectively.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to future periods and so will not be recognized as revenue until that time. The Authority reports deferred inflows of resources related to pensions and OPEB, as detailed in Notes 10 and 12, respectively.

Net Position Flow Assumption

The Authority will sometimes fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Authority's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

June 30, 2020 and 2019

Note 1 - Significant Accounting Policies (Continued)

Pension

The Authority offers pension benefits to retirees. The Authority records a net pension liability for the difference between the total pension liability calculated by the actuary and the pension plan's fiduciary net position. For the purpose of measuring the 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 pension plan and additions to/deductions from the pension plan's fiduciary net position have been determined on the same basis as they are reported by the pension plan. 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.

Other Postemployment Benefit Costs

The Authority offers retiree health care benefits to employees upon retirement. The Authority records a net OPEB liability for the difference between the total OPEB liability calculated by the actuary and the OPEB plan's fiduciary net position. For the purpose of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the OPEB plan and additions to/deductions from the OPEB plan's fiduciary net position have been determined on the same basis as they are reported by the OPEB plan. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Claims Expense/Liability

SMART has a self-insurance program for general and vehicle liability, as well as workers' compensation claims. Claims are accrued in the year the expenses are incurred, based upon the estimates of the claim liabilities made by management, SMART legal counsel, and actuaries. Reserves are also provided for estimates of claims incurred during the year but not yet reported. Claims expense is accrued in the period during which the incidents of loss occur based upon estimates of the expected liability, as determined by management with the assistance of third-party administration, legal counsel, and actuaries. Claims liabilities are estimated by management using the most current available information.

Municipal and Community Credits Payable

Annually, SMART receives municipal credit funding from the State of Michigan and funds community credits. SMART passes those moneys through to various individual communities. Every year, SMART executes contracts with each individual community, which allows it to receive municipal and community credit moneys. SMART receives the moneys upfront from the State, and then each community must request reimbursement from SMART related to contractually allowed expenses. The difference between the amount the State has awarded and sent to SMART and the amount for which the communities have requested reimbursement by June 30 of each respective fiscal year end is recorded as a municipal and community credit payable.

Compensated Absences (Vacation and Sick Leave)

SMART employees earn vacation and sick leave, which is generally fully vested when earned. Unused vacation time may be carried over to the following year, with certain limitations. For union employees, the vacation carryover is limited to one year, and for nonunion employees, it can be carried over for two years. Upon termination of employment, employees are paid for unused accumulated vacation. For union employees, sick leave may be accumulated and paid upon retirement and, for certain employees, upon voluntary termination of employment. For union employees, certain accumulated sick leave may also be converted into additional vacation time. Accumulated unpaid vacation and sick leave are recorded as compensated absence liabilities.

June 30, 2020 and 2019

Note 1 - Significant Accounting Policies (Continued)

Proprietary Funds Operating Classification

SMART distinguishes operating revenue and expenses from nonoperating items. Operating revenue and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenue of SMART is charges to customers for services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenue and expenses not meeting this definition are reported as nonoperating revenue and expenses.

Grant Activities

The federal government, through the Federal Transit Administration and the Michigan Department of Transportation (MDOT), provides financial assistance and grants directly to the Authority for operations and acquisition of property and equipment. Operating grants and special fare assistance awards made on the basis of entitlement periods are recorded as grant receivables and revenue over the entitlement periods. Federal and state capital acquisition grants fund the purchase of capital items, including buses, bus terminals, and related transportation equipment used by SMART and other transit agencies within the southeastern Michigan region. Capital grants for the acquisition of capital assets are recorded as grants receivable in the statement of net position and capital contributions in the statement of revenue, expenses, and changes in net position when the related qualified expenditures are incurred.

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

Passenger Fares

Passenger fares are recorded as revenue at the time services are performed.

Cost Allocation Plan

The Authority did not have any cost allocation plans in the current year.

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 reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates. Significant estimates affecting the financial statements relate to the obligation for other postemployment benefits, the required contribution for pensions, estimated liabilities related to self-insurance, the allowance for collectibility of local contribution receivables, the accrual for pending property tax appeals and anticipated chargebacks from the counties, and the reserve for Act 51 revenue.

June 30, 2020 and 2019

Note 1 - Significant Accounting Policies (Continued)

Reclassification

Certain 2019 amounts on the statement of revenue, expenses, and changes in net position have been reclassified to conform to the 2020 presentation.

Upcoming Accounting Pronouncements

In January 2017, the Governmental Accounting Standards Board issued Statement No. 84, *Fiduciary Activities*. This statement establishes criteria for identifying fiduciary activities of all state and local governments. An activity meeting the criteria should be reported in a fiduciary fund in the basic financial statements. The Authority is currently evaluating the impact this standard will have on the financial statements when adopted. The provisions of this statement are effective for the Authority's financial statements for the year ending June 30, 2021.

In June 2017, the Governmental Accounting Standards Board issued Statement No. 87, *Leases*, which improves accounting and financial reporting for leases by governments. This statement requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financing of the right to use an underlying asset. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. The Authority is currently evaluating the impact this standard will have on the financial statements when adopted. The provisions of this statement are effective for the Authority's financial statements for the year ending June 30, 2022.

In January 2020, the GASB issued Statement No. 92, *Omnibus 2020*. This statement addresses eight unrelated practice issues and technical inconsistencies in authoritative literature. The standard addresses leases, intraentity transfers of assets, postemployment benefits, government acquisitions, risk financing and insurance-related activities of public entity risk pools, fair value measurements, and derivative instruments. The standard has various effective dates. The Authority does not believe this pronouncement will have a significant impact on its financial statements but is still making a full evaluation.

In March 2020, the GASB issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, to bring a uniform guidance on how to report public-private and public-public partnership arrangements. As a result, transferors in public-private or public-public arrangements will recognize receivables for installment payments; deferred inflows of resources; and, when applicable, capital assets. Operators will recognize liabilities for installment payments and intangible right-to-use assets and, when applicable, deferred outflows of resources and liabilities for assets being transferred. This statement also provides guidance for accounting and financial reporting for availability payment arrangements, in which a government compensates an operator for services such as designing, constructing, financing, maintaining, or operating an underlying asset for a period of time in an exchange or exchange-like transaction. The provisions of this statement are effective for the Authority's financial statements for the year ending June 30, 2023.

Note 2 - State of Michigan Operating Assistance Funds

Under Act 51 of the Public Acts of 1951 (Act 51), as amended, the State of Michigan makes distributions of funds that have been appropriated for mass transit operating assistance. As indicated in Note 1, the RTA is the designated recipient for such funds, and SMART is a subrecipient of the RTA. SMART has recorded operating grant revenue under Act 51 based on a formula that takes into account the eligible costs incurred by SMART, locally generated revenue of SMART, the percentage of the RTA's funding that is allocable to SMART, and preliminary information made available by the Michigan Department of Transportation as to the amount of funds expected to be available to the RTA.

The latest final determination of State of Michigan operating assistance allocable to SMART, in accordance with the ACT 51 funding formula, was for the State of Michigan's fiscal years ended September 30, 2018, 2017, and 2016. There were no further adjustments to the Act 51 revenue as a result of closing out these years. Furthermore, SMART awaits the final determination for the years ended September 30, 2019 and 2020. SMART has recorded an estimated aggregate liability of approximately \$7,160,000 as of June 30, 2020 based on management's anticipation of the results of the State's final determination of the ACT 51 funding formula for the open years.

Act 51 requires SMART to provide a portion of the State of Michigan operating assistance as funding to municipalities within its transportation district. Amounts not used by the municipalities within two years must be expended by SMART for operating purposes within the county in which the city, village, or township resides. SMART was required to provide approximately \$3,261,000 pursuant to this provision in each of fiscal years 2020 and 2019. Refer to Note 1 for additional information regarding the State of Michigan operating assistance funds.

Note 3 - Deposits and Investments

Deposits and investments are reported in the financial statements as follows:

Cash and cash equivalents	\$ 120,583,813
Investments	18,465,149
Restricted cash	<u>62,254</u>
Total deposits and investments	<u>\$ 139,111,216</u>

Michigan Compiled Laws Section 129.91 (Public Act 20 of 1943, as amended) authorizes local governmental units to make deposits and invest in the accounts of federally insured banks, credit unions, and savings and loan associations that have offices in Michigan. The law also allows investments outside the state of Michigan when fully insured. The local unit is allowed to invest in bonds, securities, and other direct obligations of the United States or any agency or instrumentality of the United States; repurchase agreements; bankers' acceptances of United States banks; commercial paper rated within the two highest classifications that matures no more than 260 days after the date of purchase; obligations of the State of Michigan or its political subdivisions that are rated as investment grade; and mutual funds composed of investment vehicles that are legal for direct investment by local units of government in Michigan.

Note 3 - Deposits and Investments (Continued)

The Authority has designated three banks for the deposit of its funds. The investment policy adopted by the board in accordance with Public Act 20 of 1943 has authorized investments in bonds, securities, and other direct obligations of the United States or any agency or instrumentality of the United States; repurchase agreements; bankers' acceptances of United States banks; commercial paper rated within the highest classifications established by no less than two standard rating services that matures no more than 260 days after the date of purchase; obligations of the State of Michigan or its political subdivisions that are rated as investment grade; mutual funds composed of investment vehicles that are legal for direct investment by local units of government in Michigan; and investment pools organized under the Local Government Investment Pool Acts, 1982 PA 367 and 1985 PA 121.

The Authority's cash and investments are subject to several types of risk, which are examined in more detail below.

Custodial Credit Risk of Bank Deposits

Custodial credit risk is the risk that, in the event of a bank failure, the Authority's deposits may not be returned to it. SMART does not have a deposit policy for custodial credit risk. At year end, the Authority had \$121,014,413 of bank deposits (checking and savings accounts), of which \$119,989,413 was uninsured and uncollateralized.

Interest Rate Risk

Interest rate risk is the risk that the value of investments will decrease as a result of a rise in interest rates. SMART's investment policy does not restrict investment maturities other than commercial paper, which can only be purchased with a 260-day maturity.

At year end, SMART had the following investments:

Investment	Fair Value	Weighted- average Maturity (Years)
Negotiable certificates of deposit	\$ 11,105,568	3.50
U.S. government agency securities	2,637,929	5.00
Commercial paper	4,721,652	0.52

Credit Risk

State law limits investments in commercial paper to the top two ratings issued by nationally recognized statistical rating organizations. As of June 30, 2020, the Authority had commercial paper with a Moody's rating of P1 and P2, as well as an S&P rating of A1 and A2.

Fair Value Measurements

The Authority categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets, Level 2 inputs are significant other observable inputs, and Level 3 inputs are significant unobservable inputs. Investments that are measured at fair value using net asset value per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy below.

Note 3 - Deposits and Investments (Continued)

In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The Authority’s assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset or liability.

The Authority has the following recurring fair value measurements as of June 30, 2020:

- Negotiable certificates of deposit of \$11,105,568 are valued using a matrix pricing model (Level 2 inputs).
- U.S. government agency securities of \$2,637,929 are valued using a matrix pricing model (Level 2 inputs).
- Commercial paper of \$4,721,652 is valued using a matrix pricing model (Level 2 inputs).

Note 4 - Grants Receivable

At June 30, 2020 and 2019, grants receivable are composed of the following:

	2020	2019
Accounts receivable - Billed:		
Federal government grants	\$ 2,354,636	\$ 2,396,129
State of Michigan grants	11,718,787	9,408,583
Total billed	14,073,423	11,804,712
Accounts receivable - Unbilled:		
Federal government grants	14,757,532	3,934,192
State of Michigan grants	3,585,819	5,280,590
Local grants	1,442,659	1,279,625
Total unbilled	19,786,010	10,494,407
Total	\$ 33,859,433	\$ 22,299,119

Suburban Mobility Authority for Regional Transportation

Notes to Financial Statements

June 30, 2020 and 2019

Note 5 - Capital Assets

Capital asset activity during the fiscal year ended June 30, 2020 was as follows:

	Balance July 1, 2019	Additions	Disposals and Adjustments	Balance June 30, 2020
Capital assets not being depreciated:				
Land	\$ 3,473,174	\$ -	\$ -	\$ 3,473,174
Construction in progress	620,449	11,425,945	-	12,046,394
Trademark	5,000	-	-	5,000
Subtotal	4,098,623	11,425,945	-	15,524,568
Capital assets being depreciated:				
Fixed-route buses and equipment	81,506,157	15,809,636	(9,384,506)	87,931,287
Connector buses and related equipment	80,355,264	7,670,508	(959,974)	87,065,798
Buildings and improvements	49,002,025	296,168	-	49,298,193
Office furnishings and equipment	2,108,193	255,563	-	2,363,756
Other equipment	71,577,799	1,946,367	(2,590)	73,521,576
Leasehold improvements	8,316,895	-	-	8,316,895
Subtotal	292,866,333	25,978,242	(10,347,070)	308,497,505
Accumulated depreciation:				
Fixed-route buses and equipment	32,989,735	6,050,151	(9,384,506)	29,655,380
Connector buses and related equipment	37,928,837	7,478,165	(959,974)	44,447,028
Buildings and improvements	35,925,379	1,043,314	-	36,968,693
Office furnishings and equipment	2,003,809	36,753	-	2,040,562
Other equipment	58,117,533	2,630,781	(2,460)	60,745,854
Leasehold improvements	6,742,665	237,952	-	6,980,617
Subtotal	173,707,958	17,477,116	(10,346,940)	180,838,134
Net capital assets being depreciated	119,158,375	8,501,126	(130)	127,659,371
Net capital assets	<u>\$ 123,256,998</u>	<u>\$ 19,927,071</u>	<u>\$ (130)</u>	<u>\$ 143,183,939</u>

Suburban Mobility Authority for Regional Transportation

Notes to Financial Statements

June 30, 2020 and 2019

Note 5 - Capital Assets (Continued)

Capital asset activity during the fiscal year ended June 30, 2019 was as follows:

	Balance July 1, 2018	Reclassifications	Additions	Disposals	Balance June 30, 2019
Capital assets not being depreciated:					
Land	\$ 3,473,174	\$ -	\$ -	\$ -	\$ 3,473,174
Construction in progress	576,924	(48,904)	92,429	-	620,449
Trademark	-	-	5,000	-	5,000
Subtotal	4,050,098	(48,904)	97,429	-	4,098,623
Capital assets being depreciated:					
Fixed-route buses and equipment	76,930,991	-	19,035,720	(14,460,554)	81,506,157
Connector buses and related equipment	78,848,916	-	5,684,625	(4,178,277)	80,355,264
Buildings and improvements	48,548,831	-	453,194	-	49,002,025
Office furnishings and equipment	2,108,193	-	-	-	2,108,193
Other equipment	69,118,254	48,904	2,410,641	-	71,577,799
Leasehold improvements	8,164,727	-	152,168	-	8,316,895
Subtotal	283,719,912	48,904	27,736,348	(18,638,831)	292,866,333
Accumulated depreciation:					
Fixed-route buses and equipment	42,422,885	-	4,561,145	(13,994,295)	32,989,735
Connector buses and related equipment	35,113,465	-	6,993,648	(4,178,276)	37,928,837
Buildings and improvements	34,894,260	-	1,031,119	-	35,925,379
Office furnishings and equipment	1,978,740	-	25,069	-	2,003,809
Other equipment	55,475,681	-	2,698,366	(56,514)	58,117,533
Leasehold improvements	6,467,649	-	275,016	-	6,742,665
Subtotal	176,352,680	-	15,584,363	(18,229,085)	173,707,958
Net capital assets being depreciated	107,367,232	48,904	12,151,985	(409,746)	119,158,375
Net capital assets	<u>\$ 111,417,330</u>	<u>\$ -</u>	<u>\$ 12,249,414</u>	<u>\$ (409,746)</u>	<u>\$ 123,256,998</u>

The eligible depreciation for fiscal year 2020 of \$218,462 (\$17,477,116 total depreciation reported less ineligible depreciation of \$17,258,654) includes only depreciation of assets purchased with local funds where the useful life of the asset purchased has been approved by the Office of Passenger Transportation (OPT).

