



# Interurban Transit Partnership

## Board Members

### **Mayor Gary Carey, Chair**

Charis Austin  
Mayor Katie Favale

Rick Baker  
Steven Gilbert  
Robert Postema

Mayor Rosalynn Bliss  
Andy Guy  
Terry Schweitzer

### **David Bilardello, Vice-Chair**

Mayor Stephen Kepley  
Jack Hoffman  
Paul Troost

Tracie Coffman  
Mayor Steve Maas

## **BOARD OF DIRECTORS MEETING AGENDA**

**Wednesday, January 24, 2024 – 4:00 p.m.**

**Rapid Central Station Conference Room (250 Cesar E Chavez, SW)**

### AGENDA

	<u>PRESENTER</u>	<u>ACTION</u>
<b>1. PUBLIC COMMENT</b>		
<b>2. MINUTES REVIEW – December 13, 2023</b>	Mayor Carey	Approval
<b>3. CEO'S REPORT</b>	Deb Prato	Information
<b>4. CARDINAL INFRASTRUCTURE, LLC</b>	Carter McCoy	Information
<b>5. ACTION ITEMS</b>		
a. FY 2024 Federal Transit Administration (FTA) Grant Application	Kevin Wisselink	Approval
b. FY 2025 MDOT Grant Application	Kevin Wisselink	Approval
c. FY 2025 Specialized Services Grant Application	Kevin Wisselink	Approval
d. Rideshare Matching Software Contract, Agile Mile	Kevin Wisselink	Approval
e. Rapid Central Station Info Booth Renovation Contract, JKB Construction	Kevin Wisselink	Approval
f. New Ford Transit Security Cameras Contract, Safe Fleet	Mike Wieringa	Approval
g. FY 22/23 Audit	Linda Medina	Approval
<b>6. PERFORMANCE REPORTS</b>		
a. Paratransit Route Ridership – December 2023	Jason Prescott	Information
b. On-Demand		
c. Fixed Route Ridership	Max Dillivan	Information
1. December 2023		
d. Finance	Linda Medina	Information
1. Operating Statement – November 2023		
2. Professional Development and Travel Report		
a. October 2023		
b. November 2023		
3. Grant Statement		
<b>7. CHAIR'S REPORT</b>	Mayor Carey	Information
<b>8. ADJOURNMENT</b>		

**MISSION: *To create, offer and continuously improve a flexible network of public transportation options and mobility solutions.***



## Interurban Transit Partnership

---

### Board Members

#### **Mayor Gary Carey, Chair**

Charis Austin  
Mayor Katie Favale

Rick Baker  
Steven Gilbert  
Robert Postema

Mayor Rosalynn Bliss  
Andy Guy  
Terry Schweitzer

#### **David Bilardello, Vice-Chair**

Mayor Stephen Kepley  
Jack Hoffman  
Paul Troost

Tracie Coffman  
Mayor Steve Maas

## BOARD OF DIRECTORS MEETING

Wednesday, December 13, 2023 – 4:00 p.m.

Rapid Central Station Conference Room (250 Caser E Chavez SW)

### **ATTENDANCE:**

#### Board Members Present:

Mayor Carey, David Bilardello, Mayor Favale, Mayor Kepley, Jack Hoffman, Paul Troost, Andy Guy, Mayor Bliss, Tracie Coffman, Mayor Maas

#### Board Members Absent:

Steven Gilbert, Robert Postema, Charis Austin, Terry Schweitzer, Rick Baker

#### Staff Attendees:

Steve Clapp, Kris Heald, Deron Kippen, Steve Luther, Linda Medina, Nick Monoyios, James Nguyen, Deb Prato, Jason Prescott, Andy Prokopy, Steve Schipper, Mike Wieringa, Kevin Wisselink

#### Other Attendees:

Grant Pecor (Barnes & Thornburg), Brandee Ritsema (Documenters), Chris Swank (GVSU), Clover Brown (GVMC), Cassi Cooper, Kent Vanderwood (Mayor of Wyoming), Jeffrey King, Max Dillivan, Erin Evenhouse (Mobile GR), Dave Bulkowski, Michael Williams, Hudson McGhee, Wardell Frazier

---

Chairman Mayor Carey called the meeting to order at 4:07 p.m.

### **1. PUBLIC COMMENT**

Mr. Dave Bulkowski. He is here representing the 2<sup>nd</sup> Ward of Grand Rapids, and Disability Advocates of Kent County. He wished to thank all the six city Mayors at this Board of Directors meeting, for their continued support of this entity and partnership.

Mr. Hudson McGhee. He is a Bus Operator with The Rapid. He is here to speak to the Board today because he heard of a misunderstanding regarding the bus operators complaining about overtime. They are not complaining, they cherish over time, as it is an opportunity to make more money. Mr. McGhee feels the reason they said that was that everyone else received a raise, why didn't they? He feels we are obligated to the municipalities we serve to provide a service, and now we are cutting it. He stated we have a problem with retention which adds to the problem. Mr. McGhee would like to keep the service the way it is. He understands the offer given to the drivers, but he wanted to make the Board aware that people build retention. He added the drivers want to feel valued, needed, and wanted. We need to build morale.

### **2. MINUTES REVIEW**

Chairman Mayor Carey entertained a motion to approve the October 25, 2023, Board meeting minutes. Mayor Favale motioned to approve, and Mayor Bliss supported it. The motion passed unanimously.

