SEAT

TOWN OF WATERFORD
15 Rope Ferry Road
Waterford, CT 06385
860-442-0553

SOCIAL SERVICES GRANT FUNDING REQUEST

ORGANIZATION NAME: Southeast Area Transit District

REQUEST DATE (FISCAL YEAR): FY24 (July 1, 2023 - June 30, 2024)

REQUESTED AMOUNT: $39,477

BENEFIT STATEMENT (Describe how these funds will be used)

These funds represent the local match requirement to fund public transit services (fixed route and ADA Paratransit) in the town of Waterford, and connnecting services to adjacent localities. The projected total annual operating costs for Waterford is $660,476 with a local match of 6%; the balance of costs are borne by State and Federal grants and passenger fares. No capital contribution from Waterford is required.

Per Town of Waterford Budget Guidelines: please attach a certified audit report of all funds appropriated during the last completed fiscal year to your funding request.

DECLARATION

I, the requester, understand that I am requesting public funds from the Town of Waterford. I declare that this request does not pose any potential conflict with the Town of Waterford and I will provide any documentation requested by the Town of Waterford to authorize funding this request or review the appropriateness of the request.

Signature

12/8/2022
Date

SEAT
SOUTHEAST AREA TRANSIT DISTRICT

December 9, 2022

Mr. Robert J. Brule
First Selectman
Town of Waterford
Fifteen Rope Ferry Road
Waterford, CT 06385-2886

Dear Mr. Brule:

Per your correspondence of September 12, 2022, Southeast Area Transit District is pleased to provide the following information concerning its FY24 Operating Budget request:

Amount Requested: $39,477. **This represents a 10% increase over last year's request.** This figure is based upon the following factors:

- The Local Match Allocation Model (based upon an equal weighting of Service Hours, Service Miles, Population Density and Ridership).
- It assumes a modest increase in State funding which if not forthcoming, will require SEAT to reduce service to all of its member towns, as the Board has directed that we not seek any increase from its members.
- It assumes current service levels.
- It incorporates the second year of SEAT's three- year labor contract with its Union representing most of its employees.
- This request reflects increased input costs, primarily in employee fringe, fuel, and materials.

SEAT employs 73 people, 68 full-time and five (5) part-time. In addition, SEAT's General Manager is a contract employee with First Transit, and its ADA paratransit schedulers and operators are also contract employees with Eastern CT Transportation Consortium. SEAT's budgeted labor expense for FY24 is $4,086,153.

Services Provided:

- SEAT provides both fixed-route transit services (Routes 1, 3, 12, 14 and 15) and complementary Federally mandated Americans with Disabilities Act (ADA) paratransit services in the Town and the region. In FY 22, SEAT provided 47,897 fixed route passenger boardings and 50,033 alightings in Waterford, the majority accessing the retail shopping centers. Like all public transit systems, SEAT ridership declined during the pandemic, but is recovering. At the request of CTDOT, SEAT has been fare-free since April 2022, and ridership is now exceeding pre-COVID levels. The fare-free program will end in March 2023, and we expect ridership to decline slightly, but anticipate retaining a significant portion of the current increase.

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- Services will be provided throughout the fiscal year, six days per week, between the hours of 06:00 and 23:00 Monday – Saturday. SEAT does not operate on major holidays.
- The estimated total cost of the transit services in Waterford in FY24 is: $660,476. The Town's contribution represents 5% of the cost of these services. Please note that SEAT does not require any capital contribution from the Town.

The balance of SEAT's operating funds come from passenger fares (about 11%) and the State of CT (about 73%) and Federal Transit Administration ARP funds (about 6%). SEAT's capital costs are borne by the Federal Transit Administration at 80% and the State of CT at 20%. SEAT does NOT receive any contributions from the United Way or other charitable institutions.

Per your supplemental information requests:

- Social Services Funding Request Form
- SEAT's FY23 Annual Performance Report
- A copy of the FY21 audit is attached; the FY21 audit will be completed by month's end, and a copy will be provided at that time if necessary.
- A breakdown of local contributions by each of the 9 member towns of the District.
- A copy of our FY23 and FY24 Operating Budgets are attached.

SEAT's mission is to provide safe, effective, and outstanding regional public transportation linked to intermodal resources, thereby enhancing the quality of life for residents and visitors to the region. We will further support regional growth for present and future transportation needs. As an organization, we are focused on customer service, system development, fiscal responsibility, community benefits with an orientation to the future.

SEAT's primary goals for FY24 are to maintain service levels and ridership; continue to explore innovate service options such as "MicroTransit"; Implement a bus stop and shelter program working with its member towns; Continue to implement its capital program, including the facility evaluation and improvements, focusing on electrification of SEAT's fleet over the next five to ten years.

Please do not hesitate to contact me if additional information is required.

Sincerely,

Michael J. Carroll
General Manager
860-886-2631x116
mcarroll@seatransit.org

c: Thailisa Clark, Finance Manager
Al Fritzsche, Grants Manager

ANNUAL PERFORMANCE REPORT

SEAT

Southeast Area Transit District

Annual Comprehensive Plan

Effective: July 2022 – June 2023

Managed by:

First Transit

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INTRODUCTION

Southeast Area Transit District (SEAT) was established in 1975 under Chapter 103(a) of the Connecticut General Statues which allows towns to create a transit district because "....private enterprise lacks financial and other resources necessary to provide such systems of mass transportation; and, therefore, that the formation and operation of transit districts with the powers enumerated in this chapter are thus a public necessity". Its founding members were East Lyme, Griswold, Groton, Montville, New London, Stonington and Waterford. The town of Lisbon subsequently joined as well.

The SEAT operates as a semi quasi-governmental unit. It has no authority to levy taxes, although it can issue revenue bonds, acquire property, apply for grants, enter contracts and negotiate labor agreements. Its affairs are governed by a Board of Directors, members who are appointed by its member towns' legislatures. Each member town is entitled, by State statute, one member, but towns with populations of more than 20,000 (currently Groton, New London and Norwich) are entitled to two members.

SEAT is a designated recipient of federal capital capital dollars. The UZA of the District is approximately 210,000 and is therefore considered a "large" urban area Section 5307 of the Federal act. The District relies primarily on State grants for operating assistance, with the balance of operating funds coming from local contributions and fares. In 2002, the Board sought management services from a third-party contract and subsequently awarded that contract to ATE Management, which has continued uninterrupted to the present day under First Transit. The contract requires First Transit to provide a general manager oversee the day-to-day onsite operations. The management service contract with First Transit currently covers a five-year period through December 31, 2024.

The SEAT operates three different types of service. First, SEAT operates local fixed route service in Griswold, Groton, New London and Norwich and operates regional or connecting services in East Lyme, Lisbon, Stonington and Waterford, as well as the towns served by local fixed route service. Second, SEAT provides complementary ADA paratransit services throughout the District's service area. This service is currently provided under contract, by Eastern Connecticut Transportation Consortium, although SEAT provides the rolling stock and scheduling software. The third service operated by SEAT is a demand response service in the town of Stonington, known as the "HOP". Finally, SEAT is currently operating a pilot demand response service in the City of New London, known as "Smart Ride".

SEAT's administrative and maintenance operations are based out of a facility 21 Route 12 in the town of Preston (between Norwich and Groton). This facility is owned by the Connecticut Department of Transportation and provided rent-free to the District; however, the District is responsible for all maintenance, repairs and improvements to the facility. The facility underwent a minor upgrade 2011 and roof replacement in 2016. The Preston facility contains all administrative, dispatch and maintenance offices, and includes five (5) maintenance bays and indoor vehicle parking. The site contains above ground (AST) storage tanks for diesel and gasoline fuel. SEAT is presently in a lease agreement with the City of Norwich for space at City's

Intermodal Transportation Center (NITC) at 10 Falls Avenue to accommodate a waiting area for bus passengers, ticketing office and bus transfer station. The station accommodates up to eight (8) buses. The original term was for ten (10) years and is currently on its second ten (10) year extension which expires June of 2032; after 2032 it can be extended for an additional twenty (20) years by addendum. SEAT is responsible for its share of utilities at the NITC; the City of Norwich for repairs and maintenance of the facility.

All employees except administration employees and vehicle mechanics belong to the Amalgamated Transit Union. In 2021 management successfully negotiated a new Collective Bargaining Agreement (CBA) effective July 1, 2021, through June 30, 2024.

MANAGEMENT

Experience/Focus

First Transit/ Southeast Area Transit District (SEAT)

First Transit (FT) has managed SEAT for over 20 years; of those years, 9 have been with the current general manager. Over the last nine years particularly, the greatest success has been in the area of relationships: with passengers, the general public, the Connecticut Department of Transportation, and the Southeast Connecticut Council of Governments (MPO). First Transit, along with the cooperation of the SEAT, has worked to improve these relationships by increasing knowledge and building awareness of what SEAT is and how it fits within the communities it serves.

Key to this success has been the consistently solid and professional working relationship shared by First Transit, CTDOT, and SEAT. Because of our relationship, FT management and the SEAT have made great, collaborative efforts to communicate who we are and what we do, which has resulted in positive feedback from all those we work with.

Through honesty, transparency, frequent communication, the willingness to work with everybody, and by never getting comfortable in how we do things, FT management and the SEAT changed perceptions and is now considered a vital part of the community. Our belief that we are a great community asset and provide great value has become a reality made possible by all those who are proud to work for SEAT and its First Transit management team.

FINANCIAL

The FY 2023 budget, which begins July 1, 2022, was approved by the Board at its March 2022 Board meeting. The operating budget is set at $8,597,261, which represents an increase of 13.9% over FY 2022, mostly due to the twelve (12) months of Smart Ride service; Smart Ride only operated for six (6) months in FY22. The budget is prepared annually by the general manager and finance manager, with input from department heads, and reviewed and approved by the Board of Directors. After the SEAT approves the budget, it is forwarded to the Connecticut

Department of Transportation (CTDOT). Local match contribution invoices are sent out to the member towns in late Spring.

As of June 2022, Pre-audited expenses SEAT was running approximately 4.4% under the FY 2022 planned budget.

The SEAT's annual audit is submitted to the SEAT Board, Federal Transit Administration, the Connecticut Department of Policy and Management and CT Department of Transportation

Financial statements are provided to the Board in the monthly board-meeting packet. This report shows the breakdown of costs for each service SEAT operates using standard FTA cost codes.

System Funding

SEAT Fixed Route Service

• Fares	7%
• State Fare Reimbursement	5%
• Local Grants	8%
• State Grants	86%
• Federal CARES/ARP Grants	6%
• Advertising Revenue	1%
• Interest Income	0%

SEAT revenues will be impacted by the sunsetting of Federal CARES/ARP grants after 2024. It is expected that passenger ridership and revenue will recover to their pre-pandemic levels, and that State funding will increase as well. In FY23, should State grants not meet planned levels, SEAT will balance its operating budget with unprogrammed Federal ARP funding.

Management expects to offset any State and/or Federal grant revenue shortfalls in FY24 and beyond by any combination of the following:

- Cutting expenses where possible
- Maximize the use of Federal capital grants for eligible operating expenses (Grant/Federal Program administration, preventative maintenance and ADA expenses)
- Request an increase local grants
- Service reduction

SEAT ADA Paratransit Service

• Fares	3%
• State Fare Reimbursement	2%
• Local Grants	4%

- State Grants 77%
- Federal CARES/ARP Grants 14%

SEAT Stonington HOP (MicroTransit Service)

- Fares 2%
- State Fare Reimbursement 1%
- Local Grants 7%
- State Grants 79%
- Federal CARES/ARP Grants 13%

SEAT New London Smart Ride Service (MicroTransit Service)

- Fares 9%
- State Fare Reimbursement 0%
- Local Grants 0%
- State Grants 84%
- Federal CARES/ARP Grants 16%

Capital Improvements

Project	Total Cost	FTA Funds	State Funds
Bus Wash	$450,000	$360,000	$ 90,000
Facility Assessment	$ 80,000	$ 64,000	$ 16,000
Demand Response Software	$250,000	$200,000	$ 50,000
Fixed Route CAD/AVL/APC	$300,000	$240,000	$ 60,000
Shop/Office Improvements	$657,930	$526,344	$131,586
MicroTransit Buses	$625,000	$500,000	$125,000

Finance Impact Issues

- State Fare Reimbursement Program for Fare Free Initiative
- Freezing of State funding at FY24 levels for Transit Districts
- Lapsing of CARES/ARP Federal grant funds
- Delays in State reimbursements and need for commercial line of credit for cash flow needs.

OPERATIONS

Overview

Overall ridership is up 77% over previous year attributable to the State-wide fare free program that was implemented in April 2022 and will continue through November 2022. The State reimburses the District for the foregone fare revenue, which is reflected in the FY23 budget. Ridership was increasing at a more modest rate prior to when fares were charged prior to April 2022. It is difficult to determine the impact on ridership when fare collection is resumed in December.

Fixed Route

SEAT operates 17 fixed routes in all its member towns, although local service is concentrated in the largest member towns, Groton, New London and Norwich. Peak pull-out is 17 heavy-duty buses, and service span is Monday – Saturday, 6 AM to 11 PM. Evening service is reduced to 5 buses; Saturday service has a peak pull-out of 15 buses, and evening service is reduced to 4 buses. Currently, SEAT does not operate on Sundays. In FY22, SEAT fixed route service had 778,952 boardings and operated 1,030,634 miles and 66,824 hours. The fixed route service is funded by fares, town grants and State grants, with State funding providing the bulk of support at 86% of the total funds; fare revenue, showing the impact of ridership loss due to the pandemic and the fare free program provided 12% of revenues, with the balance made up with local and Federal CARES grants. It should be noted that Federal operating assistance is time-limited and is expected to expire in FY24. This system has a budget of $6,728,568 for FY23. The fare base fare $1.75, but discounts are offered for period passes. SEAT also utilizes Token Transit in addition to GFI magnetic stripe media for pre-paid passes.

Service Hours:

Monday–Friday	6:00 AM – 11 PM.
Saturday	6:00 AM – 11 PM
Sunday	No Service

Fares:

Adult	$1.75
1 Day Pass	$3.50
31 Day Pass	$40.00

Senior citizens and persons with disabilities pay half fare single rides.

System Totals:

Full-Time Bus Drivers: 43

Part-Time Drivers: 2 (stipulated in the CBA)

ADA Paratransit Service

SEAT contracts the reservations and operations to Eastern Connecticut Transportation Consortium (ECTC) to provide Federally mandated complementary paratransit service. The service mirrors fixed route service, and has a peak pull-out of 4 buses. SEAT owns and maintains the rolling stock, which is currently five Ford/Supreme cutaway units (gasoline powered). In addition, SEAT provides the scheduling software, which is currently Spare Labs. In FY22, SEAT ADA paratransit service had 4,435 boardings and operated 49,270 miles and 3,918 hours. The ADA service is funded by fares, town grants and State grants, with State funding providing the bulk of support at 77% of the total funds; fare revenue, showing the impact of ridership loss due to the pandemic and the fare free program provided 5% of revenues, with the balance made up with local and Federal CARES grants. It should be noted that Federal operating assistance is time-limited and is expected to expire in FY24. This system has a budget of $352,579 for FY23. The fare base fare $3.50, and pre-paid 10 ride passes are also available, as well Token Transit.

Service Hours:

Monday–Friday	6:00 a.m. – 11:00 p.m.
Saturday	6:00 a.m. – 11:00 p.m.
Sunday	No Service

System Totals:

Part-Time Drivers: 7

Stonington "HOP" MicroTransit Service

SEAT operates the "HOP" service, which is a MicroTransit (Demand-Response) service within the town of Stonington. This service replaced a very unproductive limited (2-hour headway) fixed route service in February 2020. The service has a peak pull-out of 1 bus (with a limited 2 bus overlap in the mid-day during the shift change). SEAT owns and maintains the rolling stock, which is currently 2 Ford/Star Trans cutaway units (gasoline powered). In addition, SEAT provides the scheduling software, which is currently Spare Labs. In FY22, SEAT HOP service had 5,050 boardings and operated 49,807 miles and 4,072 hours. The HOP service is funded by fares, town grants and State grants, with State funding providing the bulk of support at 79% of the total funds; fare revenue, showing the impact of ridership loss due to the pandemic and the fare free program provided 3% of revenues, with the balance made up with local and Federal CARES grants. It should be noted that Federal operating assistance is time-limited and is expected to expire in FY24. This service has a budget of $204,688 for FY23. The fare base fare $1.75; only Token Transit passes are accepted, as the buses are not equipped with GFI fareboxes but only Diamond drop boxes.