Suburban Mobility Authority for Regional Transportation

Notes to Financial Statements

June 30, 2020 and 2019

Note 5 - Capital Assets (Continued)

Construction Commitments

The Authority has active purchase contract commitments at year end related to the multiple capital purchases. At year end, the Authority's significant commitments with contractors are as follows:

	Spent to Date	Remaining Commitment
Bus purchase	\$ 1,262,888	\$ 708,945
Building construction	7,489,813	6,823,128
Bus shelters	1,543,142	1,274,324
Optimization modules	99,998	478,936
Oil pits	674,050	56,520
Total	<u>\$ 11,069,891</u>	<u>\$ 9,341,853</u>

Note 6 - Property Taxes

In August 2014, Oakland, Wayne, and Macomb counties approved an increase from the then-current 0.59 mills to 1.00 mills, which were collected and recorded as revenue at the new rate in fiscal year 2015. Tax revenue received by Macomb County, Michigan; the Wayne County Act 196 Authority; and the Oakland County Act 196 Authority, which was contributed to SMART for the years ended June 30, 2020 and 2019, totaled \$75,007,776 and \$76,434,266, respectively.

Note 7 - Community Support and Purchase of Service

SMART has entered into purchase of service agreements with various transportation agencies, including community transit operators, all of which are separate transit systems operating in SMART's region. The agreements generally require that operating losses (as defined in the respective agreements) of these transportation agencies be subsidized up to specified maximum amounts.

Expenses under the purchase of service agreements for the years ended June 30 are composed of the following:

	2020	2019
Municipal credits	\$ 3,261,080	\$ 3,261,080
Community credits	<u>3,840,242</u>	<u>3,750,247</u>
Total community support	7,101,322	7,011,327
Community transit bus service	3,136,960	2,150,546
Specialized services	888,673	787,819
JARC and New Freedom	2,168,917	1,996,567
Royal Oak Township	10,434	12,277
Community-based services	<u>192,600</u>	<u>192,600</u>
Total purchase of service	<u>6,397,584</u>	<u>5,139,809</u>
Total	<u>\$ 13,498,906</u>	<u>\$ 12,151,136</u>

Suburban Mobility Authority for Regional Transportation

Notes to Financial Statements

June 30, 2020 and 2019

Note 8 - Long-term Debt

Long-term debt activity for the year ended June 30, 2020 can be summarized as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Accumulated compensated absences	\$ 3,244,539	\$ 2,856,133	\$ (2,295,579)	\$ 3,805,093	\$ 3,533,867

Activity for the year ended June 30, 2019 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Accumulated compensated absences	\$ 3,141,691	\$ 2,834,587	\$ (2,731,739)	\$ 3,244,539	\$ 3,054,738

Note 9 - Risk Management

SMART is exposed to various risks of loss related to property loss, torts, errors and omissions, and employee injuries (workers' compensation).

In fiscal years 2020 and 2019, SMART was a qualifying self-insurer for vehicle and general liability loss with a self-retention per occurrence amount of \$1 million and excess insurance totaling \$10 million per occurrence. SMART is self-insured for workers' compensation claims up to \$500,000 per specific claim and is insured up to \$5 million for aggregate losses in excess of the \$500,000 individual claim. Vehicle, general, and workers' compensation claim liabilities are actuarially determined based on known information. Liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. Recorded liabilities include an estimated amount for claims that have been incurred but not reported (IBNR). Management represents, based on existing known information and prior experience, that the estimated reserve for claims is adequate to satisfy all claims filed, or expected to be filed, for incidents that occurred through June 30, 2020.

SMART carries third-party commercial insurance for other areas of liability risk, including health benefits. Settled claims have not exceeded commercial coverage in any of the preceding five years.

Changes in the balances of self-insured liabilities during fiscal years 2020, 2019, and 2018 were as follows:

	2020	2019	2018
Claims liability - July 1	\$ 11,472,340	\$ 12,594,574	\$ 13,169,825
Incurred claims - Current year including adjustments to IBNR	3,876,796	3,772,548	5,232,911
Claim payments	(3,814,418)	(4,894,782)	(5,808,162)
Claims liability - June 30	<u>\$ 11,534,718</u>	<u>\$ 11,472,340</u>	<u>\$ 12,594,574</u>

Note 10 - Agent Defined Benefit Pension Plan

Plan Description

The Suburban Mobility Authority for Regional Transportation participates in an agent multiple-employer defined benefit pension plan administered by the Municipal Employees' Retirement System of Michigan (MERS), which covers all full-time employees of the Suburban Mobility Authority for Regional Transportation. MERS was established as a statewide public employee pension plan by the Michigan Legislature under PA 135 of 1945 and is administered by a nine-member retirement board. MERS issues a publicly available financial report, which includes the financial statements and required supplemental information of this defined benefit plan. This report can be obtained at www.mersofmich.com or in writing to MERS at 1134 Municipal Way, Lansing, MI 48917.

Benefits Provided

The plan provides certain retirement, disability, and death benefits to plan members and beneficiaries. PA 427 of 1984, as amended, established and amends the benefit provisions of the participants in MERS.

The MERS plan covers full-time employees at the Authority, including ATU, UAW, Teamsters, AFSCME, and nonunion employees.

Retirement benefits for employees hired before July 1, 2007 are calculated as 2.25 percent of the employee's final 5-year average salary times the employee's years of service. Normal retirement age is 60, with early retirement at 55 with 15 years of service. The vesting period is 6 years. Employees are eligible for nonduty disability benefits after 6 years of service and for duty-related disability benefits upon hire. Disability retirement benefits are determined in the same manner as retirement benefits but are payable immediately without an actuarial reduction. Death benefits equal at least 85 percent of the accrued retirement allowance benefit. An employee who leaves service may withdraw his or her contributions, plus any accumulated interest.

Retirement benefits for employees hired after July 1, 2007 are calculated as 1.70 percent of the employee's final 5-year average salary times the employee's years of service. Normal retirement age is 60, with early retirement at 50 with 20 years of service. The vesting period is 10 years. Employees are eligible for nonduty disability benefits after 6 years of service and for duty-related disability benefits upon hire. Disability retirement benefits are determined in the same manner as retirement benefits but are payable immediately without an actuarial reduction. Death benefits equal at least 85 percent of the accrued retirement allowance benefit. An employee who leaves service may withdraw his or her contributions, plus any accumulated interest.

Benefit terms provide for annual cost of living adjustments to each employee's retirement allowance subsequent to the employee's retirement date. The annual adjustments are determined annually based on a percentage of the original retirement benefits, a percentage of the present retirement benefits, or a fixed dollar amount.

Benefit terms, within the parameters established by MERS, are generally established and amended by authority of the Authority's board, generally after negotiations of these terms with the affected unions.

Employees Covered by Benefit Terms

The following members were covered by the benefit terms as of December 31, 2019:

Inactive plan members or beneficiaries currently receiving benefits	902
Inactive plan members entitled to but not yet receiving benefits	152
Active plan members	835
	<hr/>
Total employees covered by the plan	1,889
	<hr/> <hr/>

Note 10 - Agent Defined Benefit Pension Plan (Continued)

Contributions

Article 9, Section 24 of the State of Michigan Constitution requires that financial benefits arising on account of employee service rendered in each year be funded during that year. Accordingly, MERS retains an independent actuary to determine the annual contribution. The employer is required to contribute amounts at least equal to the actuarially determined rate, as established by the MERS retirement board. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by plan members during the year, with an additional amount to finance any unfunded accrued liability. The Authority has established a 4.50 percent of covered payroll contribution rate to be paid by its covered employees.

For the year ended June 30, 2020, the average active employee contribution rate was 4.50 percent of annual pay, and the Suburban Mobility Authority for Regional Transportation's average contribution rate was 29.8 percent of annual payroll.

Net Pension Liability

The Authority has chosen to use the December 31 measurement date as its measurement date for the net pension liability. The June 30, 2020 fiscal year end reported net pension liability was determined using a measure of the total pension liability and the pension net position as of the December 31, 2019 measurement date. The December 31, 2019 measurement date total pension liability was determined by an actuarial valuation performed as of that date.

Changes in the net pension liability during the measurement year were as follows:

Changes in Net Pension Liability	Increase (Decrease)		
	Total Pension Liability	Plan Net Position	Net Pension Liability
Balance at December 31, 2018	\$ 254,637,445	\$ 180,238,266	\$ 74,399,179
Changes for the year:			
Service cost	4,502,393	-	4,502,393
Interest	19,885,440	-	19,885,440
Differences between expected and actual experience	(2,768,704)	-	(2,768,704)
Changes in assumptions	8,381,719	-	8,381,719
Contributions - Employer	-	13,368,558	(13,368,558)
Contributions - Employee	-	2,013,938	(2,013,938)
Net investment income	-	24,557,841	(24,557,841)
Benefit payments, including refunds	(16,641,264)	(16,641,264)	-
Administrative expenses	-	(423,144)	423,144
Net changes	13,359,584	22,875,929	(9,516,345)
Balance at December 31, 2019	\$ 267,997,029	\$ 203,114,195	\$ 64,882,834

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

For the year ended June 30, 2020, the Authority recognized pension expense of \$11,047,654.

June 30, 2020 and 2019

Note 10 - Agent Defined Benefit Pension Plan (Continued)

At June 30, 2020, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ 3,005,615
Changes in assumptions	5,587,813	-
Net difference between projected and actual earnings on pension plan investments	599,903	-
Employer contributions to the plan subsequent to the measurement date	4,768,654	-
Total	<u>\$ 10,956,370</u>	<u>\$ 3,005,615</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows. These amounts are exclusive of the employer contributions to the plan made subsequent to the measurement date (\$4,768,654), which will impact the net pension liability in fiscal year 2021 rather than pension expense.

Years Ending June 30	Amount
2021	\$ 226,674
2022	2,484,990
2023	2,511,648
2024	(2,041,211)

Actuarial Assumptions

The total pension liability in the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions applied to all periods included in the measurement:

Inflation	2.50%
Salary increases (including inflation)	3.00%
Investment rate of return (gross of investment expenses)	7.60%

The mortality table used to project the mortality experience of nondisabled plan members is a 50 percent male and 50 percent female blend of the following tables:

1. The RP-2014 Healthy Annuitant Mortality Tables, with rates multiplied by 105 percent
2. The RP-2014 Employee Mortality Tables
3. The RP-2014 Juvenile Mortality Tables

The mortality table used to project the mortality experience of disabled plan members is a 50 percent male and 50 percent female blend of the RP-2014 Disabled Retiree Mortality Tables.

The actuarial assumptions used in the December 31, 2019 actuarial valuation include a 10 percent margin for future mortality improvements, relative to the actual mortality experience seen in the 2009-2013 experience study.

Discount Rate

The discount rate used to measure the total pension liability was 7.60 percent. The projection of cash flows used to determine the discount rate assumes that employee contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the employee rate.

Note 10 - Agent Defined Benefit Pension Plan (Continued)

Projected Cash Flows

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.

The long-term expected rate of return on pension plan investments was determined using a model 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 as of December 31, 2019, the measurement date, for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Global equity	60.00 %	6.15 %
Global fixed income	20.00	1.26
Real assets	20.00	6.56

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the Authority, calculated using the discount rate of 7.60 percent, as well as what the Authority's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	1 Percentage Point Decrease (6.0%)	Current Discount Rate (7.60%)	1 Percentage Point Increase (8.60%)
Net pension liability of the Suburban Mobility Authority for Regional Transportation	\$ 92,655,780	\$ 64,882,834	\$ 41,161,269

Pension Plan Fiduciary Net Position

Detailed information about the plan's fiduciary net position is available in the separately issued financial report found at www.mersofmich.com. The plan's fiduciary net pension has been determined on the same basis as used by the plan. The plan uses the economic resources measurement focus and the full accrual basis of accounting. Investments are stated at fair value. Contribution revenue is recorded as contributions are due pursuant to legal requirements. Benefit payments and refunds of employee contributions are recognized as expense when due and payable in accordance with the benefit terms.

Assumption Changes

The December 31, 2019 actuarial valuation included a reduction in the assumed investment rate of return from 8.00 percent to 7.60 percent and a reduction in the assumption for salary increases from 3.75 percent to 3.00 percent.

June 30, 2020 and 2019

Note 11 - Defined Contribution Postemployment Benefits

The Authority provides an employer-sponsored health care savings plan to certain employees to cover the costs of postemployment medical expenses available to the participant upon separation from employment by the Authority. This is a defined contribution plan administered by Michigan Municipal Employees' Retirement System. The benefits are provided under collective bargaining agreements (or other legal authority for providing benefits). There are no required contributions from employees. The Authority is required to contribute \$125 per month for each participating employee in the International Brotherhood of Teamsters and \$137 per month for each participating employee in the Amalgamated Transit Union; the American Federation of State, County and Municipal Employees (AFSCME); and nonrepresented employee groups. Health care savings plan participants are not eligible for authority-paid retiree health care under any other authority plan or program.

During the years ended June 30, 2020 and 2019, the Authority made contributions of \$546,451 and \$737,675, respectively, to the plan.

Note 12 - Other Postemployment Benefit Plan

Plan Description

SMART provides other postemployment benefits for all employees who meet eligibility requirements. These OPEB benefits are provided by SMART through its Enterprise Operating Fund directly to the retiree and beneficiary monthly. The SMART Enterprise Operating Fund will also make, on a discretionary basis, advance OPEB funding contributions to the Michigan Municipal Employees' Retirement System retiree health funding vehicle.

MERS is a statutory public corporation multiple-employer retirement system that pools assets of the participating employers for investment purposes but maintains separate accounts for each individual employer retiree health funding vehicle. These funds constitute a health care fund, which enable SMART to accumulate moneys to provide or subsidize health benefits for retirees and retiree beneficiaries.

SMART and the Municipal Employees' Retirement System separately issue public financial reports that include financial statements and required supplemental information for their respective organizations. The MERS financial report can be obtained by writing to MERS at 1134 Municipal Way, Lansing, MI 48917 or on the MERS website at www.mersofmich.com.

Management of the plan is vested in the SMART board of directors.

Benefits Provided

SMART provides postemployment health insurance, life insurance, and prescription benefits to eligible employees and beneficiaries. Eligible employees include those who retire after attaining age 60 with at least 6 years of service or after attaining age 55 with at least 15 years of service. For certain employees hired after July 1, 2007, health, life, and prescription benefits will be provided after the employee attains age 55 with at least 25 years of service. There are no cost of living benefit adjustments. Union contracts or the nonunion benefit book outline specifically which health care agent a retiree or beneficiary can utilize.

Note 12 - Other Postemployment Benefit Plan (Continued)

Employees Covered by Benefit Terms

Substantially all SMART employees hired before July 1, 2007; AFSCME members hired before February 9, 2015; and all UAW members are members of the plan. During fiscal year 2015, SMART implemented a defined contribution health care savings plan (the "HCSP") as an alternative to the existing plan, effectively closing the retiree health care and prescription plan to new employees. All Amalgamated Transit Union, International Brotherhood of Teamsters, and all nonrepresented employees hired after July 1, 2007 were transferred to the HCSP retroactive to their date of hire. The HCSP also includes employees in the American Federation of State, County and Municipal Employees hired after February 9, 2015.

The following members were covered by the benefit terms as of December 31, 2018.

Inactive plan members or beneficiaries currently receiving benefits	611
Active plan members	<u>805</u>
Total plan members	<u><u>1,416</u></u>

Contributions

SMART contributes 100 percent of the actual monthly costs for current benefits and administrative expenses to the plan through its Enterprise Operating Fund (pay-as-you-go funding). SMART has made additional payments to the OPEB retiree health funding vehicle at MERS on a discretionary basis.

SMART union and nonunion retirees who retire after January 6, 2012 also contribute a portion of their monthly retirement benefit to fund monthly health care premium payments made by SMART. For the fiscal year ended June 30, 2020, SMART paid postemployment health care benefit premiums and administrative costs of \$7,145,341. In addition, SMART also contributed \$6,300,000 into its prefunded retiree health care fund and paid \$117,883 of administrative OPEB investment costs from the retiree health care fund.