### **3. CEO'S REPORT**

Ms. Prato started her comments with two updates:

---

**MISSION:** *To create, offer and continuously improve a flexible network of public transportation options and mobility solutions.*

1. The capital project at Ellsworth is wrapping up. We are expecting to move back in in mid-January. An open house to celebrate the office transformation is being planned for January 24, 2024, from 2:00 p.m. to 3:45 p.m., which is right before our January Board meeting. Board members will receive invitations.
2. The Rapid is continuing to advance the architectural and engineering design of the Childcare Center at Rapid Central Station (RCS). The Partners have agreed on the design. The Kellogg Foundation has just completed an on-board survey for customer interest. There is a great need for and great interest in the project.

Ms. Prato addressed the concerns Mr. McGhee was speaking about regarding the winter picks starting on January 2, 2024. In early September, The Rapid has been struggling with service cuts. There were not enough operators coming to work, and not enough operators willing to work overtime, which resulted in The Rapid missing our commitment to our customers. To resolve this issue for the winter, the Planning team carefully removed low-productivity trips for more reliable service. They will continue to monitor this daily.

Ms. Prato noted that The Rapid has been struggling with Transdev's performance. In October, several leadership team members were in Orlando, FL at the APTA Conference. Ms. Prato met with Transdev's CEO, COO, and the Regional Vice President. They heard us and brought team members here on-site for two weeks. They brought ten (10) new drivers from other locations, they changed processes and benefits, and we are seeing progress on all sixteen metrics. In addition, The Rapid has delivered twenty-three (23) of the twenty-nine (29) new vehicles to Transdev.

As we near the end of the year, Ms. Prato wished the board Happy Holidays.

Chairman Mayor Carey entertained a motion to go into closed session. Mr. Guy motioned to approve, and Mayor Bliss supported it. A verbal roll call was taken, and the motion passed unanimously.

#### 4. Closed Session

Chairman Mayor Carey entertained a motion to come out of the closed session. Mayor Kepley motioned to approve, and Mayor Bliss supported it. A verbal roll call was taken, and the motion passed unanimously.

#### 5. ACTION ITEMS

**a. State Lobbying Services Contract, McAlvey, Merchant & Associates, Mr. Kevin Wisselink**

Mr. Wisselink is requesting authorization from the ITP Board to enter into a contract with McAlvey, Merchant, and Associates for State Lobbying Services for a three-year term valued at \$54,000 per year with two, one-year extension options.

Chairman Mayor Carey entertained a motion to approve the State Lobbying Services Contract with McAlvey, Merchant, and Associates. Mayor Kepley motioned to approve, and Mayor Bliss supported it. The motion passed unanimously.

**b. Busch Drive Operations Contract, Carbon Six Construction, Mr. Kevin Wisselink**

Mr. Wisselink is requesting authorization from the ITP Board to enter into a contract with Carbon Six Construction Company for \$560,000, plus a 10% contingency of \$56,000, for a total project cost of \$616,000 for renovations of the Busch Drive Operations Center.

Chairman Carey asked if a 10% contingency was going to be enough. Mr. Wisselink replied, yes, he feels confident that should be enough.

Chairman Mayor Carey entertained a motion to approve the Busch Drive Operations Contract with Carbon Six Construction. Mayor Maas motioned to approve, and Mayor Favale supported it. The motion passed unanimously.

**c. Shelter and Bench Purchase Contract, Tolar Manufacturing Company, Mr. Deron Kippen**

Mr. Kippen is requesting authorization from the ITP Board to enter into a five-year contract with Tolar Manufacturing Company, Inc. for the purchase of bus shelters. The first year of the contract identifies the purchase of 26 bus shelters for \$178,630 plus shipping which is estimated to be \$10,920, for a total cost of \$198,550. The Rapid has the option to buy up to an additional 74 shelters.

Chairman Mayor Carey entertained a motion to approve the Shelter and Bench Purchase with Tolar Manufacturing Company. Mr. Guy motioned to approve, and Mayor Bliss supported it. The motion passed unanimously.

**6. PERFORMANCE REPORTS FOR INFORMATION**

- a**
- 1. Paratransit Route Ridership, October 2023** – No questions
  - 2. On-Demand-** No questions

**b. Fixed Route Ridership, October 2023**

Mayor Kepley asked if we could keep 2019 pre-COVID numbers on the list until we have another COA and re-look at it.

**c. Financial Reports** – No questions

1. Operating Statement, September 2023
2. Professional Development and Travel Report, September 2023
3. Grant Statement

**7. INFORMATIONAL ITEMS**

**a. Financial Overview - Mr. Nick Monoyios, Ms. Linda Medina**

Mr. Monoyios reviewed a high-level overview of The Rapid's funding.

**b. Transportation Reform – Mr. Jack Hoffman**

Mr. Hoffman presented an upbeat Funding Reform Report. Mr. Hoffman met with Commissioner Schultz, and they had a very good conversation. They agreed on a division of labor, and he will continue to appear at the Transportation Commission to make the case, and Commissioner Schultz is going to establish the relationships. The Transportation Commission has all this power, but they are very disorganized, and the Governor has not even appointed a chairperson. Mr. Hoffman is hopeful as he and Commissioner Schultz continue to work together, and the Governor continues to appoint commissioners of the caliber of Commission Schultz.

**8. CHAIR'S REPORT**

Chairman Mayor Carey yielded his comments.

**9. ADJOURNMENT**

The meeting was adjourned at 5:15 p.m.

The next meeting is scheduled for January 24, 2024

Respectfully submitted,



---

Kris Heald, Board Secretary



**Interurban Transit Partnership**

---

Date: January 24, 2024  
To: The Rapid Board of Directors  
From: Kevin Wisselink, Director-Procurement and Capital Planning  
Subject: FY 2024 FEDERAL TRANSIT ADMINISTRATION (FTA)  
GRANT APPLICATION

ACTION REQUESTED

Staff is requesting The Rapid Board approve the FY 2024 Federal Transit Administration (FTA) grant application to allow the CEO or her designee to execute a grant contract on behalf of The Rapid Board.