Service Hours:

Monday–Friday	6:30 a.m. – 6:30 p.m.
Saturday	No Service
Sunday	No Service

System Totals:

Full-Time Bus Drivers: 2

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OPERATED BY SEAT

New London "Smart Ride" MicroTransit Service

SEAT operates the "Smart Ride" service, which is a MicroTransit (Demand-Response) service within the city of New London and was launched as a pilot project in December 2021 and is set to expire in December 2022 but may be extended to June 30, 2022. This service complements the fixed route service in New London and some in the City have suggested that it replace fixed route service. The service has a peak pull-out of 3 buses. SEAT owns and maintains the rolling stock, which is currently 5 Ford/Supreme cutaway units (gasoline powered). These units are previously used in ADA service and have exceeded their FTA "useful benchmark life". In addition, SEAT provides the scheduling software, which is currently Spare Labs. In FY22, SEAT Smart Ride service had 19,955 boardings and operated 46,271 miles and 4,004 hours for the 7 months of operation. The Smart Ride service is programmed to be funded by fares, and State grants (if approved), with State funding providing the bulk of support at 84% of the total funds; fare revenue, showing the impact of ridership loss due to the pandemic and the fare free program provided 9% of revenues, with the balance made up with local and Federal CARES grants. It should be noted that in FY22, the service was primarily funded with Federal CARES Act grant monies; Federal operating assistance is time-limited and is expected to expire in FY24. This service has a budget of $481,352 for FY23. The fare base fare $1.75; only Token Transit passes are accepted, as the buses are not equipped with GFI fareboxes but only Diamond drop boxes.

Service Hours:

Monday–Friday	8:00 a.m. – 8:00 p.m.

Saturday	8:00 a.m. – 8:00 p.m.
Sunday	No Service

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System Totals:

Full-Time Bus Drivers: 4

Part-Time Drivers: 5 (stipulated in the CBA)

Operations Impact Issues

- **Covid-19**
- **Operator shortages**
- **Continue to explore initiatives to retain ridership when fare collection resumes**
- **NTD Reporting/Passenger sampling/APC certification**
- **New Public Transit Agency Safety Plan**
- **New Entry Level Driver Training Rules**
- **Future funding for "Smart Ride" MicroTransit service**
- **Age/Condition of "Smart Ride" MicroTransit rolling stock**

MAINTENANCE

Vehicle Maintenance

SEAT operates a fleet of 34 public transit vehicles in New London County. This includes twenty-two (22) 30', 35 and 40' clean diesel low floor Gillig and New Flyer buses and two (2) hybrid diesel-electric 35' and 40' Gillig buses. These units are operated in fixed route service. SEAT has twelve (12) 22' Ford Startrans and Supreme gasoline powered "cutaway" buses for its demand-response services (ADA Partransit and MicroTransit). Administrative, maintenance, and passenger transfer facilities are also required for the operation of this service. All of these facilities and pieces of equipment require effective maintenance in order to provide high quality, cost-efficient service throughout their life.

It is SEAT'S policy to, at all times and with all available means, strive to ensure that the vehicles, facilities, and equipment entrusted to its care are utilized to their maximum public benefit and are maintained in a manner that derives the most advantageous use at the least possible cost. SEAT is diligent in this endeavor in several ways. First, SEAT maintains its facilities and buses with a focus on cleanliness. Second, all tangible assets are kept in the best possible condition to extend their useful life and maintain the quality of SEAT service to the highest degree. This is accomplished through continually updating and monitoring the effectiveness of established maintenance programs for vehicles, buildings, and equipment. Finally, SEAT encourages each of its employees to take pride in their association with SEAT, pride in the duties they perform, and to treat and care for SEAT equipment and facilities as if each item was their own personal property. SEAT strives for its first impression, whether it by building or bus, to be a great one. Utilizing these methods, SEAT continues to provide the excellent quality of service that our service communities deserve and have come to expect.

The SEAT Preventive Maintenance (PM) program for all vehicles consists of a series of inspections that are performed at intervals based on cumulative mileage by vehicle type (heavy duty bus, cutaway bus, support vehicles) There are varying levels of inspection vehicle type. There is an "A" or safety inspection every 3,000 miles; this inspection includes brake and overall inspection of all systems. "B" inspections are every 6,000 miles and include an oil and filter change, system inspection and lubrication. Any equipment inspected and found to be defective is repaired by the technician. If defects are major or related to safe operation, the vehicle is withheld and not released for use until such defects have been corrected and vehicle road tested. Inspections become progressively more complex at 12,000, 24,000, 48,000, 36,000, 75,000 and 150,000 miles for heavy-duty buses, and 30,000, 60,000 150,000 miles for cutaway buses. These inspections are tracked by the Maintenance Director and/or Parts Manager. The following tasks—annual vehicle fire suppression system inspections, heating/air conditioning system service and dryer replacement—are tracked independently of all other PM inspection criteria but may be performed in unison with a due PM if scheduling can be coordinated to do so.

Preventive maintenance inspections for all vehicles are tracked and projected by use of the RTA software package. This software tracks vehicle mileages as entered into the system; a list of vehicles having accumulated mileage within 500 miles of a due inspection is printed daily. Having such knowledge in advance allows for the efficient scheduling of due inspection(s). From the time a work order is issued, the Maintenance Director and/or Parts Manager track the accumulating mileage daily in order to assure that the inspection occurs at the appropriate time. The established acceptable parameters for the performance of preventive maintenance inspections are a "window" of 500 miles on either side of the due mileage interval. If an inspection is performed more than 500 miles after it is due, the inspection is considered late. PM inspections are allowed to be performed as much as 500 miles early as required to facilitate workload scheduling and flow, but this is generally discouraged and rarely necessary.

Overall, on-time PM performance is monitored by the Maintenance Director who investigates and takes corrective action for any variance from the standard. The Maintenance Director also randomly checks items on inspection list for both completion and quality of work.

The end result of the preventive maintenance scheduling process is that each bus is in the shop for an inspection of one level or another every 3,000 miles. Once a scheduled inspection is performed, any defects noted therein are repaired immediately, which is most commonly the case. For major, time-consuming, or non-safety related items, the defect may be scheduled for repair at a later date.

This process is in addition to the daily "pre-trip" inspection performed by the vehicle operator, who notes any mechanical defects which are corrected by the maintenance department. Safety defects result in the bus being immediately removed from service until the defect is corrected by a qualified technician.

The results and accuracy of inspections are monitored by the Maintenance Director. The results of road call summaries, fluid consumption reports, defect cards, pre-trip inspections, and casual observation of general vehicle conditions all contribute to the evaluation of the effectiveness of the preventive maintenance program. All employees are encouraged to provide input into the maintenance process.

Building and Grounds Maintenance

SEAT has developed and implemented a comprehensive program for maintenance of its buildings and grounds. This program is separated into two basic areas: general or "routine maintenance" and "preventive maintenance." This program encompasses maintenance of facilities as well as individual tools, systems, and equipment contained therein. In September 2022, in response to a FTA Triennial deficiency finding, SEAT acquired TransTrack EAM software to track facility and equipment maintenance which heretofore had been tracked manually.

Routine Maintenance

The routine maintenance of the Administration/Maintenance Facility and the Norwich ITC includes daily thorough cleaning each working day.

Janitorial services are performed under contract by a third party. SEAT staff is responsible for grounds maintenance, including snow removal at its Preston facility.

Personnel:

Mechanics – Full time	5 (1 vacancy)
Servicers – Full Time	6
Maintenance Director	1
Parts Manager	1
Facilities Manager	1 (vacant)

Maintenance Impact Issues

- **Promote Mechanic Certification**
- **On-Sight Mechanic Training**
- **ASE Bonus Reevaluation**
- **Emission Standards**

PLANNING

SEAT meets with the member towns as requested and the Southeast Connecticut Council of Governments (SCCOG) to discuss service needs. The general manager attends all SCCOG (MPO) meetings and provides input into the UPWP and STIP.

FY23 GOALS

- Increase ridership by 10% through increasing services that were reduced due to COVID-19, as well as exploring other initiatives to bring riders back onto the buses.
- Continue to run 3-5% under budget.
- Continue bus stop program, including synchronizing stops among software packages (Remix, Syncromatics and Trillium/Google)
- Develop bus stop amenities plan in collaboration with CTDOT
- Re-establish SEAT staffing of NITC
- Review and recommend options for ADA Paratransit operations
- Revise/revamp operator training program to incorporate ELDT standards; register SEAT as ELDT provider for its employees.
- Determine future of New London "Smart Ride" MicroTransit service
- Develop plan for transition to electric buses in collaboration with CTDOT.

FY22 ACCOMPLISHMENTS

- Initiated New London "Smart Ride" MicroTransit program – over 3,000 boardings/month
- Moved to Spare Labs Demand Response software, combining one platform for both ADA Paratransit and MicroTransit.
- Continued bus stop implementation program, coordinating three software packages (Syncromatics, Remix and Trillium) – worked with Union to establish and initiate "Bus Stop Committee" for bus stop locations
- Restored services to pre-COVID levels
- Grew ridership to 92% of pre-COVID levels
- Initiated contactless fare payment via "Token Transit"
- Acquired, installed, and implemented "TransTrack" transit reporting software
- Secured FTA and CTDOT capital grants to acquire replacement ADA buses, replace shop compressor system, barriers and air purification system.
- Secured second round of FTA CARES Act funding to support/expand operations.
- Secured a new round of FTA ARA funding to support/expand transit operations

- Negotiated and ratified 3-year labor contract with ATU with a 4% and 2 3% wage increases
- Transitioned to new Finance Director with local staff
- Employee training – customer service, de-escalation, diversity, hazardous materials/PPE, emergency communications.
- Developed and implemented PTSAP and re-established safety committee.
- Implemented COVID vaccine incentive program for employees
- Installed barriers on all buses and air purification system
- Prepared for FTA Triennial review

SAFETY

SEAT reports monthly to the Board the following:

- Number of vehicle accidents per month, by mode
- Number of employee and customer injuries per month, by mode
- Number of assaults per month by mode.

The FTA Public Transit Agency Safety Plan has been completed by the Safety Director.

In 2022 SEAT installed a camera security system and electronic door locks at its Preston facility. This upgrade created a safer more secure facility providing greater control over public access and monitoring of the facility.

The FTA's Triennial review found "no deficiencies" with SEAT's Drug and Alcohol program and its implementation. SEAT is a member of the State-wide Drug and Alcohol consortium, managed by the Greater Hartford Transit District.

MARKETING & COMMUNITY ENGAGEMENT

SEAT has a limited marketing campaign constrained by its operating budget. It consists of:

- Bus Wraps
- On-Line Advertising
- Newspaper Advertising
- Theme Programs
- Press Release Articles
- Facebook
- Twitter
- SEAT Website

SEAT is involved with the community in several ways:

Community Participation

- Annual Veteran's "Stand Down" shuttle buses
- Buses for local emergencies

Associations

- APTA
- Connecticut Association of Community Transportation (CACT)– the general manager serves as Vice President
- New England Public Transportation Association (NEPTA)

BOARD MEMBERS

Ron McDaniel – Chairman	Mayor, Town of Montville
Tom Sparkman – Vice Chairman	First Selectman, Town of Lisbon
Danielle Chesebrough – Secretary	First Selectman, Town of Stonington
Kevin Seery	First Selectman, Town of East Lyme
Dana Bennett	First Selectman, Town of Griswold
Aundre Bumgardner	Town Councilor, Town of Groton
Mark Oefinger	Retired Town Manager, Town of Groton
Michael Passero	Mayor, City of New London
Carey Redd II	Parking Director, City of New London
John Salomone	City Manager, City of Norwich

STAFF

Michael Carroll – General Manager (First Transit)

Cynthia Schilke – Assistant General Manager/Administration

Stephen Abate - Maintenance Director

Philip Andrews – Safety & Training Director

Jamie Bohli- Operations Manager

Thailisa Clark – Finance Manager

Stacey Daniels – Parts Manager

Alfred Fritzsche – Grants Manager

Cherise Simpson – Program Manager/DBELO

Facilities Manager – VACANT

Road Supervisor – VACANT

Appendix I

FY23 Budget

SEAT Consolidated (All Modes) Service

Name of Second Party: Southeast Area Transit District
Project Description: Fixed Route Bus Transit Services
Period: FY 2023 (July 1, 2022 to June 30, 2023)

State Project Number: DOT04140054OP
Agreement Number: 5.14-10(18)
Transit Operating Document Number: 2023-OPU-01 Proposal

		Operations/Maintenance		General Administration		Total	Total	
		SFY 2022 Projected	SFY 2023 Proposed	SFY 2022 Projected	SFY 2023 Proposed	SFY 2022 Projected	SFY 2023 Proposed	% Increase/ (Decrease)
Expense Object Class								
501	Labor	$3,250,914	$3,677,876	$221,519	$236,570	$3,472,433.00	$3,914,446.00	12.73%
502	Fringe Benefits	$2,113,494	$2,444,295	$98,854	$136,242	$2,212,348.00	$2,580,537.00	16.64%
503	Services	$164,635	$131,964	$293,307	$262,794	$457,942.00	$394,758.00	-13.80%
504	Materials and Supplies Consumed	$387,684	$342,871	$29,683	$34,258	$417,367.00	$377,129.00	-9.64%
505	Utilities	$0	$0	$79,457	$74,141	$79,457.00	$74,141.00	-6.69%
506	Casualty and Liability Costs	$55,913	$60,470	$0	$0	$55,913.00	$60,470.00	8.15%
507	Taxes	$0	$0	$0	$0	$0.00	$0.00	
508	Purchased Transportation Services	$245,647	$324,413	$0	$0	$245,647.00	$324,413.00	32.06%
509	Miscellaneous Expenses	$0	$0	$20,014	$20,365	$20,014.00	$20,365.00	1.75%
510	Expense Transfer	$0	$0	$0	$0	$0.00	$0.00	
511	Interest Expense	$0	$0	$17,764	$17,176	$17,764.00	$17,176.00	-3.31%
512	Leases and Rentals	$0	$0	$0	$0	$0.00	$0.00	
-	Other (Fuel)	$502,817	$768,274	$0	$0	$502,817.00	$768,274.00	52.79%
-	Other (Tires)	$63,676	$65,552	$0	$0	$63,676.00	$65,552.00	2.95%
-	Other (please specify)	$0	$0	$0	$0	$0.00	$0.00	
	EXPENSES - TOTAL	$6,784,780.00	$7,815,715.00	$760,598.00	$781,546.00	$7,545,378.00	$8,597,261.00	13.94%
Revenue Category								
401	Passenger Fares for Transit Service					$499,502	$516,812	3.47%
402	Special Transit Fares					$0	$0	
406	Auxiliary Transportation Revenues					$38,573	$36,000	-6.67%
407	Nontransportation Revenues					$0	$0	
-	Other (CTDOT Fare Reimb)					$189,999	$318,262	67.51%
-	Other (SIR Reimb)					$75,854	$0	-100.00%
-	Other (please specify)					$0	$0	
	REVENUES - TOTAL					$803,928.00	$871,074.00	8.35%
	DEFICIT -TOTAL					$6,741,450.00	$7,726,187.00	14.61%
	Federal Subsidy					$1,331,537	$541,664	-59.32%
	State Subsidy					$4,835,960	$6,605,859	36.60%
	Local Subsidy					$573,953	$578,664	0.82%
	SUBSIDIES - TOTAL					$6,741,450.00	$7,726,187.00	14.61%
	SERVICE STATISTICS							
	Linked Passengers					691,834	796,155	15.08%
	Transfers					84,608	95,228	12.55%
	Unlinked Passengers					776,442	891,473	14.82%
	Miles					1,200,415	1,301,128	8.39%
	Hours					81,318	87,129	7.15%
	Days of Operation					307	307	0.00%