Net OPEB Liability

The Authority has chosen to use the June 30, 2020 measurement date as its measurement date for the net OPEB liability. The June 30, 2020 fiscal year end reported net OPEB liability was determined using a measure of the total OPEB liability and the OPEB net position as of the June 30, 2020 measurement date. The June 30, 2020 total OPEB liability was determined by an actuarial valuation performed as of December 31, 2018, which used update procedures to roll forward the estimated liability to June 30, 2020.

Suburban Mobility Authority for Regional Transportation

Notes to Financial Statements

June 30, 2020 and 2019

Note 12 - Other Postemployment Benefit Plan (Continued)

Changes in the net OPEB liability during the measurement year were as follows:

Changes in Net OPEB Liability	Increase (Decrease)		
	Total OPEB Liability	Plan Net Position	Net OPEB Liability
Balance at July 1, 2019	\$ 181,068,642	\$ 61,588,862	\$ 119,479,780
Changes for the year:			
Service cost	1,676,593	-	1,676,593
Interest	9,808,385	-	9,808,385
Differences between expected and actual experience	(1,297,425)	-	(1,297,425)
Contributions - Employer	-	13,445,341	(13,445,341)
Net investment income	-	1,564,171	(1,564,171)
Benefit payments, including refunds	(7,145,341)	(7,145,341)	-
Administrative expenses	-	(117,883)	117,883
Net changes	3,042,212	7,746,288	(4,704,076)
Balance at June 30, 2020	<u>\$ 184,110,854</u>	<u>\$ 69,335,150</u>	<u>\$ 114,775,704</u>

The plan's fiduciary net position represents 37.7 percent of the total OPEB liability.

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2020, the Authority recognized OPEB expense of \$7,530,677.

At June 30, 2020, 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 expected and actual experience	\$ -	\$ 18,221,529
Changes in assumptions	14,200,398	-
Net difference between projected and actual earnings on OPEB plan investments	2,513,775	-
Total	<u>\$ 16,714,173</u>	<u>\$ 18,221,529</u>

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

Years Ending June 30	Amount
2021	\$ (443,366)
2022	(416,519)
2023	(305,299)
2024	(220,014)
2025	(122,158)

Note 12 - Other Postemployment Benefit Plan (Continued)

Actuarial Assumptions

The total OPEB liability in the June 30, 2020 actuarial valuation was determined using an inflation assumption of 2.5 percent; assumed salary increases for individual members based on age, including a base increase of 3.75 percent for all years and a merit/seniority increase of 11 percent at age 20, 7.2 percent at age 25, 3.1 percent at age 30, 1.9 percent at age 35, 1.2 percent at age 40, 0.81 percent at age 45, 0.52 percent at age 50, and 0.30 percent at age 55; an investment rate of return (net of investment expenses) of 5.5 percent; a health care cost trend rate of 8.25 percent for 2020, decreasing 0.50 percent for nine years to an ultimate rate of 3.75 percent for 2029 and later years; and the RP-2014 mortality tables. These assumptions were applied to all periods included in the measurement.

Discount Rate

The discount rate used to measure the total OPEB liability was 5.5 percent. The projection of cash flows used to determine the discount rate assumed that, in years where an unfunded actuarial accrued liability exists, the total contributions will be equal to the projected benefit payments (pay as you go), plus an additional fixed employer contribution of a minimum \$4.1 million, in order to fund the actuarial contribution amount. In years where no unfunded actuarial accrued liability exists, the total contributions will be equal to the projected service cost, and contributions and benefit payments occur halfway through the year.

Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Investment Rate of Return

The long-term expected rate of return on OPEB 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 OPEB 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 adding expected inflation. Best estimates of arithmetic real rates of return as of the June 30, 2020 measurement date for each major asset class included in the OPEB plan's target asset allocation, as disclosed in the investment footnote, are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Global equity	60.00 %	6.15 %
Global fixed income	20.00	1.26
Real assets	20.00	6.56

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability of the Authority, calculated using the discount rate of 5.5 percent, as well as what the Authority's net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	1 Percentage Point Decrease (4.5%)	Current Discount Rate (5.5%)	1 Percentage Point Increase (6.5%)
Net OPEB liability of the Municipal Employees' Retirement System of Michigan	\$ 137,314,235	\$ 114,775,704	\$ 95,919,226

Note 12 - Other Postemployment Benefit Plan (Continued)

Sensitivity of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate

The following presents the net OPEB liability of the Authority, calculated using the health care cost trend rate of 8.25 percent, as well as what the Authority's net OPEB liability would be if it were calculated using a health care cost trend rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	1 Percentage Point Decrease (7.25%)	Current Healthcare Cost Trend Rate (8.25%)	1 Percentage Point Increase (9.25%)
Net OPEB liability of the Municipal Employees' Retirement System of Michigan	\$ 93,447,657	\$ 114,775,704	\$ 140,318,093

Note 13 - Commitments

SMART leases certain office space and equipment under operating lease agreements. Some leases include escalation clauses for SMART's pro rata share of taxes and operating expenses. Total rent expense for the years ended June 30, 2020 and 2019 was approximately \$526,000 and \$479,000, respectively.

SMART entered into a noncancelable 10-year lease commencing on October 1, 2017 through September 30, 2027 for its administrative offices and the ticket sales store.

Approximate minimum lease payments are as follows:

Years Ending	Amount
2021	\$ 405,000
2022	405,000
2023	405,000
2024	405,000
2025	397,000
2026-2027	799,000
Total	<u>\$ 2,816,000</u>

Note 14 - Contingent Liabilities

Various legal actions and workers' compensation claims are outstanding or may be instituted or asserted against SMART. Management has accrued amounts with respect to such actions and claims based on its best estimate of SMART's ultimate liability in these matters, including an estimate for claims that have been incurred but not reported for self-insured liability exposure.

Note 15 - Explanation of Ineligible Expenses per the OPT R&E Manual

Ineligible expenses are classified appropriately according to the definition in the Local Public Transit Revenue and Expense Manual (R&E Manual). Any capital funds used to pay operating costs have been subtracted from eligible costs, which included \$4 million of preventive maintenance in 2020 and 2019. Also, any expenses associated with earned revenue, of which SMART had none in 2020 and 2019, would be subtracted from eligible costs.

June 30, 2020 and 2019

Note 16 - Impact of COVID-19 on Operations

On March 11, 2020, the World Health Organization declared the novel strain of coronavirus (COVID-19) a global pandemic and recommended containment and mitigation measures worldwide. The COVID-19 outbreak in the United States has caused disruptions through mandated and voluntary closings of businesses and shelter-in-place orders for all but those deemed essential services. Since the outbreak, SMART has continuously monitored the situation and made necessary adjustments to operations to ensure the safety of services. This includes reducing bus capacity, requiring face covers for riders, and additional bus-cleaning procedures. To reduce contact between riders and drivers, SMART suspended collecting all fares for rides during the pandemic. Fare collection has not been reinstated as of the date of the financial statements.

On March 18, 2020, SMART temporarily reduced its bus service to approximately 30 percent of normal operations as a result of decreased ridership due to the pandemic and shelter-in-place orders. In June 2020, SMART reinstated bus service to approximately 60 percent of normal operations. Additionally, in June 2020, SMART began paying a hazard premium, between \$5.00 and \$7.50 per hour, for all drivers and staff whose function requires them to be on-site at a SMART facility. SMART incurred approximately \$500,000 in hazard pay expense for fiscal year 2020.

On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security (CARES) Act was enacted and signed into law. The CARES Act included provisions for grant funding to state and local governments. SMART was allocated approximately \$55,605,000 of additional grant funding from the CARES Act. For fiscal year 2020, SMART will seek expenditure reimbursement of approximately \$6,000,000 from CARES funding.

Required Supplemental Information

Suburban Mobility Authority for Regional Transportation

Required Supplemental Information Schedule of Changes in the Net Pension Liability and Related Ratios

**Last Six Years
Years Ended December 31**

	2019	2018	2017	2016	2015	2014
Total Pension Liability						
Service cost	\$ 4,502,393	\$ 4,468,876	\$ 4,143,547	\$ 3,891,466	\$ 3,819,202	\$ 3,701,095
Interest	19,885,440	19,353,007	19,005,207	18,585,805	17,695,500	17,072,926
Differences between expected and actual experience	(2,768,704)	(870,763)	(3,478,232)	(2,515,718)	99,715	-
Changes in assumptions	8,381,719	-	-	-	10,351,934	-
Benefit payments, including refunds	(16,641,264)	(15,806,604)	(15,337,264)	(14,527,892)	(13,643,308)	(12,930,124)
Net Change in Total Pension Liability	13,359,584	7,144,516	4,333,258	5,433,661	18,323,043	7,843,897
Total Pension Liability - Beginning of year	254,637,445	247,492,929	243,159,671	237,726,010	219,402,967	211,559,070
Total Pension Liability - End of year	<u>\$ 267,997,029</u>	<u>\$ 254,637,445</u>	<u>\$ 247,492,929</u>	<u>\$ 243,159,671</u>	<u>\$ 237,726,010</u>	<u>\$ 219,402,967</u>
Plan Fiduciary Net Position						
Contributions - Employer	\$ 13,368,558	\$ 8,165,009	\$ 16,522,752	\$ 15,725,356	\$ 5,096,203	\$ 4,675,271
Contributions - Employee	2,013,938	1,972,003	1,750,206	1,650,588	1,627,578	1,600,418
Net investment income (loss)	24,557,841	(7,496,684)	23,044,677	17,449,806	(2,305,957)	9,705,285
Administrative expenses	(423,144)	(373,896)	(364,112)	(348,853)	(340,843)	(355,364)
Benefit payments, including refunds	(16,641,264)	(15,806,604)	(15,337,264)	(14,527,892)	(13,643,308)	(12,930,124)
Net Change in Plan Fiduciary Net Position	22,875,929	(13,540,172)	25,616,259	19,949,005	(9,566,327)	2,695,486
Plan Fiduciary Net Position - Beginning of year	180,238,266	193,778,438	168,162,179	148,213,174	157,779,501	155,084,015
Plan Fiduciary Net Position - End of year	<u>\$ 203,114,195</u>	<u>\$ 180,238,266</u>	<u>\$ 193,778,438</u>	<u>\$ 168,162,179</u>	<u>\$ 148,213,174</u>	<u>\$ 157,779,501</u>
Authority's Net Pension Liability - Ending	<u>\$ 64,882,834</u>	<u>\$ 74,399,179</u>	<u>\$ 53,714,491</u>	<u>\$ 74,997,492</u>	<u>\$ 89,512,836</u>	<u>\$ 61,623,466</u>
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	75.79 %	70.78 %	78.30 %	69.16 %	62.35 %	71.91 %
Covered Payroll	\$ 44,836,035	\$ 43,850,988	\$ 40,197,698	\$ 36,992,486	\$ 36,833,068	\$ 35,107,048
Authority's Net Pension Liability as a Percentage of Covered Payroll	144.71 %	169.66 %	133.63 %	202.74 %	243.02 %	175.53 %

Schedule is built prospectively upon implementation of GASB 68.

See notes to required supplemental information.

Suburban Mobility Authority for Regional Transportation

Required Supplemental Information Schedule of Pension Contributions

Last Ten Fiscal Years Years Ended June 30

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Actuarially determined contribution	\$ 8,212,548	\$ 7,033,464	\$ 6,522,752	\$ 5,725,357	\$ 5,096,203	\$ 4,788,752	\$ 4,549,591	\$ 4,747,571	\$ 5,194,092	\$ 5,952,816
Contributions in relation to the actuarially determined contribution	13,199,457	8,165,009	16,522,752	15,725,357	5,096,203	4,788,752	4,624,857	3,980,544	4,649,410	6,466,982
Contribution Excess (Deficiency)	\$ 4,986,909	\$ 1,131,545	\$ 10,000,000	\$ 10,000,000	\$ -	\$ -	\$ 75,266	\$ (767,027)	\$ (544,682)	\$ 514,166
Covered Payroll	\$ 44,268,897	\$ 43,850,988	\$ 40,197,698	\$ 36,992,486	\$ 36,833,068	\$ 35,107,048	\$ 34,791,376	\$ 34,887,806	\$ 36,714,556	\$ 39,146,755
Contributions as a Percentage of Covered Payroll	29.82 %	18.62 %	41.10 %	42.51 %	13.84 %	13.64 %	13.29 %	11.41 %	12.66 %	16.52 %

Notes to Schedule of Pension Contributions

Actuarial valuation information relative to the determination of contributions:

Valuation date Actuarially determined contribution rates are calculated as of December 31, two years prior to the end of the fiscal year in which the contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Level percentage of pay - Closed
Remaining amortization period	20 years
Asset valuation method	5-year smoothed market
Inflation	2.5 percent
Salary increase	3.75 percent - Including inflation
Investment rate of return	7.75 percent, net of pension plan investment expense, including inflation
Retirement age	Experience-based tables of rates that are specific to the type of eligibility condition
Mortality	50 percent male - 50 percent female blend of the RP-2014 Mortality Tables
Other information	None

Suburban Mobility Authority for Regional Transportation

Required Supplemental Information Schedule of Changes in the Net OPEB Liability and Related Ratios

Years Ended June 30

	2020	2019	2018
Total OPEB Liability			
Service cost	\$ 1,676,593	\$ 1,499,372	\$ 1,672,442
Interest	9,808,385	11,539,771	11,264,428
Differences between expected and actual experience	(1,297,425)	(27,059,480)	(321,657)
Changes in assumptions	-	22,428,697	-
Benefit payments, including refunds	(7,145,341)	(8,249,942)	(8,335,309)
Net Change in Total OPEB Liability	3,042,212	158,418	4,279,904
Total OPEB Liability - Beginning of year	181,068,642	180,910,224	176,630,320
Total OPEB Liability - End of year	\$ 184,110,854	\$ 181,068,642	\$ 180,910,224
Plan Fiduciary Net Position			
Contributions - Employer	\$ 13,445,341	\$ 13,999,942	\$ 13,553,709
Net investment income	1,564,171	1,800,508	3,672,021
Administrative expenses	(117,883)	(118,940)	(122,336)
Benefit payments, including refunds	(7,145,341)	(8,249,942)	(8,335,309)
Net Change in Plan Fiduciary Net Position	7,746,288	7,431,568	8,768,085
Plan Fiduciary Net Position - Beginning of year	61,588,862	54,157,294	45,389,209
Plan Fiduciary Net Position - End of year	\$ 69,335,150	\$ 61,588,862	\$ 54,157,294
Net OPEB Liability - Ending	\$ 114,775,704	\$ 119,479,780	\$ 126,752,930
Plan Fiduciary Net Position as a Percentage of Total OPEB Liability	37.66 %	34.01 %	29.94 %
Covered-employee Payroll	\$ 55,369,846	\$ 54,013,348	\$ 44,134,313
Net OPEB Liability as a Percentage of Covered-employee Payroll	207.29 %	221.20 %	287.20 %

Schedule is built prospectively upon implementation of GASB 75.