BACKGROUND

Each year The Rapid presents an annual grant application for federal Section 5307 capital and planning assistance, Section 5339 formula capital funding, Section 5337 State of Good Repair and Congestion Mitigation and Air Quality (CMAQ)/Carbon Reduction (CRU) funds to the Rapid Board for approval. With Board approval, staff will start the submission process for these FY 2024 grants.

APPORTIONMENTS

The FY 2024 apportionments have not been released and are only an estimate. The following chart compares FY 2024 with the previous two years' apportionments:

Apportionment	FY 2022	FY 2023	FY 2024
Section 5307	\$12,898,653	\$13,134,519	\$12,917,319
Section 5339	\$1,009,753	\$1,038,295	\$1,038,269
Section 5337	\$1,186,864	1,189,902	\$1,186,864
CMAQ/CRU	\$1,010,661	\$706,207	\$324,819

The Michigan Department of Transportation (MDOT) will provide a 20% match for federal funds allocated on all capital and planning requests such as preventive maintenance, equipment and planning projects. Attachment A provides a list of projects, identifying the funding source and the state match.

Section 5307 Federal Formula Funds:

Section 5307 program provides formula funding to urbanized areas with populations greater than 50,000. In areas with a population greater than 200,000, funds are used to support transit capital projects only. Staff recommends a capital program totaling \$16,146,649 with an 80% federal share of \$12,917,319 and a 20% state share of \$3,229,330 in matched funds.

United Planning Work Program (UPWP):

Planning funds total \$75,000 with an 80% federal share totaling \$60,000 and a 20% state share of \$15,000. These funds are for the planning projects in the UPWP approved by the ITP Board. The FY 2024 UPWP projects are as follows: Short Range Transportation Plan \$75,000.

Section 5339 Bus and Bus Facility Formula Funds:

Section 5339 is a federal formula grant program to replace, rehabilitate and purchase buses, and bus-related equipment and to construct bus-related facilities. Staff recommends \$1,297,836 with an 80% federal share of \$1,038,269 and a 20% state share of \$259,567 in matched funds.

Congestion, Mitigation, Air Quality (CMAQ) and Carbon Reduction (CRU) Funds:

CMAQ and Carbon reduction funds are used to assist with operating and capital costs associated with programs that reduce carbon monoxide (CO), nitrates (NOx), and particulate emissions in the region. FY 2024 CMAQ/CRU requests include a federal share of \$324,819 in capital funds and a state match of \$43,705 totaling \$368,524. Operating funds for the Rideshare program are 100% federally funded at \$150,000.

Section 5337 State of Good Repair Funds:

Section 5337 is a federal grant program to provide capital assistance for maintenance, replacement, and rehabilitation projects of existing high-intensity fixed guideways and high-intensity motorbus systems to maintain a state of good repair. Staff recommends \$1,483,580 with an 80% federal share of \$1,186,864 and a 20% state share of \$296,716.

Attachment A  
The Rapid  
FY 2024 Capital Plan

Project Name	Total Federal	Federal Source	Total State	Total Cost
<b>Section 5307</b>				
A&E	80,000	5307	20,000	100,000
Capital Costs of Contracting	960,000	5307	240,000	1,200,000
Computer Hardware	533,200	5307	133,300	666,500
Computer Software	300,000	5307	75,000	375,000
Facility Equipment	35,200	5307	8,800	44,000
Intelligent Transportation System	1,152,000	5307	288,000	1,440,000
Preventive Maintenance	3,500,000	5307	875,000	4,375,000
Rehab Admin/Maintenance Facility	40,000	5307	10,000	50,000
Replacement 40' Bus	4,743,141	5307	1,185,785	5,928,926
Replacement Paratransit Vehicles	679,378	5307	169,845	849,223
Revenue Tire Lease	40,000	5307	10,000	50,000
Service Vehicles	368,000	5307	92,000	460,000
Shelters	200,000	5307	50,000	250,000
Shop Equipment	29,600	5307	7,400	37,000
Surveillance/Security Equipment	196,800	5307	49,200	246,000
<b>Total Capital</b>	<b>\$12,857,319</b>		<b>\$3,214,330</b>	<b>\$16,071,649</b>
Planning Funds	60,000	5307	15,000	75,000
<b>Total (5307)</b>	<b>\$12,917,319</b>		<b>\$3,229,330</b>	<b>\$16,146,649</b>
<b>CMAQ/CRU</b>				
Replacement Bus	20,098	CRU	5,025	25,123
Rideshare	150,000	CMAQ	0	150,000
Clean Air Action Days	154,721	CRU	38,680	193,401
<b>Total (CMAQ/CRU)</b>	<b>\$324,819</b>		<b>\$43,705</b>	<b>\$368,524</b>
<b>Section 5339 Bus/Bus Facility</b>				
Replacement Bus	1,038,269	5339	259,567	1,297,836
<b>Total (5339)</b>	<b>\$1,038,269</b>		<b>\$259,567</b>	<b>\$1,297,836</b>
<b>Section 5337 State of Good Repair</b>				
Replacement BRT Bus	1,186,864	5337	296,716	1,483,580
<b>Total (5337)</b>	<b>1,186,864</b>		<b>296,716</b>	<b>1,483,580</b>

# **INTERURBAN TRANSIT PARTNERSHIP BOARD**

## **RESOLUTION NO. 012424-1**

### **Fiscal Year 2024**

Moved and supported to adopt the following resolution:

Resolution authorizing the filing of an application with the Department of Transportation, United States of America, for a grant under the Federal Transit Administration “Infrastructure Investment and Jobs Act.”