FY23 Budget

Fixed Route Service

Name of Second Party: Southeast Area Transit District
Project Description: Fixed Route Bus Transit Services
Period: FY 2023 (July 1, 2022 to June 30, 2023)

State Project Number: DOT04140054OP
Agreement Number: 5.14-10(18)
Transit Operating Document Number: 2023-OPU-01 Proposal

		Operations/Maintenance		General Administration		Total	Total	
		SFY 2022 Projected	SFY 2023 Proposed	SFY 2022 Projected	SFY 2023 Proposed	SFY 2022 Projected	SFY 2023 Proposed	% Increase/ (Decrease)
Expense Object Class								
501	Labor	$3,250,914	$3,677,876	$221,519	$236,570	$3,472,433.00	$3,914,446.00	12.73%
502	Fringe Benefits	$2,113,494	$2,444,295	$98,854	$136,242	$2,212,348.00	$2,580,537.00	16.64%
503	Services	$164,635	$131,964	$293,307	$262,794	$457,942.00	$394,758.00	-13.80%
504	Materials and Supplies Consumed	$387,684	$342,871	$29,683	$34,258	$417,367.00	$377,129.00	-9.64%
505	Utilities	$0	$0	$79,457	$74,141	$79,457.00	$74,141.00	-6.69%
506	Casualty and Liability Costs	$55,913	$60,470	$0	$0	$55,913.00	$60,470.00	8.15%
507	Taxes	$0	$0	$0	$0	$0.00	$0.00	
508	Purchased Transportation Services	$245,647	$324,413	$0	$0	$245,647.00	$324,413.00	32.06%
509	Miscellaneous Expenses	$0	$0	$20,014	$20,365	$20,014.00	$20,365.00	1.75%
510	Expense Transfer	$0	$0	$0	$0	$0.00	$0.00	
511	Interest Expense	$0	$0	$17,764	$17,176	$17,764.00	$17,176.00	-3.31%
512	Leases and Rentals	$0	$0	$0	$0	$0.00	$0.00	
-	Other (Fuel)	$502,817	$768,274	$0	$0	$502,817.00	$768,274.00	52.79%
-	Other (Tires)	$63,676	$65,552	$0	$0	$63,676.00	$65,552.00	2.95%
-	Other (please specify)	$0	$0	$0	$0	$0.00	$0.00	
	EXPENSES - TOTAL	$6,784,780.00	$7,815,715.00	$760,598.00	$781,546.00	$7,545,378.00	$8,597,261.00	13.94%
Revenue Category								
401	Passenger Fares for Transit Service					$499,502	$516,812	3.47%
402	Special Transit Fares					$0	$0	
406	Auxiliary Transportation Revenues					$38,573	$36,000	-6.67%
407	Nontransportation Revenues					$0	$0	
-	Other (CTDOT Fare Reimb)					$189,999	$318,262	67.51%
-	Other (SIR Reimb)					$75,854	$0	-100.00%
-	Other (please specify)					$0	$0	
	REVENUES - TOTAL					$803,928.00	$871,074.00	8.35%
	DEFICIT -TOTAL					$6,741,450.00	$7,726,187.00	14.61%
	Federal Subsidy					$1,331,537	$541,664	-59.32%
	State Subsidy					$4,835,960	$6,605,859	36.60%
	Local Subsidy					$573,953	$578,664	0.82%
	SUBSIDIES - TOTAL					$6,741,450.00	$7,726,187.00	14.61%
	SERVICE STATISTICS							
	Linked Passengers					691,834	796,155	15.08%
	Transfers					84,608	95,228	12.55%
	Unlinked Passengers					776,442	891,473	14.82%
	Miles					1,200,415	1,301,128	8.39%
	Hours					81,318	87,129	7.15%
	Days of Operation					307	307	0.00%

FY23 Budget

ADA Paratransit Service

Name of Second Party: Southeast Area Transit District
Project Description: ADA Bus Transit Service
Period: FY 2023 (July 1, 2022 to June 30,2023)

State Project Number: DOT041400550P
Agreement Number: 5.14-10(18)
Transit Operating Document Number: 2023-OPU-01 Proposal

		Operations/Maintenance		General Administration		Total	Total	
		SFY 2022 Projected	SFY 2023 Proposed	SFY 2022 Projected	SFY 2023 Proposed	SFY 2022 Projected	SFY 2023 Proposed	% Increase/ (Decrease)
Expense Object Class								
501	Labor	$9,070	$9,420	$1,908	$1,590	$10,978.00	$11,010.00	0.29%
502	Fringe Benefits	$4,945	$4,856	$0	$0	$4,945.00	$4,856.00	-1.80%
503	Services	$1,362	$2,000	$0	$0	$1,362.00	$2,000.00	46.84%
504	Materials and Supplies Consumed	$3,362	$4,139	$0	$0	$3,362.00	$4,139.00	23.11%
505	Utilities	$0	$0	$0	$0	$0.00	$0.00	
506	Casualty and Liability Costs	$0	$0	$0	$0	$0.00	$0.00	
507	Taxes	$0	$0	$0	$0	$0.00	$0.00	
508	Purchased Transportation Services	$245,647	$324,413	$0	$0	$245,647.00	$324,413.00	32.06%
509	Miscellaneous Expenses					$0.00	$0.00	
510	Expense Transfer					$0.00	$0.00	
511	Interest Expense					$0.00	$0.00	
512	Leases and Rentals					$0.00	$0.00	
-	Other (Fuel)	$17,608	$22,384	$0	$0	$17,608.00	$22,384.00	27.12%
-	Other (Tires)	$1,814	$2,000	$0	$0	$1,814.00	$2,000.00	10.25%
-	Other (please specify)					$0.00	$0.00	
	EXPENSES - TOTAL	$283,808.00	$369,212.00	$1,908.00	$1,590.00	$285,716.00	$370,802.00	29.78%
Revenue Category								
401	Passenger Fares for Transit Service					$9,107	$9,888	8.58%
402	Special Transit Fares					$0	$0	
406	Auxiliary Transportation Revenues					$0	$0	
407	Nontransportation Revenues					$0	$0	
-	Other (CTDOT Fare Reimb)					$5,001	$8,335	66.67%
-	Other (please specify)							
-	Other (please specify)							
	REVENUES - TOTAL					$14,108.00	$18,223.00	29.17%
	DEFICIT -TOTAL					$271,608.00	$352,579.00	29.81%
	Federal Subsidy					$82,937	$66,093	-20.31%
	State Subsidy					$176,528	$271,486	53.79%
	Local Subsidy					$12,143	$15,000	23.53%
	SUBSIDIES - TOTAL					$271,608.00	$352,579.00	29.81%
	SERVICE STATISTICS							
	Linked Passengers					4,435	4,705	6.09%
	Transfers					0	0	
	Unlinked Passengers					4,435	4,705	6.09%
	Miles					60,246	61,629	2.30%
	Hours					5,384	5,391	0.13%
	Days of Operation					307	307	0.00%

FY23 Budget

Stonington HOP Service

Name of Second Party: Southeast Area Transit District
Project Description: Stonington Micro Transit (HOP) Service
Period: FY 2023 (July 1, 2022 to June 30,2023)

State Project Number: DOT04140054OP
Agreement Number: 5.14-10(18)
Transit Operating Document Number: 2023-OPU-01 Proposal

		Operations/Maintenance		General Administration		Total	Total	
		SFY 2022 Projected	SFY 2023 Proposed	SFY 2022 Projected	SFY 2023 Proposed	SFY 2022 Projected	SFY 2023 Proposed	% Increase/ (Decrease)
Expense Object Class								
501	Labor	$168,589	$122,926	$1,429	$1,191	$170,018.00	$124,117.00	-27.00%
502	Fringe Benefits	$52,236	$68,118	$0	$0	$52,236.00	$68,118.00	30.40%
503	Services	$0	$0	$0	$0	$0.00	$0.00	
504	Materials and Supplies Consumed	$4,486	$4,934	$0	$0	$4,486.00	$4,934.00	9.99%
505	Utilities	$0	$0	$0	$0	$0.00	$0.00	
506	Casualty and Liability Costs	$0	$0	$0	$0	$0.00	$0.00	
507	Taxes	$0	$0	$0	$0	$0.00	$0.00	
508	Purchased Transportation Services	$0	$0	$0	$0	$0.00	$0.00	
509	Miscellaneous Expenses					$0.00	$0.00	
510	Expense Transfer					$0.00	$0.00	
511	Interest Expense					$0.00	$0.00	
512	Leases and Rentals					$0.00	$0.00	
-	Other (Fuel)	$11,075	$12,443	$0	$0	$11,075.00	$12,443.00	12.35%
-	Other (Tire)	$0	$1,200	$0	$0	$0.00	$1,200.00	100.00%
-	Other (please specify)					$0.00	$0.00	
	EXPENSES - TOTAL	$236,386.00	$209,621.00	$1,429.00	$1,191.00	$237,815.00	$210,812.00	-11.35%
Revenue Category								
401	Passenger Fares for Transit Service					$3,349	$4,527	35.17%
402	Special Transit Fares					$0	$0	
406	Auxiliary Transportation Revenues					$0	$0	
407	Nontransportation Revenues					$0	$0	
-	Other (CTDOT Fare Reimb)					$0	$1,597	100.00%
-	Other (please specify)							
-	Other (please specify)							
	REVENUES - TOTAL					$3,349.00	$6,124.00	82.86%
	DEFICIT -TOTAL					$234,466.00	$204,688.00	-12.70%
	Federal Subsidy					$234,466	$27,363	-88.33%
	State Subsidy					$0	$162,325	100.00%
	Local Subsidy					$0	$15,000	100.00%
	SUBSIDIES - TOTAL					$234,466.00	$204,688.00	-12.70%
	SERVICE STATISTICS							
	Linked Passengers					5,050	6,124	21.27%
	Transfers					0	0	
	Unlinked Passengers					5,050	6,214	23.05%
	Miles					49,807	49,900	0.19%
	Hours					4,072	4,080	0.20%
	Days of Operation					256	255	-0.39%

FY23 Budget

New London Smart Ride Service

Agreement Number: 5.14-10(18)
Transit Operating Document Number: 2023-OPU-01 Proposal

		Operations/Maintenance		General Administration		Total	Total	
		SFY 2022 Projected	SFY 2023 Proposed	SFY 2022 Projected	SFY 2023 Proposed	SFY 2022 Projected	SFY 2023 Proposed	% Increase/ (Decrease)
Expense Object Class								
501	Labor	$133,480	$239,540	$9,526	$2,894	$143,006.00	$242,434.00	69.53%
502	Fringe Benefits	$40,674	$162,602	$0	$0	$40,674.00	$162,602.00	299.77%
503	Services	$14,650	$0	$0	$0	$14,650.00	$0.00	-100.00%
504	Materials and Supplies Consumed	$24,897	$12,764	$0	$0	$24,897.00	$12,764.00	-48.73%
505	Utilities		$0	$0	$0	$0.00	$0.00	
506	Casualty and Liability Costs		$0	$0	$0	$0.00	$0.00	
507	Taxes		$0	$0	$0	$0.00	$0.00	
508	Purchased Transportation Services		$0	$0	$0	$0.00	$0.00	
509	Miscellaneous Expenses					$0.00	$0.00	
510	Expense Transfer					$0.00	$0.00	
511	Interest Expense					$0.00	$0.00	
512	Leases and Rentals					$0.00	$0.00	
-	Other (Fuel)	$25,190	$62,000	$0	$0	$25,190.00	$62,000.00	146.13%
-	Other (Tires)	$763	$1,552	$0	$0	$763.00	$1,552.00	103.41%
-	Other (please specify)					$0.00	$0.00	
	EXPENSES - TOTAL	$239,654.00	$478,458.00	$9,526.00	$2,894.00	$249,180.00	$481,352.00	93.17%
Revenue Category								
401	Passenger Fares for Transit Service					$0	$41,000	100.00%
402	Special Transit Fares					$0	$0	
406	Auxiliary Transportation Revenues					$0	$0	
407	Nontransportation Revenues					$0	$0	
-	Other (please specify)							
-	Other (please specify)							
-	Other (please specify)							
	REVENUES - TOTAL					$0.00	$41,000.00	100.00%
	DEFICIT -TOTAL					$249,180.00	$440,352.00	76.72%
	Federal Subsidy					$249,180	$69,711	-72.02%
	State Subsidy					$0	$370,641	100.00%
	Local Subsidy					$0	$0	
	SUBSIDIES - TOTAL					$249,180.00	$440,352.00	76.72%
	SERVICE STATISTICS							
	Linked Passengers					19,955	39,780	99.35%
	Transfers					0	0	
	Unlinked Passengers					19,955	39,780	99.35%
	Miles					59,728	153,876	157.63%
	Hours					5,038	10,507	108.55%
	Days of Operation					175	307	75.43%

Appendix II

Fleet

Year	Veh #	Make/Model	Type	Seats/ W-C	Fuel
Revenue Vehicles					
2016	1601	Ford E450/Coach&Equip	22' Bus	12/3	Gasoline
2016	1602	Ford E450/Coach&Equip	22' Bus	12/3	Gasoline
2016	1603	Ford E450/Coach&Equip	22' Bus	12/3	Gasoline
2016	1604	Ford E450/Coach&Equip	22' Bus	12/3	Gasoline
2016	1605	Ford E450/Coach&Equip	22' Bus	12/3	Gasoline
2013	1301	Gillig G30D102N4	40' Bus	39/2	Hybrid
2013	1302	Gillig G30B102N4	35' Bus	32/2	Hybrid
2018	1801	New Flyer XD40	40' Bus	38/2	Diesel
2018	1802	New Flyer XD40	40' Bus	36/2	Diesel
2018	1803	New Flyer XD40	40' Bus	38/2	Diesel
2018	1804	New Flyer XD40	40' Bus	38/2	Diesel
2018	1805	New Flyer XD40	40' Bus	38/2	Diesel
2018	1806	New Flyer XD35	35' Bus	32/2	Diesel
2018	1807	New Flyer XD35	35' Bus	32/2	Diesel
2018	1808	New Flyer XD35	35' Bus	32/2	Diesel
2018	1809	New Flyer XD35	35' Bus	32/2	Diesel
2018	1810	New Flyer XD35	35' Bus	32/2	Diesel
2018	1811	New Flyer XD35	35' Bus	32/2	Diesel
2019	1901	Gillig G27E	30' Bus	26/2	Diesel
2019	1902	Gillig G27E	30' Bus	26/2	Diesel
2019	1903	Gillig G27E	30' Bus	26/2	Diesel
2019	1904	Gillig G27E	30' Bus	26/2	Diesel
2019	1906	Ford Transit/Startrans Candidate	20' Bus	13/2	Gasoline
2019	1907	Ford Transit/Startrans Candidate	20' Bus	13/2	Gasoline
2019	2001	Gillig G27B	35' Bus	29/2	Diesel
2019	2002	Gillig G27B	35' Bus	29/2	Diesel
2019	2003	Gillig G27B	35' Bus	29/2	Diesel
2019	2004	Gillig G27B	35' Bus	29/2	Diesel
2019	2005	Gillig G27B	35' Bus	29/2	Diesel
2020	2006	New Flyer XD40	40' Bus	37/2	Diesel
2020	2007	New Flyer XD40	40' Bus	37/2	Diesel

2021	2101	Ford E450/Coach&Equip	22' Bus	12/3	Gasoline
2021	2102	Ford E450/Coach&Equip	22' Bus	12/3	Gasoline
2021	2103	Ford E450/Coach&Equip	22' Bus	12/3	Gasoline
2021	2104	Ford E450/Coach&Equip	22' Bus	12/3	Gasoline
2021	2105	Ford E450/Coach&Equip	22' Bus	12/3	Gasoline

Service/Support Vehicles

2017	1702	Ford Explorer	SUV	5/0	Gas
2017	1703	Ford Explorer	SUV	5/0	Gas
2017	1704	Ford Explorer	SUV	5/0	Gas
2019	1812	Chevrolet Silverado CK15	Pick-up Truck	4/0	Gas
2015	1501	Chevrolet Silverado	Pick-up Truck	2	Gas
2017	1701	Dodge Caravan	Mini van	7/0	Gas
2019	1905	Chevrolet Silverado K350	Pick-up Truck	4/0	Gas
2020	2106	Ford Transit T150	Van		Gas
2020	2107	Ford Transit T150	Van		Gas
2015	1502	Dodge Caravan	Mini van	7/0	Gas

Southeast Area Transit District

Independent Auditors' Reports and Management's Financial Statements

June 30, 2021

Ron L. Beaulieu & Company

CERTIFIED PUBLIC ACCOUNTANTS

SOUTHEAST AREA TRANSIT DISTRICT

JUNE 30, 2021

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Southeast Area Transit District
Preston, Connecticut

Report on the Financial Statements

We have audited the accompanying financial statements of Southeast Area Transit District, as of and for the year ended June 30, 2021, and the related notes to the financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' 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 polices 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 qualified audit opinion.