Suburban Mobility Authority for Regional Transportation

Required Supplemental Information Schedule of OPEB Contributions

**Last Ten Fiscal Years
Years Ended June 30**

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Actuarially determined contribution	\$ 11,119,377	\$ 13,305,693	\$ 13,486,227	\$ 13,048,354	\$ 13,232,377	\$ 11,175,415	\$ 10,808,965	\$ 10,343,506	\$ 11,579,061	\$ 9,487,958
Contributions in relation to the actuarially determined contribution	13,445,341	13,999,942	13,553,709	14,273,710	12,955,318	11,621,453	7,622,758	6,951,013	5,669,814	5,505,236
Contribution Excess (Deficiency)	\$ 2,325,964	\$ 694,249	\$ 67,482	\$ 1,225,356	\$ (277,059)	\$ 446,038	\$ (3,186,207)	\$ (3,392,493)	\$ (5,909,247)	\$ (3,982,722)
Covered-employee Payroll	\$ 55,369,846	\$ 54,013,348	\$ 44,134,313	\$ 36,833,068	\$ 36,833,068	\$ 35,107,048	\$ 35,107,048	\$ 34,791,376	\$ 36,714,556	\$ 39,146,755
Contributions as a Percentage of Covered-employee Payroll	24.28 %	25.92 %	30.71 %	38.75 %	35.17 %	33.10 %	21.71 %	19.98 %	15.44 %	14.06 %

Notes to Schedule of Contributions

Actuarial valuation information relative to the determination of contributions:

Valuation date Actuarially determined contribution rates are calculated as of December 31 of even numbered years, which is six months prior to the beginning of the fiscal year biennium in which contributions are required.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Level dollar
Remaining amortization period	25 years
Asset valuation method	Market value of assets
Inflation	2.00 to 2.75 percent
Health care cost trend rates	Initial trend of 8.25 percent gradually decreasing to an ultimate trend rate of 3.75 percent in year 10
Salary increase	3.75 to 14.75 percent
Investment rate of return	5.50 percent - Net of OPEB plan investment expenses
Retirement age	Experience-based table of rates that are specific to the type of eligibility condition
Mortality	50 percent male - 50 percent female blend of the RP-2014 mortality tables
Other information	None

Suburban Mobility Authority for Regional Transportation

Notes to Required Supplemental Information

June 30, 2020 and 2019

Pension Information

Changes in Assumptions

Amounts reported in 2015 reflect a change in inflation rates from 3.0 to 4.0 percent in 2014 to 3.25 percent in 2015. In addition, the assumed salary increases also changed from 4.5 to 3.75 percent in 2014 and 2015, respectively. The investment rate of return went from 8.25 percent in 2014 to 8.00 percent in 2015. Lastly, the 2014 mortality rates were based on the 1994 Group Annuity Mortality table of a 50 percent male and 50 percent female blend. For disabled retirees, the regular mortality table was used with a 10-year set forward in ages to reflect the higher expected mortality rates of disabled members. In 2015, the mortality rates were updated based on mortality experience of nondisabled plan members with a 50 percent male and 50 percent female blend of the following tables:

1. The RP-2014 Healthy Annuitant Mortality Tables, with rates multiplied by 105 percent
2. The RP-2014 Employee Mortality Tables
3. The RP-2014 Juvenile Mortality Tables

Amounts reported in 2019 reflect a reduction in the assumed investment rate of return from 8.00 percent to 7.60 percent and a reduction in the assumption for salary increases from 3.75 percent to 3.00 percent.

OPEB Information

Changes in Assumptions

Amounts reported in 2019 reflect a change in the mortality tables from the RP-2000 mortality tables projected 20 years with U.S. Projection Scale BB to the RP-2014 mortality tables. In addition, the investment rate of return (net of investment expenses) decreased from 6.5 to 5.5 percent, and the health care cost trend rate decreased from 9.0 to 8.25 percent.

Other Supplemental Information

**Suburban Mobility Authority
for Regional Transportation**

**Other Supplemental Information
Operating Revenue Schedule**

Year Ended June 30, 2020

Description	Jul 1, 2019 to Sep 30, 2019	Oct 1, 2019 to Jun 30, 2020	Total
Passenger fares	\$ 2,783,060	\$ 4,572,484	\$ 7,355,544
Contract fares	23,438	33,042	56,480
Advertising	241,511	567,346	808,857
Rental of buildings or other property	10,985	49,584	60,569
Gain/Loss from the sale of capital assets	-	-	-
Other nontrans. revenue	4,442	212,470	216,912
Other local contracts - Mun. Cr.	-	-	-
Other local contracts - Com. Cr.	69,249	187,041	256,290
	\$ 3,132,685	\$ 5,621,967	\$ 8,754,652
Total operating revenue	\$ 3,132,685	\$ 5,621,967	\$ 8,754,652

**Suburban Mobility Authority
for Regional Transportation**

**Other Supplemental Information
Operating Revenue Schedule**

State Year Ended September 30, 2019

Description	Oct 1, 2018 to Jun 30, 2019	Jul 1, 2019 to Sep 30, 2019	Total
Passenger fares	\$ 8,798,185	\$ 2,783,060	\$ 11,581,245
Contract fares	86,571	23,438	110,009
Advertising	541,159	241,511	782,670
Rental of buildings or other property	53,234	10,985	64,219
Gain/Loss from the sale of capital assets	-	-	-
Other nontrans. revenue	4,309	4,442	8,751
Other local contracts - Mun. Cr.	-	-	-
Other local contracts - Com. Cr.	204,112	69,249	273,361
	\$ 9,687,570	\$ 3,132,685	\$ 12,820,255

**Suburban Mobility Authority
for Regional Transportation**

**Other Supplemental Information
Local Revenue Schedule**

Year Ended June 30, 2020

Description	Jul 1, 2019 to Sep 30, 2019	Oct 1, 2019 to Jun 30, 2020	Total
Taxes levied directly	\$ 18,112,701	\$ 56,895,075	\$ 75,007,776
Local community Stabilization	-	2,051,127	2,051,127
Other local contracts	-	-	-
Total revenue	\$ 18,112,701	\$ 58,946,202	\$ 77,058,903
Interest Income	\$ 685,903	\$ 1,167,739	\$ 1,853,642
Refunds and Credits	\$ 1,069	\$ 1,283,457	\$ 1,284,526

**Suburban Mobility Authority
for Regional Transportation**

**Other Supplemental Information
Local Revenue Schedule**

State Year Ended September 30, 2019

Description	Oct 1, 2018 to Jun 30, 2019	Jul 1, 2019 to Sep 30, 2019	Total
Taxes levied directly	\$ 58,799,265	\$ 18,112,701	\$ 76,911,966
Local community Stabilization	2,354,563	-	2,354,563
Other local contracts	-	-	-
Total revenue	\$ 61,153,828	\$ 18,112,701	\$ 79,266,529
Interest Income	\$ 1,757,949	\$ 685,903	\$ 2,443,852
Other non-trans Revenue	\$ 275,389	\$ -	\$ 275,389
Refunds and Credits	\$ 490,546	\$ 1,069	\$ 491,615

**Suburban Mobility Authority
for Regional Transportation**

**Other Supplemental Information
Federal and State Operating Revenue**

Year Ended June 30, 2020

Description	Jul 1, 2019 to Sep 30, 2019	Oct 1, 2019 to Jun 30, 2020	Total
State Operating Assistance	\$ 8,931,225	\$ 21,378,933	\$ 30,310,158
Other local revenue	-	-	-
Line-item municipal credit	407,634	1,222,906	1,630,540
Mun. Cr. special appropriation	407,634	1,222,906	1,630,540
Other MDOT/BPT contracts and reimb. - Reimb for section 5309 program admin	-	-	-
State Preventive Maintenance (NF Mobility Mgt)	250,000	751,061	1,001,061
Subtotal SMART State	9,996,493	24,575,806	34,572,299
Pass-through State Act 51:			
Act 51 Prior Year Adj	-	-	-
Bedford	32,283	81,165	113,448
Bedford (prior year)	-	16,431	16,431
LETC Urban and Non-Urban	146,715	1,629,030	1,775,745
LETC Urban and Non-Urban (prior year)	-	83,926	83,926
Royal Oak Township	1,365	8,569	9,934
Royal Oak Township (prior year)	-	500	500
Total Pass-through State Act 51	180,363	1,819,621	1,999,984
Other state pass-through grants:			
Specialized Service Grant FY 2019	-	-	-
Specialized Service Grant FY 2020	196,951	691,722	888,673
JARC PASS THRU 2012-0170 P21	-	48,778	48,778
MOBILITY MGT 2012-0130 P12	14,717	69,469	84,187
MOBILITY MGT 2012-0170 P38	-	581	581
NOTA JARC Non-Urban 2017-0130 P10	-	117,474	117,474
NOTA JARC Non-Urban 2012-0130 P16	-	153,103	153,103
NOTA New Freedom 2017-0130 P14	37,500	-	37,500
NOTA New Freedom 2017-0130 P20	-	60,000	60,000
Total other state pass-through grants	249,168	1,141,128	1,390,296
Grand total state revenue per F/S	\$ 10,426,024	\$ 27,536,555	\$ 37,962,579

**Suburban Mobility Authority
for Regional Transportation**

**Other Supplemental Information
Federal and State Operating Revenue (Continued)**

Year Ended June 30, 2020

Description	Jul 1, 2019 to Sep 30, 2019	Oct 1, 2019 to Jun 30, 2020	Total
Preventive maintenance -	\$ 1,000,000	\$ 3,000,000	\$ 4,000,000
Planning/capital cost of contracting - FY 2019 UWP -	101,577	340,014	441,591
CARES Act	-	6,000,000	6,000,000
Reimb. for JARC Admin	4,572	1,071	5,642
Reimb. for New Freedom Admin.	8,832	93,197	102,030
Reimb. for section 5309 program admin	-	-	-
Subtotal SMART federal	<u>1,114,981</u>	<u>9,434,281</u>	<u>10,549,263</u>
Other federal pass-through grants:			
Section 5307 Lake Erie	130,500	380,750	511,250
Section 5310 PM	-	4,243	4,243
Section 5311 Lake Erie	61,320	253,304	314,624
JARC	-	48,778	48,778
New Freedom	152,699	1,420,480	1,573,179
CMAQ Grant	-	-	-
Total pass-through federal	<u>344,519</u>	<u>2,107,555</u>	<u>2,452,074</u>
Grand total federal revenue per F/S	<u>\$ 1,459,500</u>	<u>\$ 11,541,837</u>	<u>\$ 13,001,337</u>
Grand total state and federal	<u>\$ 11,885,525</u>	<u>\$ 39,084,041</u>	<u>\$ 50,969,566</u>

**Suburban Mobility Authority
for Regional Transportation**

**Other Supplemental Information
Federal and State Operating Revenue**

State Year Ended September 30, 2019

Description	Oct 1, 2018 to Jun 30, 2019	Jul 1, 2019 to Sep 30, 2019	Total
State Operating Assistance	\$ 27,371,173	\$ 8,931,225	\$ 36,302,398
Other local revenue	-	-	-
Line-item municipal credit	1,222,906	407,634	1,630,540
Mun. Cr. Special Appropriation	1,222,906	407,634	1,630,540
Other MDOT/BPT contracts and reimb. -			
Reimb for section 5309 program admin	5,000	-	5,000
State Preventive Maintenance (NF Mobility Mgt)	1,004,849	250,000	1,254,849
Subtotal SMART state	30,826,833	9,996,493	40,823,326
Pass-through State Act 51:			
Bedford	87,636	32,283	119,919
Bedford (prior year)	-	-	-
LETC Urban and Non-Urban	1,373,368	146,715	1,520,083
LETC Urban and Non-Urban (prior year)	-	-	-
Royal Oak Township	-	1,365	1,365
Royal Oak Township (prior year)	10,315	-	10,315
Total pass-through State Act 51	1,471,319	180,363	1,651,682
Other state pass-through grants:			
Specialized Service Grant FY 2019	590,868	-	590,868
Specialized Service Grant FY 2020	-	196,951	196,951
JARC PASS THRU 2012-0170 P21	56,154	-	56,154
MOBILITY MGT 2012-0170 P20	-	14,717	14,717
MOBILITY MGT 2012-0170 P38	96,925	-	96,925
NOTA New Freedom 2017-0130 P14	-	37,500	37,500
Total other state pass-through grants	743,947	249,168	993,115
Grand total state revenue per F/S	\$ 33,042,099	\$ 10,426,024	\$ 43,468,123

**Suburban Mobility Authority
for Regional Transportation**

**Other Supplemental Information
Federal and State Operating Revenue (Continued)**

State Year Ended September 30, 2019

Description	Oct 1, 2018 to Jun 30, 2019	Jul 1, 2019 to Sep 30, 2019	Total
Preventive maintenance -	\$ 4,000,000	\$ 1,000,000	\$ 5,000,000
Planning/capital cost of contracting -			
FY 2019 UWP	589,125	-	589,125
FY 2020 UWP	-	101,577	101,577
CARES Act	-	-	-
Reimb. for JARC Admin	13,801	4,572	18,373
Reimb. for New Freedom Admin.	39,331	8,832	48,163
Reimb. for section 5309 program admin	19,999	-	19,999
Subtotal SMART federal	<u>4,662,256</u>	<u>1,114,981</u>	<u>5,777,237</u>
Other federal pass-through grants:			
Section 5307 Lake Erie	450,267	130,500	580,767
Section 5310 PM	26,152	-	26,152
Section 5311 Lake Erie	157,549	61,320	218,869
JARC	56,154	-	56,154
New Freedom	1,550,915	152,699	1,703,614
CMAQ Grant	1,040,000	-	1,040,000
Total pass-through federal	<u>3,281,037</u>	<u>344,519</u>	<u>3,625,556</u>
Grand total federal revenue per F/S	<u>\$ 7,943,293</u>	<u>\$ 1,459,500</u>	<u>\$ 9,402,793</u>
Grand total state and federal	<u>\$ 40,985,392</u>	<u>\$ 11,885,525</u>	<u>\$ 52,870,917</u>

**Suburban Mobility Authority
for Regional Transportation**

**Other Supplemental Information
SMART Expense Schedule**

Year Ended June 30, 2020

Description	Jul 1, 2019 to Sep 30, 2019	Oct 1, 2019 to Jun 30, 2020	Total
Labor - Operators S&W	\$ 5,985,561	\$ 14,640,655	\$ 20,626,216
Labor - Other S&W	4,301,303	13,164,795	17,466,098
Labor - Dispatchers S&W	1,175,331	9,155,051	10,330,382
Other fringe benefits - total fringes	4,317,376	10,221,383	14,538,759
Pensions - Defined contribution	7,741	14,561	22,302
Pensions - Defined benefit	6,670,460	4,377,194	11,047,654
Other postemployment benefits (OPEB)	1,575,000	5,955,677	7,530,677
Advertising fees	34,111	310,378	344,489
Audit cost	111,900	39,700	151,600
Other services	667,772	2,506,272	3,174,044
Fuel and lubricants	1,485,696	3,239,017	4,724,713
Tires and tubes	212,410	549,904	762,314
Other materials and supplies	1,190,682	2,968,569	4,159,251
Utilities	294,841	715,198	1,010,039
Casualty and liab. costs	1,576,684	4,310,357	5,887,041
Other insurance	16,263	54,289	70,552
Purchased transportation service	-	-	-
Pass-throughs that are expensed -	1,405,973	7,698,522	9,104,495
Community Credits	960,060	2,880,182	3,840,242
Community Transit	48,147	144,453	192,600
Nankin/Richmond Lenox/CBS Bloomfield Hills	80,382	241,154	321,536
Travel, meetings, and training	22,660	29,033	51,693
Loss on disposal of asset	(54,418)	(39,385)	(93,803)
Other miscellaneous expenses	86,825	555,772	642,597
Leases and rentals	100,075	302,911	402,986
Depreciation	645,596	16,871,556	17,517,152
Total expenses	32,918,431	100,907,197	133,825,628

**Suburban Mobility Authority
for Regional Transportation**

**Other Supplemental Information
SMART Expense Schedule (Continued)**

Year Ended June 30, 2020

Description	Jul 1, 2019 to Sep 30, 2019	Oct 1, 2019 to Jun 30, 2020	Total
Less ineligible expenses:			
Ineligible refunds and credits	\$ 1,069	\$ 1,283,457	\$ 1,284,526
Other ineligible state contracts	407,634	1,222,906	1,630,540
Ineligible depreciation	-	17,258,655	17,258,655
Municipal credits	407,634	1,222,906	1,630,540
Unused community credits	69,249	187,041	256,290
Ineligible non-trans exp	4,442	212,470	216,912
Ineligible loss on disposal	(54,418)	(39,385)	(93,803)
Local contracts	-	-	-
Preventive maintenance (MI-XX-XXXX)	1,250,000	3,751,061	5,001,061
Planning/capital cost of contracting	101,577	340,014	441,591
Other ineligible federal/state/local:			
Reimb. for JARC Admin MI-XX-XXXX	4,572	1,071	5,642
Reimb. for New Freedom Admin. MI-XX-XXXX	8,832	93,197	102,030
Other ineligible state contracts:			
Pass-Thru Ineligibles	590,705	5,718,088	6,308,793
New Freedom	-	-	-
State preventive maintenance			
Ineligible association dues	-	-	-
Ineligible pension	0	(2,152,818)	(2,152,817)
Ineligible OPEB	(1,684,310)	(4,230,354)	(5,914,664)
Other ineligibles	-	-	-
Total ineligibles	1,106,986	24,868,310	25,975,296
Total eligible expenses	\$ 31,811,445	\$ 76,038,888	\$ 107,850,332