WHEREAS, the Secretary of Transportation is authorized to make grants for a mass transportation program of projects and budget;

WHEREAS, the contract for financial assistance will impose certain obligations upon the applicant, including the provision by it of the local share of the project costs of the program; and

WHEREAS, it is required by the Department of Transportation, in accordance with the provisions of Title VI of the Civil Rights Act of 1964, as amended, that the applicant give an assurance that it will comply with Title VI of the Civil Rights Act of 1964 and the Department of Transportation requirements thereunder; and

WHEREAS, it is the goal of the applicant that disadvantaged business enterprises be utilized to the fullest extent possible in connection with these projects and that

disadvantaged businesses shall have the maximum construction contracts, supplies, equipment contracts, or consultant and other services.

NOW, THEREFORE, BE IT RESOLVED by the Interurban Transit Partnership Board;

1. That the CEO or her designee is authorized to execute and file an application on behalf of the Interurban Transit Partnership Board with the Department of Transportation.
2. That the CEO or her designee is authorized to execute and file assurances, or any other document required by the Department of Transportation effectuating the purpose of Title VI or the Civil Rights Act of 1964.
3. That the CEO or her designee is authorized to furnish additional information as the Department of Transportation may require in connection with the grant application.

4. That the CEO or her designee is authorized to set forth and execute a Disadvantaged Business Enterprise Program in connection with this grant application.
5. That the CEO or her designee is authorized to execute grant agreements on behalf of the Interurban Transit Partnership Board and the Michigan Department of Transportation for aid in the financing of transit assistance.
6. That the CEO or her designee is authorized to initiate any TIP, STIP, or UPWP amendments as required for the execution of this grant.

CERTIFICATE

The undersigned, duly qualified and acting Secretary of the Interurban Transit Partnership Board, certifies that the foregoing is a true and correct copy of a resolution adopted at a legally convened meeting of the Interurban Transit Partnership Board.

\_\_\_\_\_  
Kris Heald, Board Secretary

\_\_\_\_\_  
Date



DATE: January 24, 2024  
TO: The Rapid Board of Directors  
FROM: Kevin Wisselink, Director- Procurement and Capital Planning  
SUBJECT: FY 2025 MDOT GRANT APPLICATION

ACTION REQUESTED

Staff is requesting The Rapid Board approve the FY 2025 Michigan Department of Transportation (MDOT) grant application and authorize the CEO or her designee to execute a grant contract on behalf of The Rapid.

BACKGROUND

Each February, MDOT requires that transit agencies file a grant application for capital, operating, and planning assistance for the upcoming fiscal year. The MDOT application is the first grant application in the annual cycle. This draft application is for MDOT use in estimating funding for state budgeting purposes. A final application with project descriptions will be brought to the Board in late FY 2024 when applying for the federal grant application.

OPERATING ASSISTANCE

The Rapid is requesting \$29,337,733 in State operating assistance based on projected eligible expenses of \$58,675,467. Requested operating assistance is based on 50% of eligible operating expenses, the maximum amount eligible under Act 51, however, the actual state match is anticipated to be around 33.8553% or \$19,864,754. Actual expenditures for FY 2025 will be determined through service and budget decisions made by the Board before October 1, 2024.

CAPITAL ASSISTANCE – FTA Section 5307

Total capital assistance of \$16,146,649 with a state capital share of \$3,229,329 is requested based on a 20 percent match of the \$12,917,320 estimated federal apportionment of Section 5307 funds. The 20 percent match applies to all capital projects unless otherwise specified. All individual projects and splits are between the Federal Transit Administration (FTA) and MDOT as listed in Attachment A. The Board can review and modify all capital and operating programs again in late fall when the federal grant application is filed. There is no local share required for the capital portion of this application.

PLANNING ASSISTANCE – FTA Section 5307

Total planning assistance of \$155,000 with a state share of \$31,000 is requested based on a 20 percent match of the \$124,000 federal planning funds listed in Attachment A. This amount is an estimate; specific planning activities and a final budget will be developed and brought to the Board as a part of the annual Unified Planning Work Program (UPWP) prepared in the spring of 2024, at which time the application amounts can be amended.

## CONGESTION MITIGATION, AIR QUALITY (CMAQ) AND CARBON REDUCTION PROGRAM

CMAQ and Carbon Reduction funds are used to assist with operating and capital costs associated with programs that reduce carbon monoxide, nitrates, and particulate emissions in the region. The Rapid is requesting a total of \$1,000,483 with a federal share of \$830,386 and a state share of \$170,097 for the following projects; \$800,483 for Replacement 40' Buses, \$50,000 for Clean Air Action days and \$150,000 (100% federal funding) for the Rideshare program. This amount is an estimate; specific CMAQ/CRU activities can be amended with a final budget when a call for projects is requested from the MPO in the spring of 2024.

### CAPITAL ASSISTANCE – FTA Section 5339

Section 5339 is formula funds and may be used for bus and bus facility projects. A total request of \$1,297,836 with an 80% federal share of \$1,038,269 and a 20% state share of \$259,567.

### CAPITAL ASSISTANCE – FTA Section 5337

Section 5337 is formula funds and may be used to provide capital assistance for maintenance, replacement, and rehabilitation projects of existing high-intensity fixed guideway and high-intensity motorbus systems to maintain a state of good repair. A total request of \$1,483,580 with an 80% federal share of \$1,186,864 and a 20% state share of \$296,716.