Basis for Qualified Opinion

Management has not recorded in-kind revenues and expenses associated with donated bus and equipment leases from the State of Connecticut. Accounting principles generally accepted in the United States of America require that in-kind donations be represented as revenue and either as an expense or asset. Without these transactions, capital assets-net is understated, and net position is understated. The amount by which this departure would affect the assets, net position, and revenues has not been determined.

Qualified Opinion

In our opinion, except for the effects of the matter described in the "Basis for Qualified Opinion" paragraph, the financial statements referred to above present fairly, in all material respects, the financial position of Southeast Area Transit District, as of June 30, 2021, and the changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3.1 through 3.10 be presented to supplement the financial statements. Such information, although not a part of the financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the financial statements, and other knowledge we obtained during our audit of the 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 Reporting Required by ***Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated January 27, 2022, on our consideration of Southeast Area Transit District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Southeast Area Transit District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Southeast Area Transit District's internal control over financial reporting and compliance.

Ron L. Beaulieu & Co.

Portland, Maine
January 27, 2022

Management's Discussion and Analysis
Introduction

Annual reports provide information about the proprietary fund of the Southeast Area Transit District. This fund shows restrictions on the planned use of resources or measured, in the short term, the revenues and expenditures arising from certain activities. GASB Statement 34 requires that the managers of the Southeast Area Transit District focus on this fund.

The proprietary fund financial statements will continue to measure and report the "operating results" by measuring cash on hand and other assets that can easily be converted to cash. These statements show the short-term performance of funds using the same measures governments use when financing current operations. On the other hand, if we charge a fee to users for services, fund information will continue to be based on accrual accounting. Showing budgetary compliance has always been an important part of governmental accountability.

We hope to provide an objective and readable analysis of our financial performance for the year. Taken together, the following statements should enable one to assess whether the Southeast Area Transit District's financial position has improved or deteriorated as a result of the year's operations. The annual report includes proprietary fund financial statements prepared on the accrual basis for all Southeast Area Transit District's activities. Accrual accounting measures not just current assets and current liabilities, but long-term assets and liabilities as well. It also reports all revenues and all costs of providing services each year, not just those received or paid in the current fiscal year (or shortly thereafter).

In sum, the proprietary fund financial statements help to:

- Assess the finances of the Southeast Area Transit District in its entirety, including the year's operating results;
- Determine whether our overall financial position improved or deteriorated;
- Evaluate whether our current-year revenues were enough to pay for current-year services;
- Show the costs of providing the services requested of us;
- See how we finance the programs requested – through user fees, state and federal grants, community assessments, and other program revenues;
- Make better comparisons between governments. The Annual Financial Report includes the following information and financial statements as defined by GASB Statement 34.

* *Management's Discussion and Analysis (MD & A)* – An introduction to the basic financial statements and an analytical overview of the District's financial activities. The MD & A provides an objective and easily readable analysis of the Southeast Area Transit District's financial activities based on currently known facts, decisions, or conditions. The MD & A

- Includes comparisons of the current year to the prior year based on government-wide information;
- Provides an analysis of our overall financial position and the results of operations to assist in assessing whether our financial position has improved or deteriorated as a result of the year's activities;
- Analyzes significant changes in fund and major budget variances;
- Concludes with a description of currently known facts, decisions, or conditions that are expected to have a significant effect on our financial position or the results of our operations.

✷ *Proprietary Fund Financial Statements* are designed to provide a broad overview of the Southeast Area Transit District's finances, in a manner similar to private-sector business.

- They include a *statement of net position* which presents information on the District's assets and liabilities, with the difference between the two reported as *net position.* Unlike Operations reports, GAAP requires all capital revenues, capital expenses and depreciation, as well as operations expense and revenues, be included in Net Position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating. The *statement of revenues, expenses and changes in net position* presents information showing how the government's *net position* changed during the most recent fiscal year. All changes in *net position* are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods. The statement of revenues, expenses and changes in net position is prepared using the economic resources measurement focus and the accrual basis of accounting. These statements report all assets, liabilities, revenues, expenses, and gains and losses of the District. These statements also include the Statement of Cash Flows.. The proprietary fund financial statements reflect that Southeast Area Transit District recovers a significant portion of its costs through user fees and charges. The proprietary activities of the District consist primarily of providing public transportation to the citizens of its member towns.

- Program expense includes all direct expenses. General revenues such as fares, grants, special and extraordinary items are reported separately, ultimately arriving at the change in *net position* for the period. Special items are significant transactions or other events that are either unusual or infrequent and are within the control of management.

- Notes to the Financial Statements
    - Provide information essential to understanding of the data in the proprietary fund financial statements.

    - Supplementary Information

        - Combining Schedule of Revenues, Expenses and Changes in Net Position and Schedule of Revenues, Functional Expenses and Changes in Net Position.

We hope the financial reporting model will serve as a more comprehensive way to demonstrate our stewardship in the long term in addition to the way we currently demonstrate our management in the short term and through the budgetary process.

As management of the Southeast Area Transit District, we offer readers of the district's financial statements this narrative overview and analysis of the financial activities of the Southeast Area Transit District for the fiscal year ended June 30, 2021.

SEAT Structural Change

As a reminder of last year's report, identifying the transfer of capital purchases and depreciation to SEAT, the point needs to be made that this continued in FY 2021 with the delivery of (2) new 40' heavy duty buses, and (2) Service vehicles purchased for the general service transportation of drivers to and from the transportation center. SEAT also invested in tools and equipment such as a HD Bus Wheel Balancer and purchasing TransTrack development software for Financial and NTD reporting.

This again has increased our net position by $1,216,237 of new capital purchases. This, as predicted, was offset by a strong write off of depreciation resulting in a net change in position of - $36,702. The fiscal year 2021 was the first year that depreciation has exceed capital and this will accelerate in future years. We will in the next year replace the (5) cutaway vans used for the ADA program that have reached their useful life. After this, we will replace two heavy duty buses in 2025/6 which will be the first of SEAT owned buses to be replaced.

SEAT's Fixed Assets have grown from 'zero' investment in Fixed Assets in FY 2012 to $10,698,464 in FY 2021. Correspondingly, SEAT has gone from reporting 'zero' depreciation in FY 2012 to $1,252,943 in FY 2021. This has affected our Statements in this audit.

Statement B of our Financial Statements shows a loss (before capital contributions) of $-1,252,939. This is almost entirely due to reporting $1,252,943 in depreciation expense. At the same time our capital contributions were $1,216,237, and our net position was down $-36,702. It is also reasonable to forecast that the decline in Net Position will start increase in FY 2022 and FY 2023, as the depreciation grows and exceeds new purchases. While Net Position is now dominated by the impact of capital assets, you will read, in the analyses below, that SEAT reported no surplus in FY 2021 as we are mandated to do by FTA and State regulation.

Last, perhaps the most significant highlight was the impact of the pandemic and the advent of CARES grant support to Transportation. In FY 2021 SEAT qualified for $1,270,270 in CARES funding covering the lost fare revenues, extraordinary costs for bus and building sanitization including fogging, wipes, and disinfectants. In addition, CARES funding allowed SEAT to maintain full service despite the fare losses, which included zero fares for the months of July through September.

Non-Financial Highlights

For overview SEAT provides the following key events occurring in FY 2021, some of which have contributed to the Financial Highlights that follow:

- SEAT negotiated a 1-year contract with ATU for FY 2021 and a new 3-year contract for FY2022 – FY2024. This contract was negotiated with a 3.9% increase in wages for FY 2021 and 3% increases in 2023 and 2024.

- In FY 2021, the CARES Grant FTA went into effect to cover losses incurred due to the COVID impact. As stated above CARES Grant Revenue received in FY 2021 was $1,270,270.

- In addition, (2) new Service vans were received in March, and (2) new 40' Heavy Duty Fixed Route buses were successfully received in September, 2021.

- Ridership and Passenger Fare Revenues will be reviewed in detail in the Proprietary Fund Analysis section. SEAT ridership remains at a depressed rate due to the pandemic effect on employment as well as the riders, noting that we do have relatively strong ridership in some areas of service.

Financial Highlights

As of the close of the current fiscal year, the District's governmental funds reported a combined ending fund balance of $11,133,961 in FY 2021. This fund balance represents $10,698,464 investment in capital assets, with the balance of $435,497 considered an *unrestricted fund* balance (see Table 1). This included depreciation decreasing capital assets by $1,252,943. The depreciable Fixed Asset purchases in FY 2021 included (2) 40' NewFlyer heavy duty buses, and (2) Service vans used for operator support.

As stated above, SEAT looks primarily at operations expense, as those from which the deficit or surplus is determined. For reference readers should understand that operations expense is defined for our purpose as labor, fringe benefits, materials, building and vehicle maintenance, and administrative expense, and *does not include capital grant funded purchases, depreciation, or in-kind revenue and expense*.

- *SEAT FY 2021 is reporting a year-end Bus operations deficit (excluding capital, In-Kind, and depreciation)* of -$36,702. This deficit covers only management-controlled costs and revenues that can contribute directly to an operations surplus or deficit. The operations net income reflects a surplus of $31,284 for Fixed Route with a deficit in ADA Service of -$67,986. These numbers include operating revenue from the CARES Grant of $1,270,270.

- *SEAT FY 2021 Operations Performance to Plan*: The FY 2021 Operations Plan for Fixed Route and ADA expense and revenue for FY 2021 was $7,089,813. SEAT underran the Plan budget for both operations revenue and operations expense by .2%. Note the revenue underrun includes CARES grant funds.

- *SEAT Capital highlights for FY 2021* were again significant. The significant change in FY 2021 was that capital purchases for the 1st time did not exceed depreciation expense. This was due to a significant reduction in capital purchases off set by a steadily increasing depreciation expense.

- The Southeast Area Transit District did renew the Peoples Bank $1,000,000 Commercial Line of Credit loan for future borrowing requirements. This was completed in June of FY 2021. The District's short-term debt was $125,000 as of June 30, 2021, compared to $445,000 in FY 2020. The significant decrease reflected the borrowing needs with the benefit of available CARES grant funds.

Proprietary Fund Analysis:

As noted earlier, *net position* may serve over time as a useful indicator of a government's financial position. In FY 2021 Southeast Area Transit District's *net position* exceeded liabilities by $11,133,961 at the close of the year. Of these assets $435,497 is defined as *unrestricted* and is available to meet short-term liabilities such as payments for vehicle operations and maintenance, non-vehicle maintenance, and general administration expenses.

Also noted is that the land & buildings, some equipment, and as of today, all of SEAT's 28 bus fleet are now recorded as SEAT assets and none as State of CT assets. The Capital Assets shown below reflect only those assets procured under Grants in the name of Southeast Area Transit District. SEAT procurement of these capital assets began in FY 2010, and now includes all rolling stock and most equipment. As a result, and as discussed earlier, SEAT had been showing steady increases in capital assets that are also accompanied by a steadily increasing depreciation expense.

Table 1: *Net Position*

	Proprietary Activities 2021	Proprietary Activities 2020
Current and Other Assets	$ 935,939	$ 1,261,212
Capital Assets	$ 10,698,464	$ 10,735,171
Total Assets	$ 11,634,403	$ 11,996,383
Long-Term Debt Outstanding	$ -	-
Other Current Liabilities	$ 500,442	$ 825,718
Total Liabilities	$ 500,442	$ 825,718
Net Position:		
Net Invested in Capital Assets	$ 10,698,464	$ 10,735,171
Unrestricted (deficit)	$ 435,497	$ 435,494
Total Net Position	$ 11,133,961	$ 11,170,665

Total operations expense in FY 2021, *excluding capital purchases, in-kind expenses, and depreciation*, was $6,980.891, and was offset by $6,999,428 in operations revenue, with an operations surplus of $18,537. Most of the District's operations revenue of $6,999,428 was from operations subsidies from the State of Connecticut ($4,657,600), local subsidy received from the District's nine-member towns ($561,808), and charges for services such as passenger fares and receipts from advertising ($509,751). The CARES Grant funding made up the difference with funds of $1,270,270 (22.2%).

The Southeast Area Transit District also received revenues for capital ($3,067,718) and the in-kind rental value of our leased facility ($360,112). These capital and in-kind revenues were provided by the State of Connecticut ($719,601) and the Federal Transit Administration of ($2,708,229).

Proprietary Operations Activities: Below is a summary of the Southeast Area Transit District consolidated operations revenue and expense. This chart includes both Fixed Route and ADA services:

Table 2. Changes in Operations Expense and Revenue

		Proprietary Activities 2021		Proprietary Activities 2020
Program Revenues:				
Revenue from Services	$	474,746	$	826,242
Operations Grants and Local Government Contributions	$	4,770,595	$	4,814,432
Local Government Contracts	$	561,808	$	548,107
Federal Government Contracts	$	1,738,488	$	504,850
Advertising	$	31,529	$	33,281
In-Kind Revenue	$	360,112	$	349,623
Miscelleaneous Revenue	$	3,472	$	1,850
General Revenues Total:	$	7,940,750	$	7,078,385
Program Expenses:				
Payroll	$	3,163,251	$	2,806,584
Payroll Taxes	$	315,262	$	272,070
Fringe Benefits	$	1,857,053	$	1,584,297
Services	$	670,416	$	668,102
Materials & Supplies	$	776,917	$	827,222
Utilities	$	107,967	$	106,879
Insurance	$	56,459	$	50,446
Interest	$	13,294	$	10,201
Maintenance	$	599,747	$	391,334
Capital Depreciation	$	1,252,943	$	1,038,748
Rent (In-Kind)	$	360,112	$	349,623
Other	$	20,272	$	11,755
Total Operating Expense:	$	9,193,693	$	8,117,261
Less Non Opeating Revenues	$	4	$	128
Total Bus Operating Surplus/(Deficit)	$	1,738,488	$	-
Income (Loss) before Capital Contributions	$	(1,252,939)	$	(1,038,748)
Capital Contributions	$	1,216,237	$	2,824,491
Change in Net Position	$	(36,702)	$	1,785,743
Ending Net Position	$	11,133,961	$	11,170,665

Passenger fare revenues were down (-24.7%) in FY 2021 vs FY 2020 and is compared to a (-0.2%) decline in FY 2019 vs FY 2018. The trend in rider generated revenues continued to be up in FY 2020 but was offset by the total loss of fare revenues from March 20 through June 30, 2020. The State issued a requirement that eliminated access to fareboxes that prevented fares from being collected. This was in effect from March through September of 2020. This not only affected FY 2020 but will substantially affect FY 2021 revenue as well. While fares are again being collected, the ridership remains low due to the high unemployment rate.