**Suburban Mobility Authority
for Regional Transportation**

**Other Supplemental Information
SMART Expense Schedule (Continued)**

Year Ended June 30, 2020

Description	Jul 1, 2019 to Sep 30, 2019	Oct 1, 2019 to Jun 30, 2020	Total
Pass-throughs that are expensed:			
Lake Erie	370,818	2,444,606	2,815,424
Municipal credit - Formula	407,634	1,222,906	1,630,540
Municipal credit - Line Item	407,634	1,222,906	1,630,540
Other state subsidized serv.:			
Specialized services	196,951	691,722	888,673
Royal Oak Twp	1,365	9,069	10,434
Contra SMART Paid Expense	(183,345)	183,345	-
NOTA JARC Non-Urban	-	270,577	270,577
NOTA New Freedom Non-Urban	75,000	120,000	195,000
JARC - New Freedom Urban	-	97,557	97,557
JARC - Mobility Management Urban	-	-	-
New Freedom Operating Assistant Urban	187,660	2,276,533	2,464,193
New Freedom Mobility Management Urban	73,586	350,251	423,838
New Freedom Local Operating Expense Urban	(131,330)	(1,196,254)	(1,327,584)
New Freedom Highland/Milford PM	-	5,303	5,303
	\$ 1,405,973	\$ 7,698,522	\$ 9,104,495
Ineligible pass-throughs:			
Lake Erie	\$ 370,818	\$ 2,444,606	\$ 2,815,424
Municipal credit - Formula Admin Fee	407,634	1,222,906	1,630,540
Municipal credit - Line Item	407,634	1,222,906	1,630,540
Other state subsidized serv.:			
Specialized services	196,951	691,722	888,673
Royal Oak Twp	1,365	9,069	10,434
Contra SMART Paid Expense	(183,345)	183,345	-
NOTA JARC Non-Urban	-	270,577	270,577
NOTA New Freedom Non-Urban	75,000	120,000	195,000
JARC - New Freedom Urban	-	97,557	97,557
JARC - Mobility Management Urban	-	-	-
New Freedom Operating Assistant Urban	187,660	2,276,533	2,464,193
New Freedom Mobility Management Urban	73,586	350,251	423,838
New Freedom Local Operating Expense Urban	(131,330)	(1,196,254)	(1,327,584)
New Freedom Highland/Milford PM	-	5,303	5,303
	\$ 1,405,973	\$ 7,698,522	\$ 9,104,495

**Suburban Mobility Authority
for Regional Transportation**

**Other Supplemental Information
SMART Expense Schedule**

State Year Ended September 30, 2019

Description	Oct 1, 2018 to Jun 30, 2019	Jul 1, 2019 to Sep 30, 2019	Total
Labor - Operators S&W	\$ 17,545,232	\$ 5,985,561	\$ 23,530,793
Labor - Other S&W	12,780,094	4,301,303	17,081,397
Labor - Dispatchers S&W	3,417,629	1,175,331	4,592,960
Other fringe benefits	10,329,618	4,317,376	14,646,994
Pensions - Defined contribution	21,008	7,741	28,749
Pensions - Defined benefit	11,247,336	6,670,460	17,917,796
Other postemployment benefits (OPEB)	7,276,470	1,575,000	8,851,470
Advertising fees	201,870	34,111	235,981
Audit cost	52,885	111,900	164,785
Other services	2,937,734	667,772	3,605,506
Fuel and lubricants	4,634,523	1,485,696	6,120,219
Tires and tubes	455,622	212,410	668,032
Other materials and supplies	3,299,296	1,190,682	4,489,978
Utilities	846,872	294,841	1,141,713
Casualty and liab. costs	4,195,794	1,576,684	5,772,478
Other insurance	48,304	16,263	64,567
Purchased transportation service			
Pass-throughs that are expensed -	6,466,217	1,405,973	7,872,190
Community Credits	2,812,678	960,060	3,772,738
Community Transit	-	48,147	48,147
Nankin/Richmond Lenox/CBS Bloomfield Hills	379,917	80,382	460,299
Travel, meetings, and training	36,314	22,660	58,974
Loss on disposal of asset	337,449	(54,418)	283,031
Other miscellaneous expenses	55,714	86,825	142,539
Leases and rentals	320,969	100,075	421,044
Depreciation	15,584,363	645,596	16,229,959
Total expenses	105,283,908	32,918,431	138,202,339

**Suburban Mobility Authority
for Regional Transportation**

**Other Supplemental Information
SMART Expense Schedule (Continued)**

State Year Ended September 30, 2019

Description	Oct 1, 2018 to Jun 30, 2019	Jul 1, 2019 to Sep 30, 2019	Total
Less ineligible expenses:			
Ineligible refunds and credits	\$ 490,546	\$ 1,069	\$ 491,615
Other ineligible state contracts	5,625	407,634	413,259
Ineligible depreciation	15,487,315	-	15,487,315
Municipal credits	2,445,812	407,634	2,853,446
Unused community credits	204,112	69,249	273,361
Ineligible non-trans exp	278,443	4,442	282,885
Ineligible loss on disposal	337,449	(54,418)	283,031
Local contracts	-	-	-
Preventive maintenance (MI-90-0591)	5,004,849	1,250,000	6,254,849
Planning/Cap. cost of contracting	589,125	101,577	690,702
Other ineligible federal/state/local:			-
Reimb. for JARC Admin	13,801	4,572	18,373
Reimb. for New Freedom Admin.	39,331	8,832	48,164
Other ineligible state contracts:			-
Pass-through ineligibles	4,020,405	590,705	4,611,110
New Freedom	-	-	-
State preventive maintenance	-	-	-
Ineligible pension	4,655,811	0	4,655,812
Ineligible OPEB	(3,079,803)	(1,684,310)	(4,764,113)
Other ineligibles	-	-	-
	30,492,821	1,106,986	31,599,808
Total ineligible			
Total eligible expenses	\$ 74,791,086	\$ 31,811,445	\$ 106,602,531

**Suburban Mobility Authority
for Regional Transportation**

**Other Supplemental Information
SMART Expense Schedule (Continued)**

State Year Ended September 30, 2019

Description	Jun 30, 2019	Sep 30, 2019	Total
Pass-throughs that are expensed:			
Lake Erie	2,010,053	370,818	2,380,871
Mun. Cr. - Formula	1,222,906	407,634	1,630,540
Mun. Cr. - Line Item	1,222,906	407,634	1,630,540
Other state subsidized serv.:			
Specialized services	590,868	196,951	787,819
Royal Oak Twp	10,315	1,365	11,680
Contra SMART Paid Expense	(520,953)	(183,345)	(704,298)
NOTA JARC Non-Urban Expense	111,997	-	111,997
NOTA New Freedom Non-Urban	102,896	75,000	177,896
JARC - New Freedom Urban	112,308	-	112,308
JARC - Mobility Management Urban	-	-	-
New Freedom Operating Expense Urban	2,044,721	187,660	2,232,381
New Freedom Mobility Management Urban	477,110	73,586	550,696
New Freedom Local Operating Expense Urban	(943,155)	(131,330)	(1,074,485)
New Freedom Highland/Milford PM	24,244	-	24,244
Pass-throughs that are expensed	<u>\$ 6,466,217</u>	<u>\$ 1,405,973</u>	<u>\$ 7,872,190</u>
Ineligible pass-throughs:			
Lake Erie	2,010,053	370,818	2,380,871
Mun. Cr. - Formula	1,222,906	407,634	1,630,540
Mun. Cr. - Line Item	1,222,906	407,634	1,630,540
Other state subsidized serv.:			
Specialized services	590,868	196,951	787,819
Royal Oak Twp	10,315	1,365	11,680
Contra SMART Paid Expense	(520,953)	(183,345)	(704,298)
NOTA JARC Non-Urban Expense	111,997	-	111,997
NOTA New Freedom Non-Urban	102,896	75,000	177,896
JARC - New Freedom Expense Urban	112,308	-	112,308
JARC - Mobility Management Urban	-	-	-
New Freedom Operating Expense Urban	2,044,721	187,660	2,232,381
New Freedom Mobility Management Urban	477,110	73,586	550,696
New Freedom Local Operating Expense Urban	(943,155)	(131,330)	(1,074,485)
New Freedom Highland/Milford PM	24,244	-	24,244
Ineligible pass-throughs	<u>\$ 6,466,217</u>	<u>\$ 1,405,973</u>	<u>\$ 7,872,190</u>

**Other Supplemental Information
SMART Expense Schedule**

Year Ended June 30, 2020

Expense incurred:	Jul 1, 2019 to Sep 30, 2019	Oct 1, 2019 to Jun 30, 2020	Total
Pension - Defined benefit	\$ 6,670,460	\$ 4,377,194	\$ 11,047,654
OPEB - Defined benefit	1,575,000	5,955,677	7,530,677
Total	\$ 8,245,460	\$ 10,332,871	\$ 18,578,331

Amounts actually paid:	Jul 1, 2019 thru Sep 30, 2019	Oct 1, 2019 thru Jun 30, 2020	Total
Pension - Defined benefit	\$ 6,670,460	\$ 6,530,011	\$ 13,200,471
OPEB - Defined benefit	3,259,310	10,186,031	13,445,341
Total	\$ 9,929,770	\$ 16,716,042	\$ 26,645,812

**Other Supplemental Information
SMART Expense Schedule**

State Year Ended September 30, 2019

	Oct 1, 2018 to Jun 30, 2019	Jul 1, 2019 to Sep 30, 2019	Total
Expense incurred:			
Pension - Defined benefit	\$11,247,336	\$ 6,670,460	\$ 17,917,796
OPEB - Defined benefit	7,276,470	1,575,000	8,851,470
Total	\$ 18,523,806	\$ 8,245,460	\$ 26,769,266
	Oct 1, 2018 thru Jun 30, 2019	Jul 1, 2019 thru Sep 30, 2019	Total
Amounts actually paid:			
Pension - Defined benefit	\$6,591,525	\$ 6,670,460	\$ 13,261,985
OPEB - Defined benefit	10,356,273	3,259,310	13,615,583
Total	\$ 16,947,798	\$ 9,929,770	\$ 26,877,568
Current year ineligible expense			
Pension - Defined benefit			\$ (4,655,812)
OPEB - Defined benefit			4,764,113
Total			\$ 108,302
Prior year carryforward - September 30, 2018			
Pension - Defined benefit			(1,206,680)
OPEB - Defined benefit			(8,582,364)
Total			\$ (9,789,044)
Carryforward - September 30, 2019			
Pension - Defined benefit			(5,862,491)
OPEB - Defined benefit			(3,818,251)
Total			\$ (9,680,742)

Suburban Mobility Authority for Regional Transportation

Other Supplemental Information Schedule of Financial Assistance

Year Ended June 30, 2020

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	FEDERAL STATE SHARE	FISCAL YEAR	FUNDING SOURCE	FEDERAL CFDA NUMBER	FEDERAL GRANTOR NUMBER	STATE GRANTOR NUMBER	PROGRAM OR AWARD AMOUNT	DISBURSEMENTS/ EXPENDITURES	FEDERAL RECEIPTS/ REVENUE	STATE RECEIPTS/ REVENUE	AMOUNT REMAINING
U.S. DEPARTMENT OF TRANSPORTATION:											
DIRECT ASSISTANCE:											
CAPITAL ASSISTANCE	80 % - 20 %	FY2009	SECTION 5309	20.500	MI-04-0080	N/A	200,000		\$ -	\$ -	\$ 60,891
CAPITAL ASSISTANCE	80 % - 20 %	FY2009	SECTION 5309	20.500	MI-04-0091	N/A	15,000,000	329,772	329,772	-	(156)
CAPITAL ASSISTANCE	80 % - 20 %	FY2009	SECTION 5309	20.500	MI-04-0080	N/A	37,720		-	-	17,721
CAPITAL ASSISTANCE	80 % - 20 %		SECTION 5339	20.526	MI-34-0005	N/A	6,920,868	223,835	223,835	-	4,450,100
CAPITAL ASSISTANCE FY16 (TRAMS)	80 % - 20 %	FY2016	SECTION 5339	20.507	MI-34-0022	MI-2016-025-05	34,262	2,562	2,562	-	24,921
CAPITAL ASSISTANCE FY16 (TRAMS)	80 % - 20 %	FY2016	SECTION 5339	20.507	MI-34-0022	MI-2016-025-09	3,961,269	1,956,443	1,956,443	-	(1,956,443)
CAPITAL ASSISTANCE FY16	80 % - 20 %	FY2016	SECTION 5339	20.507	MI-34-0022	MI-2016-025-13	142,144	122,764	122,764	-	19,380
CAPITAL ASSISTANCE FY18-19	80 % - 20 %	FY2018/19	SECTION 5339	20.507	MI-34-0046	2017-0130 P11	5,404,182	1,891,629	1,891,629	-	3,512,553
CAPITAL ASSISTANCE FY18-19	80 % - 20 %	FY2018/19	SECTION 5339	20.507	MI-34-0046	2017-0130 P11	340,203		-	-	340,203
TOTAL							32,040,648	4,527,005	4,527,005	-	6,469,170
PLANNING AND TECHNICAL STUDIES UWP PROGRAM	80 % - 20 %	FY2011	SECTION 5303	20.505	MI-80-X006	N/A	318,806	\$ 346,100	\$ 346,100	\$ -	\$ (346,100)
TRANSIT ASSET MGT	80 % - 20 %		SECTION 5303	20.505	2015-0009		130,828	95,490	95,490		(393,930)
OPER REVIEW	80 % - 20 %		SECTION 5303	20.505	2015-0009		28,655		-		(148,345)
							478,289	441,590	441,590	-	(888,375)