Attachment A  
The Rapid  
FY 2025 Capital Plan

Project Name	Total Federal	Federal Source	State Match	Funding Source	Total Cost
<b>Section 5307</b>					
ADA Vehicle Equipment	17,947	5307	4,487	CTF	22,434
Bus Tire Lease	235,485	5307	58,871	CTF	294,356
Bus Capital Maintenance	40,000	5307	10,000	CTF	50,000
Capital Costs of Contracting	960,000	5307	240,000	CTF	1,200,000
Computer Hardware	185,200	5307	46,300	CTF	231,500
Computer Software	300,000	5307	75,000	CTF	375,000
Facility Equipment	40,000	5307	10,000	CTF	50,000
ITS	576,000	5307	144,000	CTF	720,000
Preventative Maintenance	3,200,000	5307	800,000	CTF	4,000,000
Rehab Admin/Maintenance Facility	840,000	5307	210,000	CTF	1,050,000
Replacement 40' Buses	4,384,214	5307	1,096,053	CTF	5,480,267
Replacement Paratransit Vehicles	1,642,474	5307	410,618	CTF	2,053,092
Service Vehicles	84,000	5307	21,000	CTF	105,000
Shelters	160,000	5307	40,000	CTF	200,000
Shop Equipment	8,000	5307	2,000	CTF	10,000
Surveillance/Security Equipment	120,000	5307	30,000	CTF	150,000
<b>Total Capital</b>	<b>\$12,793,320</b>		<b>\$3,198,329</b>		<b>\$15,991,649</b>
Planning Funds	124,000	5307	31,000	CTF	155,000
<b>Total (5307)</b>	<b>\$12,917,320</b>		<b>\$3,229,329</b>		<b>\$16,146,649</b>
<b>CMAQ/CRU</b>					
Replacement 40' Buses	243,578	CMAQ	60,895	CTF	304,473
Replacement 40' Buses	396,808	CRU	99,202	CTF	496,010
Rideshare	150,000	CMAQ	0		150,000
Clean Air Action Days	40,000	CMAQ	10,000	CTF	50,000
<b>Total (CMAQ/CRU)</b>	<b>\$830,386</b>		<b>\$170,097</b>		<b>\$1,000,483</b>
<b>Section 5339 Bus/Bus Facility</b>					
Replacement 40' Buses	1,038,269	5339	259,567	CTF	1,297,836
<b>Total (5339)</b>	<b>\$1,038,269</b>		<b>\$259,567</b>		<b>\$1,297,836</b>
<b>Section 5337 State of Good Repair</b>					
Replacement 40' Buses	1,186,864	5337	296,716	CTF	1,483,580
<b>Total (5337)</b>	<b>\$1,186,864</b>		<b>\$296,716</b>		<b>\$1,483,580</b>

# **INTERURBAN TRANSIT PARTNERSHIP BOARD**

## **RESOLUTION NO. 012424-2**

**Fiscal Year 2024**

### **RESOLUTION OF INTENT**

THE APPROVED RESOLUTION OF INTENT TO APPLY FOR FINANCIAL ASSISTANCE FOR FISCAL YEAR 2025 UNDER ACT NO, 51 OF THE PUBLIC ACTS OF 1951, AS AMENDED.

WHEREAS, pursuant to Act No. 51 of the Public Act of 1951, as amended (Act 51), it is necessary for the Interurban Transit Partnership Board, established under Act 196, to provide a local transportation program for the state fiscal year 2025, therefore, apply for state financial assistance under provisions of Act 51; and

WHEREAS, it is necessary for the Interurban Transit Partnership Board to name an official for all public transportation matters, who is authorized to provide such information, as deemed necessary by the Commission of Department for its administration of Act 51; and

WHEREAS, it is necessary to certify that no changes in eligibility documentation have occurred during the past state fiscal year; and

WHEREAS, it is necessary for the Interurban Transit Partnership Board to comply with the Americans with Disabilities Act in the provision of all its services; and

WHEREAS, the performance indicators have been reviewed and approved by the governing body.

WHEREAS, the Interurban Transit Partnership Board will review and approve a balanced budget for fiscal year 2025; and

WHEREAS, the Interurban Transit Partnership Board has reviewed and approved the proposed balanced estimated budget for Section 5307 of \$12,917,320 in federal funds, matched with \$3,229,329 estimated state funds. Estimated Section 5339 budget of \$1,038,269 in federal funds, matched with \$259,567 estimated state funds. Estimated Section 5337 budget of \$1,186,864 in federal funds, matched with \$296,716 estimated state funds. Estimated CMAQ/CRU budget of \$830,386 in federal funds, matched with \$170,097 estimated state funds and \$58,675,467 total estimated eligible expenses.

NOW, THEREFORE, BE IT RESOLVED, that the Interurban Transit Partnership Board does hereby make its intentions known to provide public transportation services and to apply for state financial assistance with this annual plan, in accordance with Act 51: and

HEREBY, appoints the CEO or her designee, as the Transportation Coordinator for all public transportation matters and is authorized to provide such information as deemed necessary by the commission of the department for its administration of Act 51 of 2024; and

BE IT RESOLVED that the CEO or her designee is hereby authorized to execute agreements, and contract extensions and to initiate any Transportation Improvement Program (TIP), Statewide Transportation Improvement Program (STIP), or Unified Planning Work Program (UPWP) amendments with the Michigan Department of Transportation on behalf of the Interurban Transit Partnership Board for capital, operating, planning, and marketing funds.

CERTIFICATE

The undersigned, duly qualified and acting Secretary of the Interurban Transit Partnership Board, certifies that the foregoing is a true and correct copy of a resolution adopted at a legally convened meeting of the Interurban Transit Partnership Board.