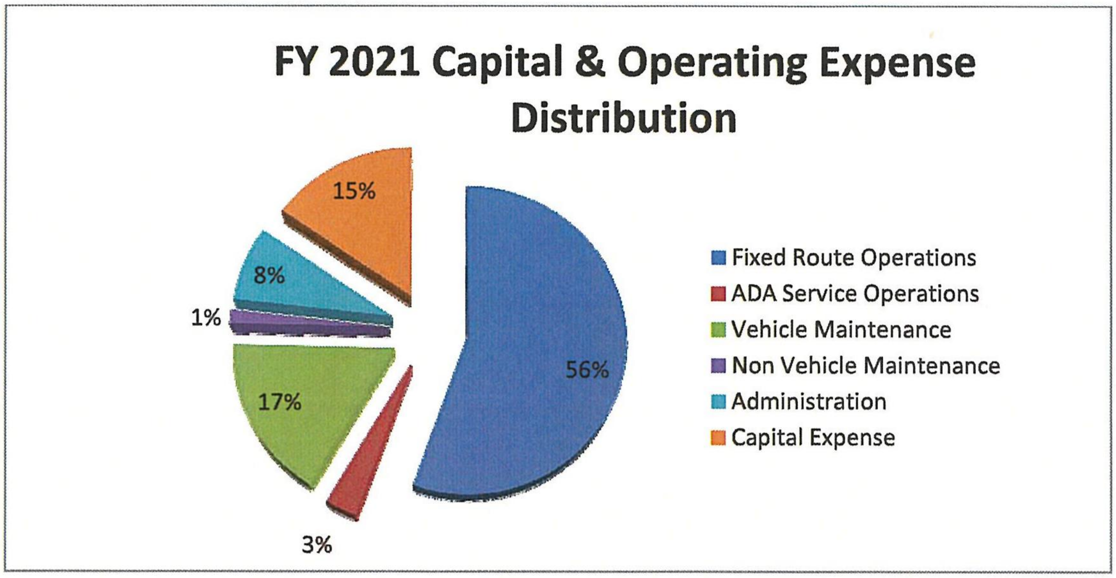
Revenue from Services provided were down 24.7% from FY 2019:

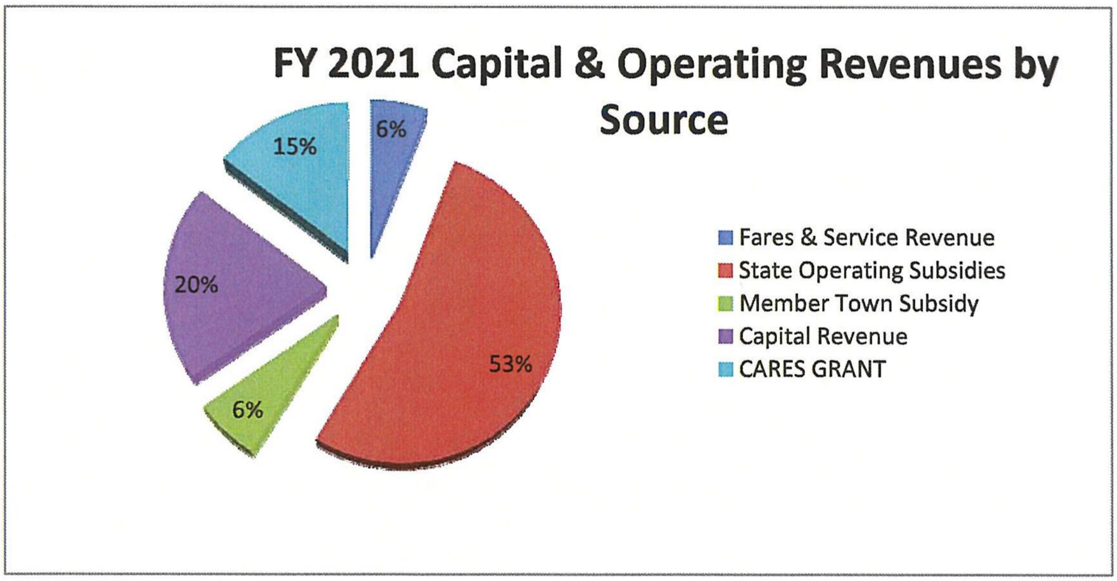
Analysis YOY - Revenue from Passenger Fares	2021	2020	Over/(Under)	% change
Fixed Route Farebox (GFI)	$ 447,816.90	$ 776,019.91	$ (328,203.01)	-42.3%
Stop & Shop Ticket Sales	$ 9,855.00	$ 19,755.00	$ (9,900.00)	-50.1%
Advertizing and other Revenue	$ 35,004.50	$ 35,258.40	$ (253.90)	-0.7%
ECWIB Ticket Purchases	$ 6,732.10	$ 13,431.66	$ (6,699.56)	-49.9%
ADA Farebox	$ 10,342.39	$ 17,035.64	$ (6,693.25)	-39.3%
Total Farebox & Ticket Sales	$ 509,750.89	$ 861,500.61	$ (351,749.72)	-40.8%
Offset Special Transit Revenues				
Gold Star Bridge Shuttle	$ -	$ -	$ -	0.0%
	$ -	$ -	$ -	
Total Special Transit	$ -	$ 63,000.00	$ -	-100.0%
Net Revenue	$ 509,750.89	$ 924,500.61	$ (351,749.72)	-44.9%

Ridership was down 21.7% from FY 2020 and down 34.6% from FY 2019. This again was because of the effect of the COVID pandemic on employment and the restrictions on travel in a public environment. These effects are strongly impacting ridership that is currently still down 30-40% every month.

SEAT YOY Fixed Route Ridership Analysis	2021 Ridership	2020 Ridership	2019 Ridership	2021 to 2020 % Change	2021 to 2019 % Change
Jul	60,739	81,553	78,266	-25.5%	-22.4%
Aug	60,841	85,749	86,355	-29.0%	-29.5%
Sep	63,918	74,754	75,377	-14.5%	-15.2%
Oct	54,325	82,225	87,183	-33.9%	-37.7%
Nov	46,298	76,202	79,252	-39.2%	-41.6%
Dec	47,215	73,659	78,068	-35.9%	-39.5%
Jan	44,748	77,903	77,612	-42.6%	-42.3%
Feb	40,704	77,086	73,636	-47.2%	-44.7%
Mar	53,887	53,998	78,124	-0.2%	-31.0%
Apr	52,526	31,983	80,950	64.2%	-35.1%
May	49,305	35,133	82,838	40.3%	-40.5%
Jun	52,696	50,634	81,783	4.1%	-35.6%
Total Year	627,202	800,879	959,444	-21.7%	-34.6%

Proprietary Fund Revenue Sources and Distribution: The below charts present a snapshot of the source and use of District operating funds in FY 2020. Again, we have included capital revenues and expense in these charts which makes visually clear the significant capital investments made as a result of the scheduled and actual replacement of our heavy-duty buses. A reduced but still high level of capital expenditure will continue with (2) new replacement 40' buses (already delivered) and (5) replacement ADA Cutaway buses arriving FY 2021.





Capital Asset and Debt Administration:

Capital assets: In FY 2021 and prior years, expenditures for items purchased under FTA grants under the administrative responsibility of Southeast Area Transit, and have a value of $5,000 or greater, are, for accounting reasons, recorded under Fixed Asset accounts. SEAT regularly reports the status of those assets to the FTA. This includes any new items for which expenditures were made in FY 2021 under six SEAT/FTA grants. SEAT's FTA grant (X469) remains active and has provided the funds for the now completed purchase of (5) ADA vans and (3) SUV replacements, with one significant project in progress. This project, projected to be completed in FY 2021, is the installation of a new bus wash system and a fueling system upgrade. The second current SEAT/FTA grant (CT-2017) remains active. This grant funded the replacement of (15) heavy duty buses in FY 2018 and FY 2019. The current balance of unused funds is $1,168,812 for many projects still in progress. A third grant (CT-2018) went into effect in FY 2019 with the major expense being to cover the replacement of (5) 35' buses and (2) Cutaway buses that were delivered in FY 2020. A fourth grant (CT-2020-025) was activated in August of FY 2021 and covered the replacement of (5) 28' ADA buses now 6 years old. These new buses were delivered early in FY 2022. Last, the CARES Grant, provided to replace lost revenue due to COVID, provided funds of $1,270,270 in FY 2021.

Long-term debt: At the end of the current fiscal year, Southeast Area Transit District had no long-term bonded debt outstanding. The District regularly borrows on a short-term basis in anticipation of state operating grant revenues to supplement its cash flow during the year. On June 28, 2020, the District obtained the renewal of its existing Line of Credit ($1,000,000 max) to cover any short-term borrowing requirements. The current interest rate is 4.0% which is a significant decrease from last year (5.5%).

Economic Factors and Next Year's Budget:

The unemployment rate for the New London Labor Market, obtained from the Connecticut Department of Labor, was 7.5% as of June 30, 2021, which is down from 10.9% in June of FY 2020. This data reflects the effect of the COVID virus and recovery. The State's current unemployment rate (November 2020) is 6.0% vs the national unemployment rate of 4.2%. While lower than June of 2020, this shows a continuing rate increase due to the virus. The inflationary trend in the region (4.3% annual BLS CPI Northeast region Table CPI-U) for all items as of 6/30/2021) is slightly lower than the national inflation rate (5.0% - BLS CPI Urban areas - all items as of 6/30/2021) for the last year. Please note that the national inflation rate through December 2021 has climbed to 7.0% (these rates exclude food and energy).

While the rate of employment and business recovery remains slow due to the additions of the Delta and Omicron viruses, SEAT is optimistic operations will remain stable in the long run as the effects of the pandemic wear thin. Thankfully, the cost of ridership losses while continuing service has been offset through the FTA CARES Grant.

All these factors are being considered in outlining the Southeast Area Transit District's budget for the 2022 fiscal year.

Requests for Information: This financial report is designed to provide a general overview of the Southeast Area Transit District's finances for all those with an interest in the District's operations. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Accounting Manager, Thailisa Clark, Southeast Area Transit District, 21 Route 12, Preston, CT 06365.

STATEMENT A

SOUTHEAST AREA TRANSIT DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2021

ASSETS	
Current assets:	
Cash	$ 112,122
Accounts receivable (net)	1,018
Due from other governments (net)	106,449
Unbilled - due from other governments	320,938
Inventories	259,116
Prepaid expenses	136,296
Total current assets	935,939
Noncurrent assets:	
Capital assets:	
Construction in progress	-
Other capital assets	14,858,508
Less accumulated depreciation	(4,160,044)
Total capital assets	10,698,464
Total noncurrent assets	10,698,464
TOTAL ASSETS	11,634,403
DEFERRED OUTFLOWS OF RESOURCES	
Deferred charge	-
TOTAL DEFERRED OUTFLOWS OF RESOURCES	-
LIABILITIES	
Current liabilities:	
Accounts payable	161,737
Accrued payroll	84,626
Accrued liabilities	35,525
Line of credit	125,219
Accrued compensated absences	93,335
Total current liabilities	500,442
TOTAL LIABILITIES	500,442
DEFERRED INFLOWS OF RESOURCES	
Deferred revenue	-
TOTAL DEFERRED INFLOWS OF RESOURCES	-
NET POSITION	
Net investment in capital assets	10,698,464
Restricted	-
Unrestricted	435,497
TOTAL NET POSITION	$ 11,133,961

See accompanying independent auditors' report and management's notes to financial statements.

STATEMENT B

SOUTHEAST AREA TRANSIT DISTRICT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
YEAR ENDED JUNE 30, 2021

OPERATING REVENUES	
Passenger fares	$ 474,746
State government contracts	4,770,595
Local government contracts	561,808
Federal government contracts	1,738,488
Advertising revenue	31,529
In-kind revenue	360,112
Miscellaneous revenue	3,472
Total operating revenues	7,940,750
OPERATING EXPENSES	
Payroll	3,163,251
Payroll taxes	315,262
Fringe benefits	1,857,053
Services	670,416
Materials and supplies	776,917
Utilities	107,967
Insurance	56,459
Interest	13,294
Rent	360,112
Maintenance	599,747
Depreciation	1,252,943
Other	20,272
Total operating expenses	9,193,693
OPERATING INCOME (LOSS)	(1,252,943)
NON-OPERATING REVENUES (EXPENSES)	
Gain on disposal of capital asset	-
Interest	4
Total non-operating revenues (expenses)	4
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS	(1,252,939)
CAPITAL CONTRIBUTIONS	1,216,237
CHANGE IN NET POSITION	(36,702)
TOTAL NET POSITION - BEGINNING	11,170,663
TOTAL NET POSITION - ENDING	$ 11,133,961

See accompanying independent auditors' report and management's notes to financial statements.

STATEMENT C

SOUTHEAST AREA TRANSIT DISTRICT
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2021

CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers	$ 472,574
Receipts from governments	7,325,455
Other receipts	35,001
Payments to employees	(5,278,606)
Payments to suppliers	(2,566,151)
Other payments	(69,753)
Net cash provided (used) by operating activities	(81,480)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Net cash provided (used) by noncapital financing activities	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Capital contributions	1,216,237
Purchase of capital assets	(1,216,235)
Net cash provided (used) by capital and related financing activites	2
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest	4
Net cash provided (used) by investing activities	4
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(81,474)
BALANCES - BEGINNING OF YEAR	193,596
BALANCES - END OF YEAR	$ 112,122
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	
Operating income (loss)	$ (1,252,943)
Adjustments to reconcile operating income to net cash provided by operating activities:	
Cash flows reported in other categories	
Depreciation expense	1,252,943
Changes in assets and liabilities:	
Accounts receivable (net)	(2,172)
Due from other governments (net)	238,058
Unbilled receivables	16,506
Inventories	4,415
Prepaid expenses	(13,009)
Accounts payable	(67,238)
Accrued payroll	(7,800)
Accrued liabilities	8,923
Line of credit	(315,000)
Accrued compensated absences	55,837
Deferred revenue	-
Net cash provided (used) by operating activities	$ (81,480)

See accompanying independent auditors' report and management's notes to financial statements.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Southeast Area Transit District (the District) was formed in January 1976, under Chapter 103A of the Connecticut General Statutes for the purpose of providing government sponsored bus service to the people who reside within the urbanized area of Southeastern Connecticut. Any town, city or borough may, by vote of its legislative body, join the District. As of June 30, 2021 nine (9) municipalities had joined the District.

Since 1993, the District has been providing services to the disabled, as required by The Americans with Disabilities Act (ADA). The District provides and coordinates ADA services throughout Southeastern Connecticut.

In accordance with governmental generally accepted accounting principles, the District is considered a quasi-governmental entity. Southeast Area Transit District maintains its books and records in accordance with Urban Mass Transportation Administration Uniform System of Accounts and Records and Reporting System.

The value of any services provided by State personnel on behalf of operations of the District and insurance premiums provided by the State on State owned buses has not been recognized in the accompanying financial statements.

Principles Determining Scope of Reporting Entity

The financial statements of the District consist only of the funds of the District. The District has no oversight responsibility for any other governmental entity since no other entities are considered to be controlled by, or dependent on, the District. Control or dependence is determined on the basis of budget adoption, taxing district, funding, and appointment of the respective governing board.

Fund Accounting

The District's operations are accounted for solely in one fund - the Enterprise Fund. This is the appropriate fund as the District had decided that the periodic determination of revenues earned, expenses incurred and increase (decrease) in net position is desired for the purpose of facilitating management control and accountability.

In-kind

In-kind revenues represent fair market value of facilities rent provided by the State of Connecticut at no cost. Rental value of buses and equipment provided by the State of Connecticut has not been valued and is excluded from in-kind revenues. This exclusion is not in accordance with generally accepted accounting principles.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Accounting

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

Proprietary fund financial statements are reported using the flow of economic resources measurement focus and use the accrual basis of accounting. Under this method, revenues are recognized when they are earned and expenses are recognized when they are incurred.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the proprietary fund's principal ongoing operations. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. The District's operations are primarily funded by passenger fares and subsidies from the State of Connecticut and the member Towns.

Capitalization of Assets

Capital assets are valued at historical cost or estimated historical cost. Donated capital assets are valued at their estimated fair value on the date of donation. Purchased capital assets over $5,000 are capitalized.

Depreciation

Capital assets are depreciated over the assets useful lives using the straight-line method. The estimated useful lives are as follows:

Buses	12 years
Service vehicles	5 years
Equipment	5-12 years

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with an original maturity of three months or less from the date of acquisition.

Accounts Receivable

Accounts receivable are stated at the amount management expects to collect from balances outstanding at year-end. The allowance for doubtful accounts is based upon an analysis of the credit history with its customers.

Inventories

Inventories of parts and fuel are stated at the lower of cost or market on a first-in, first-out basis (FIFO), and are accounted for under the consumption method.

Net Position

If expenses can be applied to either restricted or unrestricted balances, the government's policy is to apply them to restricted balances.