**Other Supplemental Information
Schedule of Financial Assistance (Continued)**

Year Ended June 30, 2020

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	FEDERAL STATE SHARE	FISCAL YEAR	FUNDING SOURCE	FEDERAL CFDA NUMBER	FEDERAL GRANTOR NUMBER	STATE GRANTOR NUMBER	PROGRAM OR AWARD AMOUNT	DISBURSEMENTS/ EXPENDITURES	FEDERAL RECEIPTS/ REVENUE	STATE RECEIPTS/ REVENUE	AMOUNT REMAINING
U.S DEPARTMENT OF TRANSPORTATION (CONTINUED):											
CAPITAL ASSISTANCE	80 % - 20 %	FY2012	SECTION 5307	20.507	MI-90-0756	2007-0294 Z38	15,612,066	\$ 8,616	\$ 8,616	\$ -	\$ 3,838,268
CAPITAL ASSISTANCE	80 % - 20 %	FY2012	SECTION 5307	20.507	MI-90-0758	2007-0294 Z39	492,476	-	-	-	52,852
CAPITAL ASSISTANCE	80 % - 20 %	FY2013	SECTION 5307	20.507	MI-90-0678		22,231,592	2,877,424	2,877,424	-	(9,815,335)
CAPITAL ASSISTANCE	80 % - 20 %	FY2016	SECTION 5307	20.507	MI-90-0777	2016-025-02	7,202,755	3,826,189	3,826,189	-	2,306,752
CAPITAL ASSISTANCE (preventative maint)	80 % - 20 %	FY2016	SECTION 5307	20.507	MI-90-0777	2016-025-03	4,000,000	-	-	-	-
CAPITAL ASSISTANCE	80 % - 20 %	FY2016	SECTION 5307	20.507	MI-90-0777	2016-025-04	501,192	488,042	488,042	-	(1,142,930)
CAPITAL ASSISTANCE	80 % - 20 %	FY2016	SECTION 5307	20.507	MI-90-0777	2016-025-06	104,339	143,442	143,442	-	(55,982)
CAPITAL ASSISTANCE FY16	80 % - 20 %	FY2016	SECTION 5307	20.507	MI-90-0777	2016-025-10	8,544,000	6,308,654	6,308,654	-	(5,815,441)
CAPITAL ASSISTANCE FY16	80 % - 20 %	FY2016	SECTION 5307	20.507	MI-90-0777	2016-025-11	120,000	-	-	-	(100,550)
CAPITAL ASSISTANCE FY16	80 % - 20 %	FY2016	SECTION 5307	20.507	MI-90-0777	MI-2016-025-08	434,698	225,004	225,004	-	209,694
OPERATING ASSISTANCE (MONROE) FY18	80 % - 20 %	FY2018	SECTION 5307	20.507	MI-XX-XXXX	MI-XXXX-XXX-XX	500,000	-	-	-	(266,503)
OPERATING ASSISTANCE (MONROE) FY17	80 % - 20 %	FY2017	SECTION 5307	20.507	MI-90-0777	MI-2016-025-00	558,767	-	-	-	153,736
CAPITAL ASSISTANCE (CMAQ)	80 % - 20 %		CMAQ	20.507	MI-95-0077		11,575,989	-	-	-	10,683,856
CAPITAL ASSISTANCE FY16/17 (CMAQ)	80 % - 20 %	FY2016/17	CMAQ	20.507	MI-95-0122	MI-2016-025-01	7,975,200	252,101	252,101	-	73,005
CAPITAL ASSISTANCE FY17-18-19	80 % - 20 %	FY2018/19	SECTION 5307	20.507	MI-2018-018-01		2,336,490	-	-	-	1,296,490
CAPITAL ASSISTANCE FY17-18-19	80 % - 20 %	FY2018/19	SECTION 5307	20.507	MI-2018-018-03		10,000,000	4,000,000	4,000,000	-	4,000,000
CAPITAL ASSISTANCE FY18-19 (CMAQ)	80 % - 20 %	FY2018/19	CMAQ	20.507	MI-90-0079	MI-2018-018-03	35,571,136	6,708,213	6,708,213	-	28,862,923
CAPITAL ASSISTANCE FY18-19 (CMAQ)	80 % - 20 %	FY2018/19	CMAQ	20.507	MI-90-0079	MI-2018-018-04	2,022,731	101,337	101,337	-	1,921,394
OPERATING ASSISTANCE (MONROE) FY19	80 % - 20 %	FY2019	SECTION 5307	20.507	MI-XX-XXXX	MI-2018-018-04	484,250	92,750	92,750	-	391,500
OPERATING ASSISTANCE (MONROE) FY20	80 % - 20 %	FY2020	SECTION 5307	20.507	MI-XX-XXXX	MI-2020-061-04	503,724	418,500	418,500	-	85,224
OPERATING ASSISTANCE(SMART) FY20 CARES	80 % - 20 %	FY2020	SECTION 5307	20.507		MI-2020-052-00	30,866,881	6,000,000	6,000,000	-	24,866,881
TOTAL							\$ 161,638,286	\$ 31,450,272	\$ 31,450,272	\$ -	\$ 61,545,834
MICHIGAN DEPARTMENT OF TRANSPORTATION:											
SECTION 5310- CAPITAL	100 % STATE		SECTION 5310	20.513	MI-XX-XXXX	2017-0130 P5	357,000	\$ 354,180	\$ 354,180	\$ -	\$ 2,820
SECTION 5310	100 % STATE		SECTION 5310	20.521	N/A	2017-0130 P6	102,896	-	-	-	51,448
SECTION 5311	100 % STATE		SECTION 5311	20.516	MI-2017-030	2017-0130 P10	117,474	117,474	117,474	-	-
SECTION 5311	100 % STATE		SECTION 5311	20.516	MI-2017-030	2017-0130 P10	70,000	65,033	65,033	-	4,967
SECTION 5310	100 % STATE		SECTION 5310	20.521	MI-2018-033	2017-0130 P14	37,500	37,500	37,500	-	-
SECTION 5311	100 % STATE		SECTION 5311	20.516	MI-2017-030	2017-0130 P16	180,640	153,103	153,103	-	27,537
SECTION 5310	100 % STATE		SECTION 5310	20.513	MI-2019-037	2017-0130 P20	60,000	60,000	60,000	-	-
SECTION 5310	100 % STATE		SECTION 5310	20.513	MI-2019-037	2017-0130 P21	312,000	195,510	195,510	-	116,490
COMBINED STATE CONTRACTS							\$ 1,237,510	\$ 982,800	\$ 982,800	\$ -	\$ 203,262
TOTAL CAPITAL ASSISTANCE							\$ 195,394,733	\$ 37,401,667	\$ 37,401,667	\$ -	\$ 67,329,891

**Suburban Mobility Authority
for Regional Transportation**

**Other Supplemental Information
Schedule of Financial Assistance (Continued)**

Year Ended June 30, 2020

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	FEDERAL STATE SHARE	FISCAL YEAR	FUNDING SOURCE	FEDERAL CFDA NUMBER	FEDERAL GRANTOR NUMBER	STATE GRANTOR NUMBER	PROGRAM OR AWARD AMOUNT	DISBURSEMENTS/ EXPENDITURES	FEDERAL RECEIPTS/ REVENUE	STATE RECEIPTS/ REVENUE	AMOUNT REMAINING
ACCESS TO JOBS (FEDERAL SHARE):											
SECTION 5316 CAPITAL SMART			SECTION 5316	20.516	MI-37-0050		305,980		\$ -	\$ -	\$ 211,979
JARC PROGRAM OPERATING			SECTION 5316	20.516	MI-37-4050		1,894,878		-	-	1,344,218
JARC PROGRAM ADMIN		FY 2008	SECTION 5316	20.516	MI-37-6043	N/A	214,639	5,642	5,642	-	(8,726)
SMART JARC PROGRAM OPERATING			SECTION 5316	20.516	MI-37-4050		947,439	48,778	48,778	-	898,661
TOTAL							\$ 3,362,936	\$ 54,420	\$ 54,420	\$ -	\$ 2,446,132
NEW FREEDOM FEDERAL SHARE:											
SECTION 5317 NEW FREEDOM PROGRAM ADMIN			SECTION 5307	20.521	MI-57-6018	N/A	147,999	\$ 2,413	\$ 2,413	\$ -	\$ (20,801)
SECTION 5317 NEW FREEDOM CAPITAL			SECTION 5307	20.521	MI-57-0024	N/A	109,718		-	-	80,379
SECTION 5317 NEW FREEDOM PROGRAM ADMIN			SECTION 5307	20.521	MI-57-6024	N/A	51,247	13,026	13,026	-	6,165
SECTION 5310 NEW FREEDOM PROGRAM ADMIN			SECTION 5310	20.513	MI-16-X007	2012-0170 P20	50,000		-	-	7,209
SECTION 5310 NEW FREEDOM OPERATING			SECTION 5310	20.513	MI-16-X007	2012-0170 P20	1,500,000	73,396	73,396	-	141,885
SECTION 5310 NEW FREEDOM MOBILITY MANAGEMENT			SECTION 5310	20.513	MI-16-X007	2012-0170 P20	320,000	63,313	63,313	-	(79,062)
SECTION 5310 NEW FREEDOM CAPITAL			SECTION 5310	20.513	MI-16-X007	2012-0170 P20	2,907,322	162,581	162,581	-	566,295
SECTION 5310 NEW FREEDOM CAPITAL			SECTION 5310	21.513	MI-16-X013	2012-0170 P20	1,442,708		-	-	(1,304,325)
SECTION 5310 NEW FREEDOM CAPITAL			SECTION 5310	21.513	MI-16-X013	2012-0170 P20	25,000		-	-	(2,379)
SECTION 5310 NEW FREEDOM OPERATING			SECTION 5310	21.513	MI-16-X013	2012-0170 P20	1,162,000		-	-	(239,949)
SECTION 5310 NEW FREEDOM MOBILITY MANAGEMENT			SECTION 5310	21.513	MI-16-X013	2012-0170 P20	302,000		-	-	59,252
5310 NEW FREEDOM CAPITAL			SECTION 5310	21.513	MI-16-X013	2012-0170 P20	4,074,751	1,257,284	1,257,284	-	4,074,751
SMART 5310 PROGRAM ADMIN			SECTION 5310	21.513	MI-16-X013	2012-0170 P20	49,169	11,866	11,866	-	49,169
5310 NEW FREEDOM OPERATING			SECTION 5310	21.513	MI-16-X013	2012-0170 P20	2,017,000	414,057	414,057	-	2,017,000
5310 NEW FREEDOM MOBILITY MANAGEMENT			SECTION 5310	21.513	MI-16-X013	2012-0170 P20	532,000	2,324	2,324	-	532,000
5310 NEW FREEDOM CAPITAL			SECTION 5310	20.513	MI-2016-018-03	2012-0170 P20	934,513		-	-	934,513
SECTION 5310 PREVENTATIVE MAINTENANCE			SECTION 5310	20.513	MI-16-X007	2012-0170 P20	63,280		-	-	51,471
5310 NEW FREEDOM CAPITAL			SECTION 5310	20.513	MI-2018-020-01	2012-0170 P38	28,881,180	2,209,320	2,209,320	-	262,435
5310 NEW FREEDOM PREVENTATIVE MAINT			SECTION 5310	20.513	MI-2018-020-01	2012-0170 P38	18,856	4,243	4,243	-	14,613
SECTION 5310 PREVENTATIVE MAINTENANCE			SECTION 5310	20.513	MI-2018-020-02	2012-0170 P38	23,233		-	-	8,889
SMART 5310 PROGRAM ADMIN			SECTION 5310	20.513	MI-2018-020-02	2012-0170 P38	50,000	11,412	11,412	-	33,340
5310 NEW FREEDOM OPERATING			SECTION 5310	20.513	MI-2018-020-02	2012-0170 P38	1,573,630	746,656	746,656	-	700,305
5310 NEW FREEDOM MOBILITY MANAGEMENT			SECTION 5310	20.513	MI-2018-020-02	2012-0170 P38	843,220	336,746	336,746	-	448,795
5310 NEW FREEDOM CAPITAL			SECTION 5310	20.513	MI-2020-032-01	2017-0130 P28	553,168	116,287	116,287	-	436,881
TOTAL							\$ 47,631,994	\$ 5,424,924	\$ 5,424,924	\$ -	\$ 8,778,831

**Suburban Mobility Authority
for Regional Transportation**

**Other Supplemental Information
Schedule of Financial Assistance (Continued)**

Year Ended June 30, 2020

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	FEDERAL STATE SHARE	FISCAL YEAR	FUNDING SOURCE	FEDERAL CFDA NUMBER	FEDERAL GRANTOR NUMBER	STATE GRANTOR NUMBER	PROGRAM OR AWARD AMOUNT	DISBURSEMENTS/ EXPENDITURES	FEDERAL RECEIPTS/ REVENUE	STATE RECEIPTS/ REVENUE	AMOUNT REMAINING
PASSED THROUGH MDOT:											
OPERATING ASSIST. - SEC.5311	100 % STATE	FY2017	SECTION 5311	20.516	MI-XX-XXX	2017-0130 P07	180,640		\$ -		\$ 124,641
OPERATING ASSIST. LET- SEC 5311 (2018)	100 % STATE	FY2017	SECTION 5311	20.509	MI-18-0055	2017-0130 P09	68,281		-	-	(167,219)
OPERATING ASSIST. LET- SEC 5311 (2019)	100 % STATE	FY2019	SECTION 5311	20.509	MI-18-0055	2017-0130 P15	225,542	61,320	61,320	-	6,673
OPERATING ASSIST. LET- SEC 5311 (2020)	100 % STATE	FY2020	SECTION 5311	20.509	MI-18-0055	2017-0130 P22	440,500	253,304	253,304	-	187,196
TOTAL							\$ 914,963	\$ 314,624	\$ 314,624	\$ -	\$ 151,291
SUBTOTAL							51,909,893	5,793,968	5,793,968	-	11,376,254
MICHIGAN DEPARTMENT OF TRANSPORTATION:											
OPERATING ASSISTANCE - ACT 51 SMART URBAN				N/A			-	-	-	31,940,698	-
MUNICIPAL CREDIT SPECIAL APPROPRIATION				N/A			-	-	-	1,630,540	-
OPERATING ASSISTANCE - ACT 51 BEDFORD URBAN				N/A			-	-	-	129,879	-
OPERATING ASSISTANCE - ACT 51 LETC COMBINED				N/A			-	-	-	1,859,671	-
OPERATING ASSISTANCE - FY07 SECTION 5304				N/A		2007-0294 Z8	-	-	-	-	-
ROYAL OAK TWP NEW SERVICES				N/A			-	-	-	10,434	-
OTHER STATE SERVICES REVENUE				N/A						1,502,684	
SPECIALIZED SERVICES							-	-	-	-	-
SPECIALIZED SERVICES		FY2020		N/A		2007-0294-ZXX	-	-	-	888,673	-
TOTAL							-	-	-	37,962,579	-
TOTAL OPERATING ASSISTANCE							51,909,893	5,793,968	5,793,968	37,962,579	11,376,254
GRAND TOTAL - ALL ASSISTANCE							\$ 247,304,626	\$ 43,195,635	\$ 43,195,635	\$ 37,962,579	\$ 78,706,145

**Suburban Mobility Authority
for Regional Transportation**

**Other Supplemental Information
Other Operating Expenses**

Year Ended June 30, 2020

Description	Community Based			Total Community Based	Royal Oak Twp.		
	Jul 1, 2019 to Sep 30, 2019	Oct 1, 2019 to Jun 30, 2020			Jul 1, 2019 to Sep 30, 2019	Oct 1, 2019 to Jun 30, 2020	Total Royal Oak
	Revenue:						
Fares	\$ 151,499	\$ 276,618	\$ 428,117	\$ 1,267	\$ 1,786	\$ 3,053	
Other Non-trans Revenue	-	-	-	-	94	94	
Taxes levied directly	52,606	1,408,284	1,460,890	-	-	-	
Local operating assistance:							
General Fund/Property tax	196,872	1,430,777	1,627,648	-	-	-	
Other	-	-	-	-	5,876	5,876	
Other local contracts:							
Mun. Cr.	581,683	1,712,319	2,294,002	600	1,800	2,400	
Comm. Cr.	752,935	1,434,150	2,187,085	1,710	6,039	7,749	
Other MDOT/BPT contracts and reimb.:							
Act 51	100,121	24,165	124,286	7,662	11,349	19,011	
Other Grants	258	258	517	-	-	-	
Specialized services	13,550	71,254	84,804	-	-	-	
Other federal transit contracts and reiml	42,707	142,933	185,640	-	-	-	
Refunds and rebates	-	-	-	-	-	-	
Interest income	9,224	37,156	46,380	80	-	80	
Total revenue	\$ 1,901,456	\$ 6,537,913	\$ 8,439,369	\$ 11,319	\$ 26,944	\$ 38,263	
Total operating expenses	\$ 2,346,751	\$ 5,760,397	\$ 8,107,148	\$ 11,926	\$ 33,496	\$ 45,422	
Ineligible expenses:							
SMART Municipal Credits	581,683	1,712,319	2,294,002	600	1,800	2,400	
SMART Community Credits	752,935	1,434,150	2,187,085	1,710	6,039	7,749	
Act 51	100,121	24,165	124,286	7,662	11,349	19,011	
Other MDOT/BPT contracts and reimb.	258	258	517	-	-	-	
State specialized services	13,550	71,254	84,804	-	-	-	
Other federal contracts and reimb	42,707	142,933	185,640	-	-	-	
Depreciation	-	-	-	-	-	-	
Total ineligible	1,491,255	3,385,079	4,876,334	9,972	19,188	29,160	
Total eligible expenses	\$ 855,496	\$ 2,375,318	\$ 3,230,814	\$ 1,954	\$ 14,308	\$ 16,262	