\_\_\_\_\_  
Kris Heald, Board Secretary

\_\_\_\_\_  
Date



Date: January 24, 2024  
To: The Rapid Board of Directors  
From: Kevin Wisselink, Director- Procurement and Capital Planning  
Subject: FY 2025 Specialized Services Grant Application

ACTION REQUESTED

Board approval is requested authorizing the submittal of the fiscal year 2025 Specialized Services operating assistance grant application to MDOT and subsequent execution of a contract with MDOT for third-party operating assistance with the four recipient agencies: Kent County Community Action of the County of Kent, Kent County CMH Authority d/b/a Network 180, Hope Network and Senior Neighbors.

BACKGROUND

Each year The Rapid applies for Specialized Services operating assistance from the Michigan Department of Transportation (MDOT) for senior/disabled transportation in Kent County, which is beyond The Rapid's service area and/or hours of operation. The annual Specialized Service program is prepared by The Rapid in cooperation with the service provider agencies. The Rapid's role in this program is to provide coordination for the various providers to prevent any duplication of services. In fiscal year 2024, The Rapid will receive a total of \$795,474, in Specialized Services operating funds as a pass-through grant. FY 2024 had an increase in funding of \$253,105 from previous years. This funding level is determined by MDOT. It is anticipated that a total of \$795,474 will also be reinstated and awarded to The Rapid for the Specialized Services Operating Assistance Program for fiscal year 2025.

The Rapid has a Specialized Services Coordination Committee which meets to determine funding level distribution recommendations to The Rapid Board. The committee met in November 2024 to determine the distribution amounts for FY 2025. The committee also assists in the coordination of service to prevent duplication of service and to share information. All agencies listed in Attachment A are represented on the Coordination Committee.

The Rapid staff will present the FY 2025 Specialized Services Operating Assistance Grant Application to the Consumer Advisory Committee (CAC) at the January 2024 meeting.

**INTERURBAN TRANSIT PARTNERSHIP BOARD**

**RESOLUTION NO. 012424-3**

**Fiscal Year 2024**

WHEREAS, The Interurban Transit Partnership Board is designated by the Michigan Department of Transportation as the applicant for the Specialized Services assistance program for fiscal year 2025; and

WHEREBY, The Interurban Transit Partnership Board does hereby make its intentions known to apply for State financial assistance for specialized transportation services during 2025; and,

HEREBY authorizes the CEO or her designee to execute grant agreements and amendments on behalf of the Interurban Transit Partnership Board with the Michigan Department of Transportation to aid in the provision of specialized transportation services for fiscal years 2025; and

HEREBY authorizes the CEO or her designee to execute third-party agreements with Kent County Community Action of the County of Kent, Hope Network, Kent County CMH Authority d/b/a Network 180, and Senior Neighbors for 2025 Specialized Services Operating Assistance.

**CERTIFICATE**

The undersigned, duly qualified and acting Secretary of the Interurban Transit Partnership Board, certifies that the foregoing is a true and correct copy of a resolution adopted at a legally convened meeting of the Interurban Transit Partnership Board.

\_\_\_\_\_  
Kris Heald, Board Secretary

\_\_\_\_\_  
Date

SPECIALIZED SERVICES OPERATING ASSISTANCE  
Fiscal Year 2025

Agency	Description of Service	MDOT Funds
Kent County Community Action of the County of Kent	Service is provided Monday through Friday 8:00 am until 4:00 pm for seniors and persons with disabilities in Kent County primarily in rural and suburban areas where mass transit is unavailable or current services are insufficient based on current demands.	\$39,774
Kent County CMH d/b/a Network 180	Service is provided Monday-Friday 8 am-8 pm to and from community activities from Network 180 vocational and non-vocational programs for persons with disabilities and behavioral support needs.	\$350,008
Hope Network	Service is provided seven days a week, 24 hours a day for employment trips for persons who are disadvantaged or disabled throughout Kent County. Service is also provided seven days a week from 6:00 am to 6:00 pm for seniors and disabled for the Kent Community Transit program and other senior programs throughout Kent County.	\$302,281
Senior Neighbors	Service is provided Monday through Friday from 7:00 am until 4:00 pm for Seniors in rural areas of Kent County.	\$103,411
<b>TOTAL</b>		<b>\$795,474</b>

**Date:** January 24, 2024  
**To:** ITP Board  
**From:** Kevin Wisselink, Director of Procurement and Capital Planning  
Jeffrey King, Community Relations Specialist  
**Subject:** PROJECT 2023-51: RIDESHARE MATCHING SOFTWARE

**ACTION REQUESTED**

Authorization is requested from the ITP Board to enter into a 3-year contract with Agile Mile for \$162,000 with the possibility of two one-year extensions for the provision of Rideshare Matching Software.

**BACKGROUND**

The Rapid has operated Transportation Demand Management (TDM) services for about 20 years, and one of the prime elements of this has been an online rideshare matching service. The Rapid has operated the same software for many years, and it was determined that with evolving technologies, it was necessary to go out to bid for a replacement software option.

**PROCUREMENT**

The Procurement was released as a Request for Proposal (RFP) as cost is important but not the only factor to consider for this project. It was released in the Michigan Inter-Governmental Trade Network and was downloaded by 31 firms.

Three responsive bids were received from Agile Mile, HBSS, and Ride Amigos. They were scored by a review team including the Director of Information Technology, Engagement and Digital Outreach Specialist, and three Community Relations Specialists. The proposals were evaluated for their Technical Approach, Project Team, and Financial Proposal.

Firm	Average Score	3 Year Price
<b>Agile Mile</b>	<b>96.1</b>	<b>\$162,000</b>
HBSS	43.4	\$314,308
<b>Ride Amigos</b>	<b>84.3</b>	<b>\$138,500</b>

Agile Mile and Ride Amigos had substantially higher scores and were moved to the Second Round of the selection process.