NOTE 2 - RISKS AND UNCERTAINTIES

Nature of Operations

The District is operated in a heavily regulated environment. The operations of the District are subject to the administrative directives, rules and regulations of federal and state agencies. Such administrative directives, rules, and regulations are subject to change by an act of Congress or the Legislature. Such changes may occur with little notice or inadequate funding to pay for the related cost, including the additional administrative burden, to comply with a change.

Current Vulnerabilities Due to Certain Concentrations

A large percentage of the District's funding revenues are from the Connecticut State Government. It is always considered to be reasonably possible that the State Government revenue could be lost or adjusted significantly in the near term.

NOTE 2 - RISKS AND UNCERTAINTIES (CONTINUED)

The total amount of the District's cash, stated at fair value, at June 30, 2021, is $112,122. The total amount of District deposits in financial institutions, per the bank statements, were $199,218 of which the total was covered by federal depository insurance. There were no remaining deposits that were uninsured or uncollateralized. The district has no policy regarding credit risk, custodial credit risk, or concentrations of credit risk. The district has not formally adopted deposit and investment policies.

Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Accordingly, actual results could differ from those estimates.

Significant Estimates

None of the estimates contained in the financial statements are considered significant.

NOTE 3 - RISK MANAGEMENT

The District is exposed to various risks of loss related to torts, thefts of, damage to, or destruction of assets; errors or omissions; injuries to employees; and natural disasters. The District purchases commercial insurance for certain risks of loss, including blanket umbrella policies. Settled claims have not exceeded commercial coverage in any of the past three years. There were no significant reductions in insurance coverage from amounts held in the prior year.

NOTE 4 - ALLOWANCE FOR UNCOLLECTIBLE ACCOUNTS

As of June 30, 2021 the allowance for uncollectible accounts was estimated at $0.

NOTE 5 - CAPITAL ASSETS

The following is a summary of changes in capital assets:

	Balance 7/1/2020	Additions	Deletions	Balance 6/30/2021
Capital assets (non-depreciable)				
Construction in progress	$ -	$ -	$ -	$ -
Total capital assets (non-depreciable)	-	-	-	-
Other capital assets				
Buses	11,818,199	1,126,576	-	12,944,775
Equipment	1,534,132	21,698	-	1,555,830
Service vehicles	289,942	67,961	-	357,903
Total other capital assets at historical cost	13,642,273	1,216,235	-	14,858,508
Less accumulated depreciation for:				
Buses	(2,071,440)	(1,069,178)	-	(3,140,618)
Equipment	(673,835)	(135,067)	-	(808,902)
Service vehicles	(161,827)	(48,697)	-	(210,524)
Total accumulated depreciation	(2,907,102)	(1,252,942)	-	(4,160,044)
Other capital assets, net	10,735,171	(36,707)	-	10,698,464
Capital assets, net	$10,735,171	$ (36,707)	$ -	$10,698,464

NOTE 6 – SHORT-TERM LIABILITIES

The following is a summary of outstanding short-term liabilities at June 30, 2021:

	2021
$1,000,000 Line of Credit - Issued for general cash flow demands during the year. Interest rate of People's United Bank prime rate plus 2.000%. Interest rate shall not be less than 3.200% nor more than 25.000%. All revenues, income, and profits, and any bank accounts, certificates of deposit, and other investments of the District have been pledged as collateral on the line of credit. In the event of a default, the lender may access the collateral, the lender may declare the entire unpaid principal balance and accrued interest under the note immediately due, and the interest rate on the note shall be increased by 5.000%. Per the note, an event of default is: "The failure of Borrower to provide financial statements as required hereunder or under the Loan Agreement, the Commitment Letter, or any other document related to the Note".	$ 125,219

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

	Balance 7/1/2020	Additions	Deletions	Balance 6/30/2021
Line of Credit	$ 440,219	$2,815,520	$(3,130,520)	$ 125,219
	$ 440,219	$2,815,520	$(3,130,520)	$ 125,219

NOTE 7 - DEFERRED COMPENSATION PLAN

There is a deferred compensation 457(b) plan administered in the District's name, but as it is administered by nongovernmental third parties and the plan administrators invest plan assets at the direction of the plan's participants, the plan is not reported in the financial statements of the District. The District does match an Employee's weekly contribution up to a maximum of $35 depending on the date of hire and position. The total amount of pension expense incurred by the District was $82,926 for year ending June 30, 2021.

NOTE 8 - CONTINGENCIES

There are various unrecorded suits and claims pending against the District, none of which individually or in the aggregate is believed by legal counsel to be likely to result in a judgment or judgments which would materially affect the District's financial position.

The District has received Federal and State contracts for specific purposes that are subject to review and audit by the contracting agencies. Such audits could lead to requests for reimbursement to the contracting agency for any expenditure disallowed under terms of the contract. Based upon prior experience, the District management believes such disallowance, if any, will not be material.

NOTE 9 – SUBSEQUENT EVENTS

Adoption of New Accounting Pronouncements –

The GASB has issued the following statements, which may require adoption subsequent to June 30, 2021. The District has not yet adopted these statements, and the implication on the District's fiscal practices and financial reports is being evaluated.

Statement No.	Title	Effective Date (FY begins after)
87	*Leases*	06/15/21
89	*Accounting for Interest Cost Incurred before the End of a Construction Period*	12/15/20
91	*Conduit Debt Obligations*	12/15/21
92	*Omnibus 2020*	06/15/21
94	*Public-Private and Public-Public Partnerships and Availability Payment Arrangements*	06/15/22
96	*Subscription-Based Information Technology Arrangements*	06/15/22
97	*Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation plans - an amendment of GASBS No. 14 and No. 84, and a supersession of GASBS No.32*	06/15/21

NOTE 10 - MANAGEMENT REVIEW

Management has reviewed subsequent events as of January 27, 2022, the date the financial statements were available to be issued. At that time there were no material subsequent events.

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INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION

To the Board of Directors of
Southeast Area Transit District
Preston, Connecticut

We have audited the financial statements of Southeast Area Transit District as of and for the year ended June 30, 2021, and have issued our report thereon dated January 27, 2022, which contained a qualified opinion on those financial statements because in-kind revenues and expenses associated with donated bus and equipment leases from the State of Connecticut were not recorded. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole.

Schedules A through B are presented for the purposes of additional analysis and are not a required part of the financial statements. Schedules A through B are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, except for the effects on the supplementary information of the qualified opinion on the financial statements for the in-kind revenues and expenses not recorded, Schedules A through B are fairly stated, in all material respects, in relation to the financial statements as a whole.

Ron L. Beaulieu & Co.

Portland, Maine
January 27, 2022

SCHEDULE A

SOUTHEAST AREA TRANSIT DISTRICT
COMBINING SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION BY DIVISION
YEAR ENDED JUNE 30, 2021

	General	ADA	Total
OPERATING REVENUES			
Passenger fares	$ 464,404	$ 10,342	$ 474,746
State government contracts	4,599,209	171,386	4,770,595
Local government contracts	561,808	-	561,808
Federal government contracts	1,738,488	-	1,738,488
Advertising revenue	31,529	-	31,529
In-kind revenue	360,112	-	360,112
Miscellaneous revenue	3,472	-	3,472
Total operating revenues	7,759,022	181,728	7,940,750
OPERATING EXPENSES			
Payroll	3,154,284	8,967	3,163,251
Payroll taxes	314,430	832	315,262
Fringe benefits	1,853,067	3,986	1,857,053
Services	453,273	217,143	670,416
Materials and supplies	758,131	18,786	776,917
Utilities	107,967	-	107,967
Insurance	56,459	-	56,459
Interest	13,294	-	13,294
Rent	360,112	-	360,112
Maintenance	599,747	-	599,747
Depreciation	1,252,943	-	1,252,943
Other	20,272	-	20,272
Total operating expenses	8,943,979	249,714	9,193,693
OPERATING INCOME (LOSS)	(1,184,957)	(67,986)	(1,252,943)
NON-OPERATING REVENUES (EXPENSES)			
Gain on disposal of capital asset	-	-	-
Interest	4	-	4
Total non-operating revenues (expenses)	4	-	4
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS	(1,184,953)	(67,986)	(1,252,939)
CAPITAL CONTRIBUTIONS	1,216,237	-	1,216,237
CHANGE IN NET POSITION	31,284	(67,986)	(36,702)
TOTAL NET POSITION - BEGINNING	11,719,992	(549,329)	11,170,663
TOTAL NET POSITION - ENDING	$ 11,751,276	$ (617,315)	$ 11,133,961

See accompanying independent auditors' report on supplementary information.

SOUTHEAST AREA TRANSIT DISTRICT
SCHEDULE OF REVENUES, FUNCTIONAL EXPENSES, AND CHANGES IN NET POSITION – GENERAL DIVISION
YEAR ENDED JUNE 30, 2021

REVENUES	
Intergovernmental revenue	
State government contracts	$ 4,599,209
Federal government contracts	1,738,488
Local government contracts	561,808
Total intergovernmental revenue	6,899,505
Transportation revenue	
Passenger fares	464,404
Total transportation revenue	464,404
Other revenue	
In-kind revenue	360,112
Advertising	31,529
Gain on disposal of capital asset	-
Miscellaneous	3,472
Total other revenue	395,113
Capital contributions	1,216,237
Total capital contributions	1,216,237
Interest income	4
Total interest income	4
Total revenues	8,975,263
EXPENSES	
Vehicle operations	
Payroll	2,357,852
Payroll taxes	238,728
Fringe benefits	1,451,800
Purchased services	19,062
Materials and supplies consumed	439,375
Depreciation	1,252,943
Miscellaneous	-
Total vehicle operations	5,759,760
Vehicle maintenance	
Payroll	625,104
Payroll taxes	59,210
Fringe benefits	305,604
Purchased services	96,783
Materials and supplies consumed	275,875
Maintenance	599,747
Miscellaneous	68
Total vehicle maintenance	$ 1,962,391

See accompanying independent auditors' report on supplementary information.

SOUTHEAST AREA TRANSIT DISTRICT
SCHEDULE OF REVENUES, FUNCTIONAL EXPENSES, AND CHANGES IN NET POSITION - GENERAL DIVISION
YEAR ENDED JUNE 30, 2021

Non-vehicle Maintenance	
Purchased services	$ 54,784
Insurance	48,260
Materials and supplies consumed	16,836
Total non-vehicle maintenance	119,880
General administration	
Payroll	171,328
Payroll taxes	16,492
Fringe benefits	95,663
Purchased services	282,644
Materials and supplies consumed	26,045
Utilities	107,967
Casualty and liability insurance	8,199
Interest	13,294
Rent	360,112
Miscellaneous	20,204
Total general administration	1,101,948
Total expenditures	8,943,979
Revenues over expenditures	31,284
TOTAL NET POSITION - BEGINNING	11,719,992
TOTAL NET POSITION - ENDING	$ 11,751,276

See accompanying independent auditors' report on supplementary information.

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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Directors of
Southeast Area Transit District
Preston, Connecticut

We have audited, 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 the financial statements of Southeast Area Transit District, which comprise the statement of net position as of June 30, 2021, and the related statements of revenues, expenses, and changes in net position, and cash flows for the year ended, and the related notes to the financial statements, and have issued our report thereon dated January 27, 2022, which contained a qualified opinion on those financial statements.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Southeast Area Transit District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Southeast Area Transit District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Southeast Area Transit District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Southeast Area Transit District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of Southeast Area Transit District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Southeast Area Transit District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Ron L. Beaulieu & Co.

Portland, Maine
January 27, 2022

STATE OF CONNECTICUT
OFFICE OF POLICY AND MANAGEMENT
OFFICE OF FINANCE

FY 2020-2021 MUNICIPAL AUDIT QUESTIONNAIRE

❖ This Questionnaire is required to be submitted to OPM with the audit reports of municipalities and audited agencies (as defined under Section 7-391 of the Connecticut General Statutes).

Name of Auditee Southeast Area Transit District

Fiscal Period under Audit July 1, 2020 - June 30, 2021

Ron L. Beaulieu & Company, CPAs
(Audit Firm Name)

Ron L. Beaulieu & Co.
(Signature)

January 27, 2022
(Date)

This Questionnaire was reviewed with and a copy given to:

Thailisa Clark on January 27, 2022
Name of Municipal Official — Date

Finance Director — 860-886-6097
Title of Municipal Official — Telephone

		YES	NO	NA
1.	Did you inform the town, city or Borough clerk of that part of Section 7-394 of the General Statutes which provides that within one week after receiving the audit report he/she shall cause to be published a legal notice in a newspaper having a substantial circulation in the municipality that the report is on file in said clerk's office?	X		
2.	Did you obtain a letter from municipal counsel with respect to unpaid or pending judgments and as to any other legal proceeding affecting the municipality's finances?		X	
3.	Were financial statements and/or books and records of the entity made available within a reasonable time after the close of the fiscal year?	X		
4.	Did the entity issue tax anticipation notes (TANs) during the fiscal year? (If yes, the notes to the financial statements should provide details regarding such TANs, including the purpose for which the TANs were issued.)		X	
5.	Was a separate management letter issued in addition to the Internal Control Report? If so, it must be submitted to the Office of Policy and Management with the audit report.		X	
6.	Were municipal officials (including the chief elected or executive official and governing body of the municipal entity) made aware of findings and recommendations resulting from the audit?			X
7.	Federal Single Audit Act as Amended, 1996; Uniform Guidance for Federal Awards (Title 2 of CFR, 12/26/13)			
	(a) Did you conduct a Single Audit of Federal Financial Assistance expended by the entity for FY 2020-21?	X		
	(b) Is a copy of the Single Audit included in the reporting package submitted?		X	
8.	State Single Audit (SSA) Act as amended by P.A. 09-7; Regulations to the SSA Act as amended by P.A. 09-7			
	(a) Did you conduct a Single Audit of state financial assistance expended by the entity for FY 2020-21 or a program-specific audit of the entity's sole state program?	X		
	(b) Is a copy of the State Single Audit or program-specific audit included in the reporting package submitted?	X		

		YES	NO	NA
(c)	If applicable, did officials prepare a Corrective Action Plan (CAP) in sufficient time for inclusion in the audit report package [C.G.S. Sec.4-233(d)] to be filed with OPM as the cognizant state agency (hardcopy and electronic)?	____	____	X
(d)	Did you upload the corrective action plan with the audit report package on OPM's Electronic Audit Reporting System?	____	____	X

Southeast Area Transit District

Federal Single Audit Reports

June 30, 2021

Ron L. Beaulieu & Company

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SOUTHEAST AREA TRANSIT DISTRICT

JUNE 30, 2021

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INDEPENDENT AUDITORS' REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE

To the Board of Directors of
Southeast Area Transit District
Preston, Connecticut

We have audited the financial statements of Southeast Area Transit District, as of and for the year ended June 30, 2021, and the related notes to the financial statements. We issued our report thereon dated January 27, 2022 which contained a qualified opinion on those financial statements because management has not recorded in-kind revenues and expenses associated with donated bus and equipment leases from the State of Connecticut. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

Ron L. Beaulieu & Co.

Portland, Maine
March 30, 2022

SOUTHEAST AREA TRANSIT DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2021

Federal Grantor Pass-through Grantor Program or Cluster Title	Federal CFDA Number	Pass - through Entity Identifying Number	Total Federal Expenditures
U.S Department of Transportation			
Federal Transit Cluster:			
Federal Transit Formula Grants	20.507	N/A	$ 1,437,959
COVID-19 - Federal Transit Formula Grants	20.507	N/A	1,270,270
Subtotal: Federal Transit Formula Grants			2,708,229
Total Expenditures of Federal Awards			$ 2,708,229

See accompanying independent auditors' report and management's notes to schedule of expenditures of federal awards.

SOUTHEAST AREA TRANSIT DISTRICT
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2021

NOTE 1- BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Southeast Area Transit District under programs of the federal government for the year ended June 30, 2021. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Southeast Area Transit District, it is not intended to and does not present the financial position, changes in net position, or cash flows of Southeast Area Transit District.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 3 – INDIRECT COST RATE

Southeast Area Transit District has elected not to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance.

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Board of Directors of
Southeast Area Transit District
Preston, Connecticut

Report on Compliance for Each Major Federal Program

We have audited Southeast Area Transit District's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Southeast Area Transit District's major federal programs for the year ended June 30, 2021. Southeast Area Transit District's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statues, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of Southeast Area Transit District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Southeast Area Transit District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Southeast Area Transit District's compliance.