**Suburban Mobility Authority
for Regional Transportation**

**Other Supplemental Information
Other Operating Expenses (Continued)**

Year Ended June 30, 2020

Description	Mt. Clemens			Nankin		
	Jul 1, 2019	Oct 1, 2019	Total Mt. Clemens	Jul 1, 2019	Oct 1, 2019	Total Nankin
	to Sep 30, 2019	to Jun 30, 2020		to Sep 30, 2019	to Jun 30, 2020	
Revenue:						
Fares	\$ 10,702	\$ 34,582	\$ 45,284	\$ 42,720	\$ 128,159	\$ 170,879
Other nontrans. revenue	-	-	-	125,426	376,277	501,703
Taxes levied directly	236,784	83,499	320,283	-	-	-
Local operating assistance:						
General Fund/Property tax	-	-	-	80,384	241,151	321,535
Other	-	274	274	-	-	-
Other local contracts:						
Mun. Cr.	(16,246)	36,376	20,130	63,400	190,200	253,600
Comm. Cr.	-	28,739	28,739	63,135	189,405	252,540
Other MDOT/BPT contracts and reimb. -						
Specialized services	8,661	635	9,296	-	-	-
Other federal transit contracts and reimb.						
Refunds and rebates	-	-	-	-	-	-
Interest income	-	-	-	-	-	-
Total revenue	\$ 239,901	\$ 184,105	\$ 424,006	\$ 375,065	\$ 1,125,192	\$ 1,500,257
Total operating expenses	\$ 109,428	\$ 300,356	\$ 409,784	\$ 319,334	\$ 958,003	\$ 1,277,337
Ineligible expenses:						
SMART municipal credits	(16,246)	36,376	20,130	63,400	190,200	253,600
SMART community credits	-	28,739	28,739	63,135	189,405	252,540
State specialized services	8,661	635	9,296	-	-	-
Refunds and rebates	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-
Total ineligible	(7,585)	65,750	58,165	126,535	379,605	506,140
Total eligible expenses	\$ 117,013	\$ 234,606	\$ 351,619	\$ 192,799	\$ 578,398	\$ 771,197

**Other Supplemental Information
Other Operating Expenses (Continued)**

Redford Township Year Ended March 31, 2020

Description	Redford Twp.		Total Redford
	1-Apr-19 to 30-Sep-19	1-Oct-19 to 31-Mar-20	
Revenue:			
Fares	\$ 7,836	\$ 6,740	\$ 14,576
Other nontrans. revenue	-	30,000	30,000
Taxes levied directly	7,372	78,481	85,853
Local operating assistance:			
General Fund/Property tax	-	-	-
Other	-	-	-
Other local contracts:			
Mun. Cr.	-	-	-
Comm. Cr.	34,745	93,577	128,322
Other MDOT/BPT contracts and reimb. -			
Specialized services	(1,651)	1,650	(1)
Other federal transit contracts and reimb.	705	5,086	5,791
Refunds and rebates	-	-	-
Interest income	-	7,665	7,665
Total revenue	\$ 49,007	\$ 223,199	\$ 272,206
Total operating expenses	\$ 93,395	\$ 185,942	\$ 279,337
Ineligible expenses:			
SMART municipal credits	-	-	-
SMART community credits	34,745	93,577	128,322
State specialized services	(1,651)	1,650	(1)
Refunds and rebates	-	-	-
Depreciation	-	-	-
Total ineligible	33,094	95,227	128,321
Total eligible expenses	\$ 60,301	\$ 90,715	\$ 151,016

**Other Supplemental Information
Other Operating Expenses (Continued)**

S.T.A.R. Year Ended March 31, 2020

Description	S.T.A.R.		Total S.T.A.R.
	1-Apr-19 to 30-Sep-19	1-Oct-19 to 31-Mar-20	
Revenue:			
Fares	\$ 340	\$ 1,020	\$ 1,360
Other nontrans. revenue	-	-	-
Taxes levied directly	-	466,895	466,895
Local operating assistance:	-		
General Fund/Property tax	-	113,170	113,170
Other	429	55,159	55,588
Other local contracts:			
Mun. Cr.	-	-	-
Comm. Cr.	87,500	(8,708)	78,792
Other MDOT/BPT contracts and reimb. -			
Specialized services	10,221	3,370	13,591
Other federal transit contracts and reim	-	-	-
Refunds and rebates	-	-	-
Interest income	1,325	1,375	2,700
Total revenue	\$ 99,815	\$ 632,281	\$ 732,096
Total operating expenses	\$ 283,863	\$ 363,534	\$ 647,397
Ineligible expenses:			
SMART municipal credits	-	-	-
SMART community credits	173,176	190,530	363,706
State specialized services	-	-	-
Charter expense	-	-	-
Depreciation	-	-	-
Total ineligible	173,176	190,530	363,706
Total eligible expenses	\$ 110,687	\$ 173,004	\$ 283,691

**Suburban Mobility Authority
for Regional Transportation**

**Other Supplemental Information
Other Operating Expenses**

State Year Ended September 30, 2019

Description	Community Based			Royal Oak Twp.		
	Oct 1, 2018 to Jun 30, 2019	Jul 1, 2019 to Sep 30, 2019	Total Community Based	Oct 1, 2018 to Jun 30, 2019	Jul 1, 2019 to Sep 30, 2019	Total Royal Oak
	Revenue:					
Fares	\$ 538,059	\$ 151,499	\$ 689,558	\$ 2,204	\$ 1,267	\$ 3,471
Other Non-trans Revenue	-	-	-	-	-	-
Taxes levied directly	791,370	52,606	843,977	-	-	-
Local operating assistance:						
General Fund/Property tax	684,449	196,872	881,321	-	-	-
Other	-	-	-	38,457	-	38,457
Other local contracts:						
Mun. Cr.	1,714,011	581,683	2,295,694	1,800	600	2,400
Comm. Cr.	1,564,260	752,935	2,317,195	5,895	1,710	7,605
Other MDOT/BPT contracts and reimb.:						
Act 51	-	100,121	100,121	16,383	7,662	24,045
Other	148,672	258	148,930	-	-	-
Specialized services	259,080	13,550	272,630	-	-	-
Other federal transit contracts and reim	602,223	42,707	644,930	-	-	-
Interest income	42,116	9,224	51,340	157	80	237
Total revenue	\$ 6,344,240	\$ 1,901,456	\$ 8,245,696	\$ 64,896	\$ 11,319	\$ 76,215
Total operating expenses	\$ 7,117,953	\$ 2,346,751	\$ 9,464,704	\$ 25,304	\$ 11,926	\$ 37,230
Ineligible expenses:						
SMART municipal credits	1,714,011	581,683	2,295,694	1,800	600	2,400
SMART community credits	1,564,260	752,935	2,317,195	5,895	1,710	7,605
Act 51	-	100,121	100,121	16,383	7,662	24,045
Other MDOT/BPT contracts and reimb.	148,672	258	148,930	-	-	-
State specialized services	259,080	13,550	272,630	-	-	-
Other Federal contracts and reimb	597,396	42,707	640,103	-	-	-
Depreciation	360	-	360	-	-	-
Total ineligible	4,283,779	1,491,255	5,775,034	24,078	9,972	34,050
Total eligible expenses	\$ 2,834,174	\$ 855,496	\$ 3,689,670	\$ 1,226	\$ 1,954	\$ 3,180

**Suburban Mobility Authority
for Regional Transportation**

**Other Supplemental Information
Other Operating Expenses (Continued)**

State Year Ended September 30, 2019

Description	Mt. Clemens			Nankin		
	Oct 1, 2018	Jul 1, 2019	Total Mt. Clemens	Oct 1, 2018	Jul 1, 2019	Total Nankin
	to Jun 30, 2019	to Sep 30, 2019		to Jun 30, 2019	to Sep 30, 2019	
Revenue:						
Fares	\$ 45,030	\$ 10,702	\$ 55,732	\$ 178,688	\$ 42,720	\$ 221,408
Other nontrans. revenue	-	-	-	-	125,426	125,426
Taxes levied directly	308,780	236,784	545,564	-	-	-
Local operating assistance:						
General Fund/Property tax	-	-	-	-	80,384	80,384
Other	-	-	-	235,462	-	235,462
Other local contracts:						
Mun. Cr.	20,130	(16,246)	3,884	190,200	63,400	253,600
Comm. Cr.	28,065	-	28,065	184,968	63,135	248,103
Other MDOT/BPT contracts and reimb. -						
Specialized services	33,784	8,661	42,445	-	-	-
Other federal transit contracts and reimb.						
Refunds and rebates	-	-	-	-	-	-
Interest income	3,276	-	3,276	-	-	-
Total revenue	\$ 439,065	\$ 239,901	\$ 678,966	\$ 789,318	\$ 375,065	\$ 1,164,383
Total operating expenses	\$ 296,782	\$ 109,428	\$ 406,210	\$ 872,057	\$ 319,334	\$ 1,191,391
Ineligible expenses:						
SMART municipal credits	20,130	(16,246)	3,884	190,200	63,400	253,600
SMART community credits	28,065	-	28,065	184,968	63,135	248,103
State specialized services	33,784	8,661	42,445	-	-	-
Refunds and rebates	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-
Total ineligible	81,979	(7,585)	74,394	375,168	126,535	501,703
Total eligible expenses	\$ 214,803	\$ 117,013	\$ 331,816	\$ 496,889	\$ 192,799	\$ 689,688

**Other Supplemental Information
Other Operating Expenses (Continued)**

State Year Ended September 30, 2019

Description	Redford Twp.		Total Redford
	Oct 1, 2018 to 31-Mar-19	1-Apr-19 to 30-Sep-19	
Revenue:			
Fares	\$ 7,168	\$ 7,836	\$ 15,004
Other nontrans. revenue			
Taxes levied directly	92,576	7,372	99,948
Local operating assistance:			
General Fund/Property tax	-	-	-
Other	40,000	-	40,000
Other local contracts:			
Mun. Cr.	-	-	-
Comm. Cr.	76,908	34,745	111,653
Other MDOT/BPT contracts and reimb. -			
Specialized services	-	(1,651)	(1,651)
Other federal transit contracts and reimb.	-	705	705
Refunds and rebates	-	-	-
Interest income	7,157	-	7,157
Total revenue	\$ 223,809	\$ 49,007	\$ 272,816
Total operating expenses	\$ 108,941	\$ 93,395	\$ 202,336
Ineligible expenses:			
SMART municipal credits	-	-	-
SMART community credits	76,908	34,745	111,653
State specialized services	-	(1,651)	(1,651)
Refunds and rebates	-	-	-
Depreciation	-	-	-
Total ineligible	76,908	33,094	110,002
Total eligible expenses	\$ 32,033	\$ 60,301	\$ 92,334

**Suburban Mobility Authority
for Regional Transportation**

**Other Supplemental Information
Other Operating Expenses (Continued)**

State Year Ended September 30, 2019

Description	S.T.A.R.		Total S.T.A.R.
	Oct 1, 2018 to 31-Mar-19	1-Apr-19 to 30-Sep-19	
Revenue:			
Fares	\$ 1,635	340	\$ 1,975
Other nontrans. revenue			
Taxes levied directly	457,347	-	457,347
Local operating assistance:			
General Fund/Property tax	-	-	-
Other	42,027	429	42,456
Other local contracts:			
Mun. Cr.	-	-	-
Comm. Cr.	55,563	87,500	143,063
Other MDOT/BPT contracts and reimb. -			
Specialized services	(2,191)	10,221	8,030
Other federal transit contracts and reiml			
Refunds/rebates/insurance proceeds	-	-	-
Interest income	1,180	1,325	2,505
Total revenue	\$ 555,561	\$ 99,815	\$ 655,376
Total operating expenses	\$ 337,985	\$ 283,863	\$ 621,848
Ineligible expenses:			
SMART municipal credits	-	-	-
SMART community credits	123,325	173,176	296,501
State specialized services	-	-	-
Charter expense	1,370	-	1,370
Depreciation	-	-	-
Total ineligible	124,695	173,176	297,871
Total eligible expenses	\$ 213,290	\$ 110,687	\$ 323,977

**Other Supplemental Information
Other Operating Expenses – Combined Total**

State Year Ended September 30, 2019

Description	Total Community Based	Total Mt. Clemens	Total Nankin	Total Redford	Total S.T.A.R.	Total Other
Fares	\$ 689,558	\$ 55,732	\$ 221,408	\$ 15,004	\$ 1,975	\$ 983,677
Other Non-trans Revenue	-	-	125,426			125,426
Taxes levied directly	843,977	545,564	-	99,948	457,347	1,946,836
Local operating assistance:						
General Fund/Property tax	881,321	-	80,384	-	-	961,705
Other	-	-	235,462	40,000	42,456	317,918
Other local contracts:						
Mun. Cr.	2,295,694	3,884	253,600	-	-	2,553,178
Comm. Cr.	2,317,195	28,065	248,103	111,653	143,063	2,848,079
Other MDOT/BPT contracts and reimb.:						
Act 51	100,121	-	-	-	-	100,121
Other	148,930	-	-	-	-	148,930
Specialized services	272,630	42,445	-	(1,651)	8,030	321,454
Other federal transit contracts and reimb.	644,930	-	-	705	-	645,635
Refunds/rebates/insurance proceeds	-	-	-	-	-	-
Interest income	51,340	3,276	-	7,157	2,505	64,278
Total revenue	\$ 8,245,696	\$ 678,966	\$ 1,164,383	\$ 272,816	\$ 655,376	\$ 11,017,237
Total operating expenses	\$ 9,464,704	\$ 406,210	\$ 1,191,391	\$ 202,336	\$ 621,848	\$ 11,886,489
Ineligible expenses:						
SMART municipal credits	2,295,694	3,884	253,600	-	-	2,553,178
SMART community credits	2,317,195	28,065	248,103	111,653	296,501	3,001,517
Act 51	100,121	-	-	-	-	100,121
Other	148,930	-	-	-	-	148,930
State specialized services	272,630	42,445	-	(1,651)	-	313,424
Charter expense	-	-	-	-	1,370	1,370
Refunds/rebates/insurance proceeds	-	-	-	-	-	-
Other federal contracts and reimb	640,103	-	-	-	-	640,103
Depreciation	360	-	-	-	-	360
Total ineligible	5,775,034	74,394	501,703	110,002	297,871	6,759,004
Total eligible expenses	\$ 3,689,670	\$ 331,816	\$ 689,688	\$ 92,334	\$ 323,977	\$ 5,127,485