For Round 2, the two firms were interviewed and provided a demo of their software solution. Additionally, a demo version was provided to The Rapid for staff to test out. Agile Mile and Ride

Amigos both provided good demonstrations of their product, but Agile Mile was the unanimous choice of the team with all team members ranking them their top choice.

Firm	Average Rank
<b>Agile Mile</b>	<b>1</b>
Ride Amigos	2

Agile Mile was selected for several reasons.

First, they had the best user interface, with a clean and easy-to-use app design. The app and web-based versions all had the features the team was looking to utilize and gave substantially more capability than our current software.

Second, Agile Mile demonstrated excellent customer support, providing direct contact to manage all issues and substantial support for The Rapid throughout the implementation process.

Third, the Agile Mile team showcased a genuine passion for their brand, product, and the agencies they support. They not only addressed every concern we've had with our current software but also introduced innovative features we had not even considered.

## **FUNDING**

The project is being funded using federal and state funds. There are no local funds involved in this project.



**INTERURBAN TRANSIT PARTNERSHIP BOARD OF DIRECTORS**

**RESOLUTION No. 012424-4**

**Fiscal Year: 2023-2024**

Moved and supported to adopt the following resolution:

Approval to enter a contract with execute a three-year contract with Agile Mile for \$162,000 with the possibility of two one-year extensions for the provision of Rideshare Matching Software.

BE IT RESOLVED that the ITP CEO is hereby authorized to execute a three-year contract with Agile Mile for \$162,000 with the possibility of two one-year extensions for the provision of Rideshare Matching Software by the information presented to the ITP Board on January 24, 2024.

CERTIFICATE

The undersigned, duly qualified and acting secretary of the Interurban Transit Partnership Board, certifies that the foregoing is a true and correct copy of a resolution adopted at a legally convened meeting of the Interurban Transit Partnership Board.

\_\_\_\_\_  
Kris Heald, Board Secretary

\_\_\_\_\_  
Date

**Date:** January 24, 2024  
**To:** ITP Board  
**From:** Kevin Wisselink, Director of Procurement and Capital Planning  
Deron Kippen, Director of Facilities  
**Subject:** PROJECT 2024-13: RAPID CENTRAL STATION INFO BOOTH RENOVATION

**ACTION REQUESTED**

Authorization is requested from the ITP Board to enter into a contract with JKB Construction for \$329,667 plus a 15% contingency of \$49,540, for a total project cost of \$379,117 for the Rapid Central Station Info Booth Renovation project.

**BACKGROUND**

Rapid Central Station (RCS) has been in operation for 20 years now and it needs rehabilitation in some areas. Additionally, the way the building is utilized has changed, meaning there is a need for some reconfiguration of the space.

Given this, this project will bring some changes in space allocation at RCS while rehabilitating this area. This newly renovated space will reduce the area allocated to the Indian Trails intercity bus service, which is administered differently from when RCS was constructed and does not need the space it used to require. The space will also house The Rapid's Security and Fare Enforcement staff, which is necessary given The Rapid takes security in-house. Finally, there is the opportunity to consolidate The Rapid's info booth into this space.

**PROCUREMENT**

Progressive AE prepared a bid packet for this project. The Procurement was planned as an Invitation for Bids (IFB) since the specification was well defined and two or more bidders were willing to compete. Therefore, the selection of the successful bidder can be made principally based on the price of the low-responsive and responsible bidder. The IFB was advertised on the Grand Rapids Builder's Exchange website and sent to the Michigan DBE firms and The Rapid's website.

Four responsive bids were received as follows:

Company	Bid
Carbon Six	\$399,800
<b>JKB Construction</b>	<b>\$329,667</b>
McGraw	\$424,346
Wolverine Construction	\$502,353

There was one additional bid from Praise Companies for a very small portion of the project that was deemed non-responsive.

JKB Construction was the low-responsible bidder on the project. They have performed good work for The Rapid as a subcontractor on the Laker Line project. Additionally, JKB is a Disadvantaged Business Enterprise (DBE) and is registered with the State of Michigan as a DBE.

Work is slated to begin in early 2024 and be completed by the middle of 2024.

## **FUNDING**

The project is being funded using federal and state funds. There are no local funds involved in this project.

**INTERURBAN TRANSIT PARTNERSHIP BOARD OF DIRECTORS**

**RESOLUTION No. 012424-5**

**Fiscal Year: 2023-2024**

Moved and supported to adopt the following resolution:

Approval to enter a contract with execute a contract with JKB Construction for \$329,667 plus a 15% contingency of \$49,540, for a total project cost of \$379,117 for renovations of the Rapid Central Station Info Booth Renovation.

BE IT RESOLVED that the ITP CEO is hereby authorized to execute a contract with JKB Construction for \$329,667 plus a 15% contingency of \$49,540, for a total project cost of \$379,117 for renovations of the Rapid Central Station Info Booth Renovation by the information presented to the ITP Board on January 24, 2024.

CERTIFICATE

The undersigned, duly qualified and acting secretary of the Interurban Transit Partnership Board, certifies that the foregoing is a true and correct copy of a resolution adopted at a legally convened meeting of the Interurban Transit Partnership Board.

\_\_\_\_\_  
Kris Heald, Board Secretary

\_\_\_\_\_  
Date

**Date:** January 24, 2024  
**To:** ITP Board  
**From:** Mike Wieringa – Director of Security  
**Subject:** Project 2024-22: NEW FORD TRANSIT SECURITY CAMERAS

**ACTION REQUESTED**

Authorization is requested from the ITP Board to enter a contract with Safe Fleet to purchase and install onboard Safe Fleet vehicle sic (6) camera systems on 12 new Electric Ford Transit demand responses vehicles for \$111,776.