Opinion on Each Major Federal Program

In our opinion, Southeast Area Transit District, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

Report on Internal Control over Compliance

Management of Southeast Area Transit District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Southeast Area Transit District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Southeast Area Transit District's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Ron L. Beaulieu & Co.

Portland, Maine
March 30, 2022

SOUTHEAST AREA TRANSIT DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2021

Section I - Summary of Auditors' Results

Financial Statements

Type of auditors' report issued:	qualified
Internal control over financial reporting:	
Significant deficiency disclosed	____ yes __x__ no
Material weakness disclosed	____ yes __x__ no
Material noncompliance disclosed	____ yes __x__ no

Federal Awards

Internal control over major programs:	
Significant deficiency disclosed	____ yes __x__ no
Material weakness disclosed	____ yes __x__ no
Type of auditors' report issued on compliance for major programs:	unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	____ yes __x__ no

Identification of Major Programs

Name of Federal Program or Cluster	CFDA Number
Federal Transit - Formula Grants	20.507

Dollar threshold to distinguish between Type A and Type B programs:	$ 750,000
Auditee qualified as low-risk auditee?	____ yes __x__ no

SOUTHEAST AREA TRANSIT DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2021

SECTION II FINDINGS – FINANCIAL STATEMENT AUDIT

No Findings

SECTION III FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS

No Findings

Southeast Area Transit District

State Single Audit Reports

June 30, 2021

Ron L. Beaulieu & Company

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SOUTHEAST AREA TRANSIT DISTRICT

JUNE 30, 2021

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INDEPENDENT AUDITORS' REPORTS ON COMPLIANCE FOR EACH MAJOR STATE PROGRAM, INTERNAL CONTROL OVER COMPLIANCE, AND SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE REQUIRED BY THE STATE SINGLE AUDIT ACT

To the Board of Directors of
Southeast Area Transit District
Preston, Connecticut

Report on Compliance for Each Major State Program

We have audited Southeast Area Transit District's compliance with the types of compliance requirements described in the Office of Policy and Management's *Compliance Supplement* that could have a direct and material effect on each of Southeast Area Transit District's major state programs for the year ended June 30, 2021. Southeast Area Transit District's major state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts and grants applicable to its state programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of Southeast Area Transit District's major state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the State Single Audit Act (C.G.S. Sections 4-230 to 4-236). Those standards and the State Single Audit Act require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major state program occurred. An audit includes examining, on a test basis, evidence about Southeast Area Transit District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major state program. However, our audit does not provide a legal determination of Southeast Area Transit District's compliance.

Opinion on Each Major State Program

In our opinion, Southeast Area Transit District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the year ended June 30, 2021.

Report on Internal Control over Compliance

Management of Southeast Area Transit District, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Southeast Area Transit District's internal control over compliance with the types of requirements that could have a direct and material effect on each major state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major state program and to test and report on internal control over compliance in accordance with the State Single Audit Act, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Southeast Area Transit District's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a state program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a state program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the State Single Audit Act. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of State Financial Assistance Required by the State Single Audit Act

We have audited the financial statements of Southeast Area Transit District, as of and for the year ended June 30, 2021 and have issued our report thereon dated January 27, 2022, which contained a qualified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of state financial assistance is presented for purposes of additional analysis as required by the State Single Audit Act and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of state financial assistance is fairly stated in all material respects in relation to the financial statements as a whole.

Ron L. Beaulieu & Co.

Portland, Maine
January 27, 2022

SOUTHEAST AREA TRANSIT DISTRICT
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
YEAR ENDED JUNE 30, 2021

STATE GRANTOR PASS-THROUGH GRANTOR PROGRAM TITLE	STATE GRANT PROGRAM CORE-CT NUMBER	EXPENDITURES
Department of Transportation		
Bus Operations	12001-DOT57000-12175	$ 4,845,703
ADA	12001-DOT57000-12378	171,386
TOTAL STATE FINANCIAL ASSISTANCE		$ 5,017,089

See accompanying independent auditors' report and management's notes to schedule of expenditures of state financial assistance.

The accompanying schedule of expenditures of state financial assistance includes state grant activity of the Southeast Area Transit District under programs of the State of Connecticut for the fiscal year ended June 30, 2021. Various departments and agencies of the State of Connecticut have provided financial assistance through grants and other authorizations in accordance with the General Statutes of the State of Connecticut. These financial assistance programs fund several programs including fixed route services, ADA specialized transit services, and capital asset purchases.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Southeast Area Transit District conform to accounting principles generally accepted in the United States of America as applicable to governments.

The information in the Schedule of Expenditures of State Financial Assistance is presented based upon regulations established by the State of Connecticut, Office of Policy and Management.

Basis of Accounting

The expenditures reported on the Schedule of Expenditures of State Financial Assistance are reported on the accrual basis of accounting. In accordance with Section 4-236-22 of the Regulations to the State Single Audit Act, certain grants are not dependent on expenditure activity, and accordingly, are considered to be expended in the fiscal year of receipt. These grant program receipts are reflected in the expenditures column of the Schedule of Expenditures of State Financial Assistance.

SOUTHEAST AREA TRANSIT DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2021

I. SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' opinion issued: Qualified

Internal control over financial reporting:

- Material weakness(es) identified? ______ yes ___X___ no
- Significant deficiency(ies) identified? ______ yes ___X___ none reported

Noncompliance material to financial statements noted? ______ yes ___X___ no

State Financial Assistance

Internal control over major programs:

- Material weakness(es) identified? ______ yes ___X___ no
- Significant deficiency(ies) identified? ______ yes ___X___ none reported

Type of auditors' opinion issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with Section 4-236-24 of the Regulations to the State Single Audit Act? ______ yes ___X___ no

- The following schedule reflects the major programs included in the audit:

State Grantor and Program	State Core-CT Number	Expenditures
Department of Transportation Bus Operations	12001-DOT57000-12175	$ 4,845,703

- Dollar threshold used to distinguish between type A and type B programs $ 200,000

II. FINANCIAL STATEMENT FINDINGS

- We have issued reports, dated January 27, 2022 on internal control over financial reporting and on compliance and other matters based on an audit of financial statements performed in accordance with *Government Auditing Standards.*

- Our report on compliance indicated no reportable instances of noncompliance.

- Our report on internal control over financial reporting indicated no significant deficiencies.

III. STATE FINANCIAL ASSISTANCE FINDINGS AND QUESTIONED COSTS

- No findings or questioned costs are reported related to State Financial Assistance programs.

SEAT Summary of Town Support

	FY21	FY22	FY23	FY24 Requested	FY24 Requested *
East Lyme	$ 9,200	$ 9,430	$ 9,430	$ 10,373	$ 10,373
Griswold	$ 10,657	$ 10,923	$ 10,923	$ 12,015	$ 12,015
Lisbon	$ 23,412	$ 239,997	$ 23,997	$ 26,397	$ 26,397
Groton*	$ 90,416	$ 92,676	$ 92,676	$ 101,944	$ 184,279
Montville	$ 19,444	$ 19,930	$ 19,930	$ 21,923	$ 21,923
New London*	$ 152,020	$ 155,821	$ 155,821	$ 171,403	$ 293,171
Norwich	$ 182,653	$ 187,219	$ 187,219	$ 205,941	$ 205,941
Stonington	$ 25,292	$ 25,924	$ 25,924	$ 28,516	$ 28,516
Waterford	$ 35,013	$ 35,888	$ 35,888	$ 39,477	$ 39,477

** Includes Additional MicroTransit services*

Southeast Area Transit
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October FY 2023

Current Month Actual	Current Month Plan	Current Month Variance $	Current Month Variance %	CONSOLIDATED SEAT	Year to Date Actual	Year to Date Plan	Year to Date Variance $	Year to Date Variance %	Budget Analysis Earned % 2022 Budget	Budget Analysis Actual % 2022 Budget
				OPERATING AND OTHER REVENUES						
				PASSENGER REVENUES						
$ -	$ 59,588	$ (59,588)	-100.00%	Fixed Route Transit Passenger	$ -	$ 238,353	$ (238,353)	-100.00%	33.33%	0.00%
$ 72	$ 1,973	$ (1,901)	-96.34%	Demand Response Passenger	$ 4,581	$ 7,891	$ (3,310)	-41.95%	33.33%	19.35%
$ 72	$ 61,561	$ (61,489)	-99.88%	Total Passenger Revenue	$ 4,581	$ 246,245	$ (241,664)	-98.14%	33.33%	0.62%
				GOVERNMENT GRANTS						
$ 48,222	$ 48,222	$ 0	0.00%	Local Government Grants	$ 192,888	$ 192,888	$ 0	0.00%	33.33%	33.33%
$ 450,286	$ 399,935	$ 50,351	12.59%	State Government Grants	$ 1,801,144	$ 1,599,738	$ 201,406	12.59%	33.33%	37.53%
$ (130,000)	$ 184,199	$ (314,199)	-170.58%	Federal CARES Grant	$ 539,150	$ 736,797	$ (197,647)	-26.83%	405.23%	296.52%
$ 16,711	$ 15,152	$ 1,559	10.29%	State Government Grants - ADA	$ 66,843	$ 60,608	$ 6,235	10.29%	33.33%	36.76%
$ 385,219	$ 647,508	$ (262,289)	-40.51%	Total Grant Revenue	$ 2,600,025	$ 2,590,031	$ 9,993	0.39%	46.59%	46.77%
				OTHER REVENUES						
$ 9,035	$ 3,052	$ 5,984	196%	Advertising/Misc Revenue	$ 20,829	$ 12,206	$ 8,623	70.65%	33.33%	56.88%
$ 9,035	$ 3,052	$ 5,984	196%	Total Other Income	$ 20,829	$ 12,206	$ 8,623	70.65%	33.33%	56.88%
$ -	$ 184,199	$ (184,199)	-100%	ST of CT- Insurance Reimbursement (SIR)	$ -	$ -	$ -	#DIV/0!	0.00%	0.00%
$ 403,362	$ 712,121	$ (496,010)	-43.36%	**TOTAL REVENUES**	$ 2,625,435	$ 2,848,482	$ (223,047)	-7.83%	32.73%	30.16%

Southeast Area Transit
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Current Month Actual	Current Month Plan	Current Month Variance $	Current Month Variance %	CONSOLIDATED SEAT	Year to Date Actual	Year to Date Plan	Year to Date Variance $	Year to Date Variance %	Budget Analysis Earned % 2022 Budget	Budget Analysis Actual % 2022 Budget
				OPERATING EXPENSES						
$ 141,503	$ 185,160	$ 43,657	-23.58%	Operators' Salaries & Wages	$ 649,562	$ 740,641	$ 91,079	-12.30%	33.33%	29.23%
$ 34,292	$ 31,101	$ (3,191)	10.26%	Operators Overtime	186,907	124,404	(62,502)	50.24%	33.33%	50.08%
$ 88,883	$ 107,376	$ 18,493	-17.22%	Other Salaries & Wages	$ 407,981	$ 429,502	$ 21,521	-5.01%	33.33%	31.66%
$ 264,678	$ 323,637	$ 58,959	-18.22%	Total Salaries & Wages	1,244,450	1,294,548	50,098	-3.87%	33.33%	32.88%
$ 191,575	$ 213,098	$ 21,523	-10.10%	Fringe Benefits	$ 817,907	$ 852,393	$ 34,486	-4.05%	33.33%	31.98%
$ 36,769	$ 28,698	$ (8,071)	28.12%	Services	$ 152,635	$ 114,791	$ (37,844)	32.97%	33.33%	44.32%
				Materials & Supplies						
$ 58,238	$ 62,523	$ 4,285	-6.85%	Fuel & Lubricants	$ 227,126	$ 250,092	$ 22,965	-9.18%	33.33%	30.27%
$ 13,342	$ 5,293	$ (8,049)	152.07%	Tires & Tubes	$ 63,213	$ 21,173	$ (42,041)	198.56%	33.33%	99.52%
$ 8,803	$ 29,915	$ 21,113	-70.57%	Other Materials	$ 26,252	$ 119,662	$ 93,410	-78.06%	33.33%	7.31%
$ 80,383	$ 97,731	$ 17,348	-17.75%	Total Materials & Supplies	316,591	390,926	74,334	-19.01%	33.17%	26.86%
$ 25,479	$ 27,451	$ 1,972	-7.19%	Purchased Transportation	$ 97,510	$ 109,804	$ 12,295	-11.20%	33.33%	29.60%
$ 867	$ 5,039	$ 1,730	-34.32%	Casualty & Liability	$ 3,469	$ 20,157	$ 16,688	-82.79%	33.33%	5.74%
$ 3,309	$ 4,004	$ 1,276	-31.86%	Utilities	$ 15,017	$ 16,018	$ 1,000	-6.25%	33.33%	31.25%
$ 2,729	$ 2,174	$ (2,029)	93.34%	Telephone Expense	$ 10,817	$ 8,696	$ (2,121)	24.39%	33.33%	41.46%
$ 4,203	$ 1,431	$ 1,431	-100.00%	Interest Expense	$ 11,986	$ 5,725	$ (6,261)	109.36%	33.33%	69.79%
$ -	$ 6,654	$ (6,654)	0.00%	Receivable Adjustment	$ -	$ 26,616	$ (26,616)	0.00%	0.00%	0.00%
$ 19,923	$ 4,626	$ (15,297)	330.68%	Other - Shipping, Bldg, Veh Mntce Exp	$ 60,285	$ 20,420	$ (39,865)	195.22%	100.00%	171.52%
$ -	$ -	$ -	#DIV/0!	Cont Maint Svc:	$ -	$ -	$ -	#DIV/0!	0.00%	0.00%
$ -	$ 6,654	$ (6,654)	-100.00%	Other Income & Expense	$ 12,023	$ 26,616	$ 14,594	-54.83%	100.00%	1.23%
$ 629,916	$ 721,199	$ 91,283	-12.66%	**TOTAL SEAT EXPENSES**	$ 2 742,690	$ 2,886,710	$ 144,021			
$ (115)				**Capital/Depreciation**	$ -					
$ (226,554)	$ (9,078)	$ (217,476)	0.00%	**Net Income/Loss from Operations**	$ (117,255)	$ (38,228)	$ (79,027)	0.00%		

Revenue MTD	Expense MTD	Surplus/Deficit	Operations Net by Program	Revenue YTD	Expense YTD	Surplus/Deficit
$ 524,326	$ 607,904	$ 83,578	**Fixed Route**	$ 2.097,949	$ 710,277	$ 1,387,672
$ 16,711	$ 30,025	$ (13,314)	**ADA**	$ 66,843	$ 115,742	$ (48,899)
$ -	$ 44,390	$ (44,390)	**NL Micro**	$ 2,256	$ 183,199	$ (180,943)
$ 105,591	$ -	$ 105,591	**CARES Supplement**	$ 644,741	$ -	$ (644,741)
$ 646,628	$ 682,319	$ 131,465	**Combined**	$ 2,811,788	$ 1,009,218	$ (1,802,571)