**Other Supplemental Information
URBAN Revenue Combined Schedule**

State Year Ended September 30, 2019

Description	SMART Directly Provided	Other	Total for URBAN OAR
Passenger fares	\$ 11,581,245	\$ 689,558	\$ 12,270,803
Contract fares	110,009	-	110,009
Advertising	782,670	-	782,670
Rental of bldgs or other property	64,219	-	64,219
Gains from the sale of capital assets	-	-	-
Other nontrans revenue	284,139	-	284,139
Taxes levied directly	79,266,529	843,977	80,110,506
Local operating assistance	-	881,321	881,321
Other local contracts - Municipal credit recapture	-	-	-
Other local contracts and reimbursements	-	-	-
Other local community credits	273,361	2,317,195	2,590,556
State operating assistance:			
SMART	36,302,398	-	36,302,398
Bedford	119,919	-	119,919
LETC Urban and Non-Urban	1,520,083	-	1,520,083
Royal Oak Township	11,680	-	11,680
Line-item municipal credit	1,630,540	2,295,694	3,926,234
Mun. Cr. special appropriation	1,630,540	-	1,630,540
State preventive maintenance (20% State share)	1,254,849	-	1,254,849
Other MDOT/BPT contracts and reimb.:			
Reimb for section 5309 program admin	5,000	-	5,000
Specialized Service Grant FY 2019	590,868	272,630	863,498
Specialized Service Grant FY 2020	196,951	-	196,951
JARC PASS THRU 2012-0170 P21	56,154	-	56,154
MOBILITY MGT 2012-0170 P20	14,717	-	14,717
MOBILITY MGT 2012-0170 P38	96,925	-	96,925
NOTA New Freedom 2017-0130 P14	37,500	-	37,500
Other	-	148,930	148,930
Act 51	-	100,121	100,121
Federal preventive maintenance -			
MI-90-0591	5,000,000	-	5,000,000
Planning/Capital cost of contracting -			
FY 2018 UWP - CONTRACT #MI-80-X006	589,125	-	589,125
FY 2019 UWP - CONTRACT #MI-80-X007	101,577	-	101,577
Reimb. for JARC Admin. MI-37-6040	-	-	-
Reimb. for JARC Admin. MI-37-6043	-	-	-
Reimb. for JARC Admin MI-37-0043	18,373	-	18,373
Reimb. for New Freedom Admin. MI-57-6007	48,163	-	48,163
Reimb. for New Freedom Admin. MI-57-6014	-	-	-
Reimb. for New Freedom Admin. MI-57-6018	-	-	-
Reimb. for Section 5309 Admin.	19,999	-	19,999
Other federal transit contracts and reimb.:			
Section 5307 Lake Erie MI-90-0777	580,767	-	580,767
Section 5310 PM	26,152	-	26,152
Section 5311 Lake Erie MI-18-0055	218,869	-	218,869
JARC	56,154	-	56,154
New Freedom	1,703,614	644,930	2,348,544
Refunds, rebates, insurance proceeds	491,615	-	491,615
Gains from the sale of capital assets	-	-	-
CMAQ Grant	1,040,000	-	1,040,000
Interest income	2,443,852	51,340	2,495,192
Total	\$ 148,168,556	\$ 8,245,696	\$ 156,414,253

**Suburban Mobility Authority
for Regional Transportation**

**Other Supplemental Information
URBAN Expense Combined Schedule**

State Year Ended September 30, 2019

Description	SMART Directly Provided	Other	Total for URBAN OAR
Operators salaries and wages	\$ 23,530,793	\$ -	\$ 23,530,793
Other salaries and wages	17,081,397	-	17,081,397
Dispatchers salaries and wages	4,592,960	-	4,592,960
Other fringe benefits	14,646,994	-	14,646,994
Pensions - Defined contribuion	28,749	-	28,749
Pensions - Defined benefit	17,917,796	-	17,917,796
Other postemployment benefits (OPEB)	8,851,470	-	8,851,470
Advertising fees	235,981	-	235,981
Audit cost	164,785	-	164,785
Other services	3,605,506	-	3,605,506
Fuel and lubricants	6,120,219	-	6,120,219
Tires and tubes	668,032	-	668,032
Other materials and supplies	4,489,978	-	4,489,978
Utilities	1,141,713	-	1,141,713
Casualty and liab. costs	5,772,478	-	5,772,478
Other insurance	64,567	-	64,567
Taxes and fees	-	-	-
Purchased transportation service			
Pass-throughs that are expensed -			
Community Credits	7,872,190	9,464,704	17,336,893
Community Transit	3,772,738	-	3,772,738
Nankin/Richmond Lenox/CBS Bloomfield Hills	48,147	-	48,147
Travel, meetings, and training	460,299	-	460,299
Loss on disposal of asset	58,974	-	58,974
Other miscellaneous expenses	283,031	-	283,031
Leases and rentals	142,539	-	142,539
Depreciation	421,044	-	421,044
	16,229,959	-	16,229,959
Total expenses	138,202,339	9,464,704	147,667,043
Less ineligible expenses:			
Ineligible refunds and credits	491,615	-	491,615
Other ineligible state contracts	1,636,165	-	1,636,165
Ineligible depreciation	15,487,315	-	15,487,315
Municipal credits	1,630,540	-	1,630,540
Unused community credits	273,361	-	273,361
Ineligible non-trans exp	282,885	-	282,885
Ineligible loss on disposal	283,031	-	283,031
Local contracts	-	-	-
Preventive maintenance (MI-90-0591)	6,254,849	-	6,254,849
Planning/Cap. cost of contracting	690,702	-	690,702
Other ineligible federal/state/local:	-	-	-
Reimb. for JARC Admin MI-37-0043	18,373	-	18,373
Reimb. for New Freedom Admin. MI-XX-XXXX	48,164	-	48,164
Other ineligible state contracts:	-	-	-
Pass-through ineligibles	4,611,110	-	4,611,110
New Freedom	-	-	-
Other	-	5,775,034	5,775,034
Ineligible pension	4,655,812	-	4,655,812
Ineligible OPEB	(4,764,113)	-	(4,764,113)
Other ineligibles	-	-	-
Total ineligibles	31,599,808	5,775,034	37,374,841
Total eligible expenses	\$ 106,602,531	\$ 3,689,670	\$ 110,292,201

**Suburban Mobility Authority
for Regional Transportation**

Other Supplemental Information

SMART Combined Urban Regular Service Revenue Report

State Year Ended September 30, 2019

Description	Amount
Passenger fares	\$ 12,270,803
Contract fares	110,009
Auxiliary transportation revenue (explain):	
.15 Advertising	782,670
Nontransportation revenue (explain):	
.20 Rental of buildings or other property	64,219
.99 Other nontransportation revenue	284,139
Taxes levied directly by transit system	80,110,506
Local cash grants and reimbursements (explain):	
.10 Local operating assistance	881,321
.99 Other local contracts - Municipal Credit recapture	-
.99 Other local contracts - Community Credit Program	2,590,556
State formula and contracts:	
.01 State operating assistance SMART	36,302,398
.01 State operating assistance municipal credits	1,630,540
.01 State operating assistance LETC, Bedford, Royal Oak	1,651,682
.10 Line item municipal credits	3,926,234
.11 Preventive maintenance	1,254,849
.99 Other state contracts and reimbursements	1,519,797
Federal contracts:	
.01 Section 5311 LAKE ERIE	218,869
.02 Section 5307 LAKE ERIE	580,767
.11 Preventive maintenance	5,000,000
.12 Capital cost of contracting	690,702
.13 Capital contract reimbursement for administrative expenses	86,535
.99 Other federal contracts and reimbursements	3,470,850
Interest income	2,495,192
Refunds and credits	491,615
Total Revenue	\$ 156,414,253

**Suburban Mobility Authority
for Regional Transportation**

Other Supplemental Information

SMART Combined Urban Regular Service Expense Report

State Year Ended September 30, 2019

	Operations	Maintenance	Gen. Admin.	Total
Labor:				
01 Oper salary and wages	\$ 23,530,793	\$ -	\$ -	\$ 23,530,793
02 Other salary and wages		6,956,589	10,124,808	17,081,397
03 Disp salary and wages	4,592,960			4,592,960
Fringe benefits	9,112,423	2,254,016	3,280,555	14,646,994
Postemployment benefits	5,506,819	1,362,146	1,982,505	8,851,470
Pension - Defined contribution			28,749	28,749
Pension - Defined benefit	11,147,307	2,757,357	4,013,132	17,917,796
Services:				
01 Audit			164,785	164,785
02 Advertising fees			235,981	235,981
99 Other services	189,688	1,228,996	2,186,822	3,605,506
Materials and supp. cons.:				
01 Fuel and lubricants	6,120,219			6,120,219
02 Tires and tubes	668,032			668,032
99 Other materials and supplies	527,704	3,678,218	284,057	4,489,978
Utilities	-	-	1,141,713	1,141,713
Casual and liability costs:				
03 Premium for public liability	5,772,478	-	-	5,772,478
99 Other insurance	-	64,567	-	64,567
Taxes	-	-	-	-
Purchased transportation service - Pass Thrus that are expensed	17,336,893	-	-	17,336,893
Purchased transportation service - Community Credits	3,772,738	-	-	3,772,738
Community Transit	48,147	-	-	48,147
Purchased transportation service - Nankin/Richmond Lenox/CBS Bloomfield	460,299	-	-	460,299
Miscellaneous expense:				
02 Travel and meetings	-	-	58,974	58,974
03 Dues and subscriptions	-	-	-	-
09 Loss on disposal of asset	-	-	283,031	283,031
99 Other miscellaneous expense	-	-	142,539	142,539
Leases and rentals	-	-	421,044	421,044
Depreciation	-	-	16,229,959	16,229,959
Total expenses	88,786,500	18,301,889	40,578,654	147,667,043
Less ineligible expenses:				
Ineligible depreciation	-	-	15,487,315	15,487,315
Ineligible loss on disposal	-	-	283,031	283,031
Ineligible non-trans exp	282,885	-	-	282,885
Ineligible refunds and credits	-	-	491,615	491,615
Local contracts	-	-	-	-
Preventive maintenance (MI-90-0591)	-	6,254,849	-	6,254,849
Admin expense paid by JARC	-	-	18,373	18,373
Admin expense paid by New Freedom	-	-	48,164	48,164
Other ineligible federal/state/local:				
Unused municipal credits	2,853,446	-	-	2,853,446
Unused community credits	273,361	-	-	273,361
Other state contracts:				
Pass-through ineligibles	10,386,144	-	-	10,386,144
New Freedom	-	-	-	-
Other ineligible state contracts	1,636,165	-	-	1,636,165
Other ineligibles	-	-	-	-
Planning/Cap. Cost of contracting	690,702	-	-	690,702
Ineligible pension	-	-	4,655,812	4,655,812
Ineligible OPEB	-	-	(4,764,113)	(4,764,113)
Total ineligible expenses	16,122,703	6,254,849	16,220,196	38,597,747
Total eligible expenses	\$ 72,663,797	\$ 12,047,040	\$ 24,358,458	\$ 109,069,295

Other Supplemental Information

SMART Combined Urban Regular Service Nonfinancial Report

State Year Ended September 30, 2019

DESCRIPTION	WEEKDAYS	SATURDAY	SUNDAY	TOTAL
FIXED ROUTE				
PUBLIC SERVICE				
VEHICLE HOURS	796,752	82,419	45,277	924,448
VEHICLE MILES	11,935,004	1,271,550	712,488	13,919,042
MISCELLANEOUS INFORMATION				
CHARTER SERVICE HOURS	-	-	-	-
CHARTER SERVICE MILES	-	-	-	-
CONNECTOR				
PUBLIC SERVICE				
VEHICLE HOURS	214,799	7,001	1,712	223,512
VEHICLE MILES	3,489,276	119,066	24,769	3,633,111
MISCELLANEOUS INFORMATION				
CHARTER SERVICE HOURS	-	-	-	-
CHARTER SERVICE MILES	-	-	-	-

The methodology used for compiling miles and hours has been reviewed and the recording method has been found to be adequate and reliable.

**Suburban Mobility Authority
for Regional Transportation**

**Other Supplemental Information
Royal Oak Twp. Urban Service Revenue Report**

State Year Ended September 30, 2019

Description	Amount
Passenger fares	\$ 3,471
Contract fares	-
Package delivery/ Meals on Wheels	-
Incidental charter service revenue	-
Auxiliary transportation revenue (explain):	
.10 Concessions	-
.15 Advertising	-
.20 Intercity ticket sales	-
.99 Other auxiliary transportation revenue	-
Nontransportation revenue (explain):	
.10 Sale of maintenance services	-
.15 Rental of revenue vehicles	-
.20 Rental of buildings or other property	-
.25 Parking lot revenue	-
.60 Gains from the sales of capital assets	-
.99 Other nontransportation revenue	-
Taxes levied directly by transit system	-
Local cash grants and reimbursements (explain):	
.10 Local operating assistance	38,457
.20 Single business tax	-
.99 Other local contracts (Community Credit Program)	7,605
State formula and contracts:	
.01 State operating assistance	24,045
.10 Line item municipal credits	2,400
.11 Preventive maintenance	-
.12 Capital cost of contracting	-
.13 Capital contract reimbursement for administrative expenses	-
.14 Other capital contract reimbursements for operating expenses	-
.99 Other state contracts and reimbursements	-
Federal contracts:	
.01 Section 5311	-
.02 Section 5307	-
.11 Preventive maintenance	-
.12 Capital cost of contracting	-
.13 Capital contract reimbursement for administrative expenses	-
.14 Other capital contract reimbursements for operating expenses	-
.98 RTAP	-
.99 Other federal contracts and reimbursements	-
Interest income	237
Contributed service	-
Total revenue	<u><u>\$ 76,215</u></u>

**Suburban Mobility Authority
for Regional Transportation**

Other Supplemental Information
Royal Oak Twp. Urban Regular Service Expense Report

State Year Ended September 30, 2019

	Operations	Maintenance	Gen. Admin.	Total
Labor				
01 Oper salary and wages	\$ 12,067	\$ -	\$ -	\$ 12,067
02 Other salary and wages	-	-	4,316	4,316
03 Disp salary and wages	4,102	-	-	4,102
Fringe benefits	-	-	51	51
Services:				
01 Audit	-	-	72	72
02 Advertising fees	-	-	-	-
99 Other services	-	-	1,969	1,969
Materials and supp. Cons.:				
01 Fuel and lubricants	3,369	-	-	3,369
02 Tires and tubes	-	-	-	-
99 Other materials and supplies	1,400	97	960	2,457
Utilities	-	-	3,659	3,659
Casual and liability costs:				
03 Premium for public liability	1,578	-	2,191	3,769
99 Other insurance	-	-	-	-
Taxes	-	-	-	-
Purchased transportation service	-	-	-	-
Miscellaneous expense:				
02 Travel and meetings	245	-	-	245
99 Other miscellaneous expense	-	-	1,154	1,154
Interest expense:				
01 Interest on long-term debt	-	-	-	-
02 Interest on short-term debt	-	-	-	-
Leases and rentals	-	-	-	-
Depreciation	-	-	-	-
Total expenses	22,761	97	14,372	37,230
Less ineligible expenses:				
SMART municipal credits	2,400	-	-	2,400
SMART community credits	7,605	-	-	7,605
Act 51	24,045	-	-	24,045
Other MDOT/BPT contracts and reimb.:	-	-	-	-
State specialized services	-	-	-	-
Other Federal contracts and reimb	-	-	-	-
Depreciation	-	-	-	-
99 Total ineligible expense	34,050	-	-	34,050
Total eligible expenses	\$ (11,289)	\$ 97	\$ 14,372	\$ 3,180

Other Supplemental Information

Royal Oak Twp. Urban Regular Service Nonfinancial Report

State Year Ended September 30, 2019

DESCRIPTION	WEEKDAYS	SATURDAY	SUNDAY	TOTAL
FIXED ROUTE				
PUBLIC SERVICE				
VEHICLE HOURS	-	-	-	-
VEHICLE MILES	-	-	-	-
MISCELLANEOUS INFORMATION				
CHARTER SERVICE HOURS	-	-	-	-
CHARTER SERVICE MILES	-	-	-	-
CONNECTOR				
PUBLIC SERVICE				
VEHICLE HOURS	1,214	-	-	1,214
VEHICLE MILES	5,735	-	-	5,735
MISCELLANEOUS INFORMATION				
CHARTER SERVICE HOURS	-	-	-	-
CHARTER SERVICE MILES	-	-	-	-

Management has determined that the methodology used for compiling miles and hours has been reviewed and the reconciling method has been found to be adequate and reliable.

1.) Administrative Expenses that are charged to capital grants are not included in SMART's operating expenses.

All administrative costs related to capital contracts are deducted and transferred to the capital fund. Therefore these expenditures are not reimbursed by state formula funds.

2.) Expenses that are paid on behalf of our purchase of service providers are not included in SMART's eligible expenses.

Costs related to our purchase of service providers are deducted and reimbursed by these providers and included in their operating expenses.

3.) No expenses for Lake Erie Transit are included in SMART'S submittal.

4) Expenses for STAR, Community Based Nankin Transit, Redford, and Mt. Clemens are included only on schedule 4E on line Purchased Transportation.