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Current Month Actual	Plan	Variance $	Variance %	FIXED ROUTE OPERATING EXPENSE	Year to Date Actual	Plan	Variance $	Variance %	Budget Analysis Earned % 2022 Budget	Actual % 2022 Budget
$ 122,529	$ 185,160	$ 62,632	-33.83%	Operators' Salaries & Wages	$ 581,168	$ 740,641	$ 159,474	-21.53%	33.33%	26.16%
$ 20,610	$ 31,101	$ 10,491	-33.73%	'Operator Overtime	$ 138,235	$ 124,404	$ (13,830)	11.12%	33.33%	37.04%
$ 20,455	$ 26,543	$ 6,087	-22.93%	'Ops. Supv & Dispatch Wages	$ 95,548	$ 106,171	$ 10,623	-10.01%	33.33%	30.00%
$ 163,594	$ 242,804	$ 79,210	-32.62%	Total Salaries & Wages	$ 814,950	$ 971,216	$ 156,266	-16.09%	33.33%	27.97%
$ 143,293	$ 162,712	$ (19,420)	-11.93%	Fringe Benefits	$ 610,265	$ 650,849	$ 40,584	-6.24%	33.33%	31.25%
$ 962	$ -	$ (962)	0.00%	HR & Other Services	$ 3,773	$ -	$ (3,773)	0.00%	0.00%	0.00%
				Materials & Supplies						
$ 41,106	$ 53,168	$ (12,062)	-22.69%	Fuel & Lubricants	$ 170,207	$ 212,673	$ 42,466	-19.97%	33.33%	26.68%
$ 4,484	$ 5,293	$ (809)	-15.29%	Tires & Tubes	$ 17,936	$ 21,173	$ 3,236	-15.29%	33.33%	28.24%
$ 6,593	$ 6,434	$ 159	2.47%	Other Materials	$ 20,238	$ 25,736	$ 5,498	-21.36%	33.33%	26.21%
$ 52,183	$ 64,895	$ (12,713)	-19.59%	Total Materials & Supplies	$ 208,381	$ 259,581	$ 51,200	-19.72%	33.33%	26.76%
$ 61	$ 1,232	$ (1,171)	0.00%	Other - Shipping, Bldg, Veh Mntce Exp	$ 109	$ 4,927	$ 4,927	0.00%	0.00%	0.00%
$ 360,093	$ 471,644	$ (111,551)	-23.65%	**Total FR Operations Expense**	$ 1,637,479	$ 1,886,574	$ 249,095	-13.20%	33.33%	28.93%

Current Month Actual	Plan	Variance $	Variance %	FIXED ROUTE MAINTENANCE EXPENSE	Year to Date Actual	Plan	Variance $	Variance %	Budget Analysis Earned % 2022 Budget	Actual % 2022 Budget
$ 39,441	$ 52,114	$ (12,673)	-24.32%	Maint Supv., Mech, & Svc Lane Wages	$ 184,025	$ 208,457	$ 24,432	-11.72%	33.33%	29.43%
$ 4,745	$ 8,219	$ (3,474)	-42.27%	Maintenance Overtime	$ 25,887	$ 32,878	$ 6,991	-21.26%	33.33%	26.25%
$ 26,967	$ 39,482	$ (12,515)	-31.70%	Fringe Benefits	$ 128,204	$ 157,926	$ 29,722	-18.82%	33.33%	27.06%
$ 12,246	$ 5,945	$ 6,301	106.00%	Vehicle and Bldg MNTC Services	$ 41,565	$ 23,778	$ (17,787)	74.80%	33.33%	58.27%
				Materials & Supplies						
$ 5,560	$ 3,165	$ 2,395	75.67%	Fuel & Lubricants	$ 24,126	$ 12,660	$ (11,466)	90.56%	33.33%	63.52%
$ 5,157	$ -	$ 5,157	#DIV/0!	Tires and Tubes	$ 21,095	$ -	$ (21,095)	#DIV/0!	0.00%	55.54%
$ 19,857	$ -	$ 19,857	0.00%	Misc Travel/Training	$ 59,868	$ 1,916	$ (57,952)	0.00%	5.04%	157.62%
$ -	$ 20,365	$ (20,365)	-100.00%	Other Materials	$ -	$ 81,460	$ 81,460	-100.00%	33.33%	0.00%
$ 30,574	$ 23,530	$ 7,044	29.93%	Total Materials & Supplies	$ 105,089	$ 96,037	$ (9,053)	9.43%	33.33%	36.48%
$ 113,973	$ 129,290	$ (15,317)	-11.85%	**Total FR Maintenance Expenses**	$ 484,771	$ 519,076	$ 34,305	-6.61%	33.33%	31.13%

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Current Month Actual	Current Month Plan	Current Month Variance $	Current Month Variance %	FIXED ROUTE ADMINISTRATION EXPENSE	Year to Date Actual	Year to Date Plan	Year to Date Variance $	Year to Date Variance %	Budget Analysis Earned % 2022 Budget	Budget Analysis Actual % 2022 Budget
$ 18,866	$ 19,714	$ 848	-4.30%	Salaries & Wages	$ 79,753	$ 78,857	$ (896)	1.14%	33.33%	33.71%
$ 11,141	$ 10,500	$ (642)	6.11%	Fringe Benefits	$ 42,581	$ 41,999	$ (582)	1.39%	33.33%	33.80%
$ 17,974	$ 15,457	$ (2,517)	16.28%	Management Services	$ 71,897	$ 61,829	$ (10,069)	16.28%	33.33%	38.76%
$ 5,311	$ 4,326	$ (984)	22.75%	Professional/Technical Services	$ 31,124	$ 17,305	$ (13,818)	79.85%	33.33%	59.95%
$ 276	$ 2,970	$ 2,693	-90.70%	Other Admin Services	$ 2,480	$ 11,879	$ 9,399	-79.12%	33.33%	6.96%
$ 23,561	$ 22,753	$ (808)	3.55%	Total Services	$ 105,501	$ 91,013	$ (14,488)	15.92%		
$ 4,277	$ 4,324	$ 47	0.00%	Fuel & Lubricants (Htg Oil)	$ 4,169	$ 17,297	$ 13,128	0.00%	33.33%	8.03%
$ 1,421	$ 2,855	$ 1,434	-50.22%	Other Materials	$ 1,228	$ 11,419	$ 10,192	-89.25%	33.33%	3.58%
$ 5,698	$ 7,179	$ 1,481	-20.63%	Total Materials & Supplies	$ 5,396	$ 28,716	$ 23,320	-81.21%	33.33%	6.26%
$ 867	$ 5,039	$ 4,172	-82.79%	Casualty & Liability	$ 3,469	$ 20,157	$ 16,688	-82.79%	33.33%	5.74%
$ 3,309	$ 4,004	$ 695	-17.35%	Utilities	$ 15,017	$ 16,018	$ 1,000	-6.25%	33.33%	31.25%
$ 2,729	$ 2,174	$ (555)	25.51%	Telephone Expense	$ 10,817	$ 8,696	$ (2,121)	24.39%	33.33%	41.46%
$ 4,203	$ 1,431	$ (2,772)	193.66%	Interest Expense	$ 11,986	$ 5,725	$ (6,261)	109.36%	33.33%	69.79%
$ -	$ 6,654	$ (6,654)	0.00%	Leases & Rentals	$ -	$ 26,616	$ (26,616)	0.00%	0.00%	0.00%
$ -	$ 6,654	$ (6,654)	0.00%	Other Inc& Exp: **Insurance Reimb Expense**	$ 12,023	$ 26,616	$ 14,594	0.00%	0.00%	0.00%
$ 53	$ 1,697	$ 1,644	-96.88%	Other - Shipping, Bldg, Veh Mntce Exp	$ 308	$ 6,788	$ 6,481	-95.47%	33.33%	1.51%
$ (48)	$ 1,697	$ 1,745	-102.81%	Employee Appreciation/Awards - ADMIN	$ -	$ 6,788.50	$ 6,788	-100.00%	33.33%	0.00%
$ 70,381	$ 89,498	$ (7,500)	-21.36%	**Total FR Admin Expenses**	$ 286,851	$ 357,990	$ 17,907	-19.87%	36.76%	29.46%
$ 544,447	**$ 690,431**	**$ (134,368)**	**-21.14%**	**TOTAL FIXED ROUTE EXPENSE**	**$ 2,409,101**	**$ 2,763,640**	**$ 301,307**	**-12.83%**	**44.97%**	**39.20%**

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Current Month				ADA	Year to Date				Budget Analysis	
Actual	Plan	Variance $	Variance %	TRANSIT EXPENSE	Actual	Plan	Variance $	Variance %	Earned % 2022 Budget	Actual % 2022 Budget
$ -	$ -	$ -	#DIV/0!	Operators' Salaries & Wages	$ -	0	$ -	#DIV/0!	0.00%	0.00%
$ 759	$ 785	$ 26	-3.28%	MAINT & ADMIN Wages	$ 3,146	$ 3,140	$ (6)	0.20%	33.33%	33.40%
$ 759	$ 785	$ 26	-3.28%	Total Salaries & Wages	$ 3,146	$ 3,140	$ (6)	0.20%	33.33%	33.40%
							$ -			
$ 397	$ 405	$ 8	-1.94%	Fringe Benefits	$ 1,645	$ 1,619	$ (26)	1.60%	33.33%	33.87%
							$ -			
$ -	$ -	$ -	#DIV/0!	Vehicle Maint Contracted Service	$ -	$ -	$ -	0.00%	0.00%	0.00%
				Materials & Supplies						
$ 2,707	$ 1,865	$ (841)	45.11%	Fuel & Lubricants	$ 9,582	$ 7,461	$ (2,121)	28.42%	33.33%	42.81%
$ -	$ -	$ -	0.00%	Tires & Tubes	$ -	$ -	$ -	#DIV/0!	#DIV/0!	#DIV/0!
$ 683	$ 262	$ (422)	161.28%	Other Materials	$ 3,860	$ 1,046	$ (2,814)	268.92%	33.33%	122.97%
$ 3,390	$ 2,127	$ (1,263)	59.40%	Total Materials & Supplies	$ 13,442	$ 8,507	$ (4,934)	58.00%	33.33%	52.67%
							$ -			
$ 25,479	$ 27,451	$ 1,972	-7.19%	Purchased Transportation	$ 97,510	$ 109,804	$ 12,295	-11.20%	33.33%	29.60%
$ 30,025	**$ 30,768**	**$ 743**	**-2.41%**	**Total ADA Expense**	**$ 115,742**	**$ 123,070**	**$ 7,328**	**-5.95%**	**33.33%**	**31.35%**

SEAT Revenue

	FY22 Actual	FY23 Projected	FY24 Plan	Percent of Total Revenue	FY23/FY24 Variance	FY23/FY24 % Change
Revenue						
Passenger Fares - Bus	$ 490,395	$ 240,000	$ 960,000	10%	$ 720,000	300%
Passenger Fares - Stop & Shop	$ -	$ 5,000	$ 10,000	0.1%	$ 5,000	100%
Passenger Fares - ADA	$ 9,108	$ 4,800	$ 12,000	0.1%	$ 7,200	150%
Passenger Fares - HOP	$ -	$ 2,000	$ 6,000	0.1%	$ 4,000	200%
Passenger Fares - Smart Ride	$ -	$ 18,072	$ 36,000	0.4%	$ 17,928	99%
WTW - ECWIB/DSS	$ -	$ 5,000	$ 10,000	0.1%	$ 5,000	100%
Total	**$ 499,503**	**$ 274,872**	**$ 1,034,000**	**11%**	**$ 759,128**	**276%**
Subsidies						
Local Government Grants	$ 561,810	$ 578,664	$ 636,530	7%	$ 57,866	10%
State Grants - Bus	$ 4,659,432	$ 5,403,432	$ 5,903,587	63%	$ 500,155	9%
State Grants - ADA	$ 176,528	$ 200,529	$ 270,381	3%	$ 69,852	35%
State Grants - HOP	$ -	$ -	$ 238,833	3%	$ 238,833	#DIV/0!
State Grants - Smart Ride	$ -	$ -	$ 426,558	5%	$ 426,558	#DIV/0!
State Free Fare Reimbursement	$ -	$ 540,000	$ -	0%	$ (540,000)	-100%
FTA ARP Grant	$ 1,248,166	$ 1,617,450	$ 556,609	6%	$ (1,060,841)	-66%
FTA PM Capital			$ 200,000	2%		
State PM Capital			$ 40,000	0%		
Total	**$ 6,645,936**	**$ 8,340,075**	**$ 8,272,499**	**88%**	**$ (307,576)**	**-1%**
Miscellaneous	$ -					
Advertising	$ 38,573	$ 62,487	$ 62,487	1%	$ -	0%
Interest	$ -	$ -	$ -	0%	$ -	#DIV/0!
SIR	$ 75,854	$ -	$ -	0%	$ -	#DIV/0!
Miscellaneous	$ -	$ -	$ -	0%	$ -	#DIV/0!
Total	**$ 114,427**	**$ 62,487**	**$ 62,487**	**1%**	**$ -**	**0%**
Total Revenue	**$ 7,259,866**	**$ 8,677,434**	**$ 9,368,986**		**$ 451,552**	**8%**

SEAT Expenses - Consolidated (All Modes)

Operations

	FY22 Actual	FY23 Projected	FY24 Plan	FY23/FY24 Variance	FY23/FY24 % Change
Operator Wages	$ 1,680,989	$ 2,000,874	$ 2,060,831	$ 59,957.42	3.0%
Operator Overtime	$ 346,848	$ 577,062	$ 594,364	$ 17,301.54	3%
Other Wages/Overtime	$ 243,444	$ 345,507	$ 414,112	$ 68,605.21	20%
Fringe Benefits	$ 1,629,240	$ 2,056,434	$ 2,262,077	$ 205,643.40	10%
Contracted Services	$ 11,543	$ 303,849	$ 318,815	$ 14,966.07	5%
Tires & Tubes	$ 61,099	$ 128,168	$ 137,218	$ 9,050.24	7%
Fuel	$ 350,970	$ 609,585	$ 829,668	$ 220,082.64	36%
Other Materials/Supplies	$ 72,863	$ 60,714	$ 62,535	$ 1,821.42	3%
Miscellaneous	$ -	$ 327	$ 337	$ 9.81	3%
Total	**$ 4,396,996**	**$ 6,082,520**	**$ 6,679,958**	**$ 597,437.75**	**10%**

Maintenance

	FY22 Actual	FY23 Projected	FY24 Plan	FY23/FY24 Variance	FY23/FY24 % Change
Saleries/Wages	$ 570,421	$ 561,513	$ 636,598	$ 75,085.39	13%
Maintenance Overtime	$ 98,074	$ 77,661	$ 79,991	$ 2,329.83	3%
Fringe Benefits	$ 386,399	$ 389,547	$ 428,502	$ 38,954.70	10%
Contracted Services	$ 137,080	$ 130,083	$ 143,091	$ 13,008.30	10%
Fuel/Lubricants	$ 63,940	$ 72,534	$ 79,797	$ 7,262.76	10%
Other Materials/Supplies	$ 189,485	$ 257,250	$ 282,975	$ 25,725.00	10%
Miscellaneous	$ -	$ -	$ -	$ -	#DIV/0!
Total	**$ 1,445,399**	**$ 1,488,588**	**$ 1,650,954**	**$ 162,365.98**	**11%**

Administration

	FY22 Actual	FY23 Projected	FY24 Plan	FY23/FY24 Variance	FY23/FY24 % Change
Salaries/Wages	$ 208,658	$ 239,259	$ 300,257	$ 60,997.77	25%
Overtime	$ -	$ -	$ -	$ -	#DIV/0!
Fringe Benefits	$ 98,854	$ 127,743	$ 140,517	$ 12,774.30	10%
Management Services	$ 207,736	$ 215,691	$ 222,162	$ 6,470.73	3%
Contracted Services	$ 85,571	$ 100,812	$ 110,893	$ 10,081.20	10%

Other Materials/Supplies	$ 29,683	$ 3,684	$ 4,052	$ 368.40	10%
Liability Insurance	$ 55,913	$ 55,913	$ 57,590	$ 1,677.39	3%
Utilities	$ 47,497	$ 45,051	$ 46,403	$ 1,351.53	3%
Telephone/Internet	$ 31,960	$ 32,451	$ 33,425	$ 973.53	3%
Interest Expense	$ 17,764	$ 35,958	$ 37,037	$ 1,078.74	3%
Miscellaneous	$ 20,014	$ 912	$ 939	$ 27.36	3%
Contingency	$ 92,591	$ 36,069	$ 37,151	$ 1,082.07	3%
Total	**$ 896,241**	**$ 893,543**	**$ 990,426**	**$ 96,883.02**	**11%**

Bulding Maintenance

Contracted Services	$ -	$ -	$ -	$ -	#DIV/0!
Other Materials/Supplies	$ -	$ -	$ -	$ -	#DIV/0!
Heating Oil	$ 34,034	$ 34,034	$ 47,648	$ 13,613.60	40%
Property Insurance	$ -	$ -	$ -	$ -	#DIV/0!
Total	**$ 34,034**	**$ 34,034**	**$ 47,648**	**$ 13,613.60**	**40%**

Grand Total	**$ 6,772,670**	**$ 8,498,685**	**$ 9,368,985**	**$ 870,300.35**	**10%**