**BACKGROUND**

ITP first utilized Safe Fleet camera systems through an RFP for ITP’s paratransit fleet. Safe Fleet won the bid through the RFP process, and now all Go!Bus and on-demand vehicles are equipped with Safe Fleet cameras and Safe Fleet MDRs. The Rapid utilizes Safe Fleet cameras on all fixed-route vehicles as well.

Replacing all the cameras and MDRs in ITP’s paratransit and fixed route fleet would be cost prohibitive and many were not fully depreciated. Also, having more than one system would mean multiple software systems to manage them. Consequently, it was decided that all new cameras and MDRs must be compatible with Safe Fleet software, including the cameras for the 12 new Transits.

**PROCUREMENT**

This is a sole-source procurement given the factors listed above. The Rapid asked the Safe Fleet for a proposal to provide and install each of the vehicles with six cameras and all necessary technology to operate the cameras. Safe Fleet provided this information, and The Rapid then looked at the previous demand response vehicle camera installations and found that the costs quoted by Safe Fleet are fair and reasonable.

ITP is very happy with the performance of all the previously installed Safe Fleet systems.

**FUNDING**

Funding is provided by Federal and State Grant funds.



**INTERURBAN TRANSIT PARTNERSHIP BOARD OF DIRECTORS**

**RESOLUTION No. 012424-6**

**Fiscal Year: 2023-2024**

Moved and supported to adopt the following resolution:

Approval to enter a contract with Safe Fleet to purchase and install onboard vehicle camera systems on 12 new Electric Ford Transit demand responses vehicles for \$111,776.

BE IT RESOLVED that the ITP CEO is hereby authorized to enter a contract with Safe Fleet to purchase and install onboard vehicle camera systems on 12 new Electric Ford Transit demand responses vehicles for \$111,776 by the information presented to the ITP Board on January 24, 2024.

CERTIFICATE

The undersigned, duly qualified and acting secretary of the Interurban Transit Partnership Board, certifies that the foregoing is a true and correct copy of a resolution adopted at a legally convened meeting of the Interurban Transit Partnership Board.

\_\_\_\_\_  
Kris Heald, Board Secretary

\_\_\_\_\_  
Date



## **Interurban Transit Partnership**

---

**Date:** January 24, 2024  
**To:** ITP Board  
**From:** Linda Medina, Director of Finance  
**Subject:** Financial Statements and Single Audit Reports Years Ended September 30, 2023, and 2022

### **OVERVIEW**

Attached for your approval are the Financial Statements and Single Audit Reports for fiscal years ended September 30, 2023, and 2022 and the audit wrap up report.

### **BACKGROUND**

The FY 23/23 audit was completed by BDO USA in accordance with standards contained in Government Auditing Standards. The necessary financial statements along with any required supplemental information per State and Federal regulations are presented in the Financial Statements and Single Audit Reports.

The financial statements are prepared in conformity with general accepted accounting procedures (GAAP) on an accrual basis. Revenues are recognized in the period in which earned, and expenses are recognized in the period incurred.

Once again, BDO USA issued an unmodified opinion on the report and no material weaknesses or significant deficiencies were identified. This opinion confirms that the financial statements are fairly and appropriately presented and in compliance with GAAP. Below are the highlights for FY 22/23:

- Net position increased by \$5.8 million dollars from FY 22/23. Operating revenue increased \$293 thousand (6%) compared to FY 21/22 due to additional advertising revenue and increased ridership, but non-operating revenue decreased \$7.2 million (11%) with the reduction in capital spending and the final federal reimbursement of eligible expenses.
- Overall expenses increased \$4.4 million (9.5%) compared to FY 21/22. The changes include an \$1 million (4%) increase in Labor and Fringes as overtime increased due to labor challenges, Services increased \$415 thousand (10.5%) with the completion of the Rapid Central Station driveway rehabilitation project, and Purchase Transportation increased \$2.8 million (40.7%) with the implementation of a new purchase transportation contract (Demand Response) and dramatic increase in pass through funding for Specialized Services.

- From year to year there was a \$3.1 million (2%) decrease in capital assets. The RAPID continues to invest in revenue vehicles, facilities, information systems technology, etc. to maintain and achieve community and regional outcomes. This year's purchases included the completion of the Cummins Park and Ride lot, the rehabilitation of the Ellsworth building, and the purchase of an additional compressor at the Laker Line facility.
- Comparing FY 22/23 actual to budget, expenses were \$7.2 million under budget and revenues were \$1.1 million over budget. The net effect of revenue and expenses required \$127 thousand of federal covid funding to be used to fill the gap instead of the actual \$8.3 million, a reduction of \$8.2 million.

This fiscal year Governmental Accounting Standards Board (GASB) Statement No 96, Subscription-Based information Technology Agreements (SIBTA) was added to the financials. This statement requires ITP to recognize technology subscription agreements that are over 12 months in length. ITP currently has 2 agreements that meet the criteria. A subscription liability and an intangible right-to-use subscription asset is identified in the financials.

Also included in the report is information regarding the defined benefit pension plans. In FY 22/23, a high range contribution was made to both plans. Both plans had a favorable return compared to last year.

Please feel free to contact me directly at (616) 774-1149 or [Imedina@ridetherapid.org](mailto:Imedina@ridetherapid.org) with any additional questions regarding the audit report.



Report to Members of the Board of Directors and Finance Committee

# INTERURBAN TRANSIT PARTNERSHIP

Audit Wrap Up for the  
Year Ended September 30, 2023



# Contents

QUICK ACCESS TO THE  
FULL REPORT

<a href="#"><u>INTRODUCTION</u></a>	3
<a href="#"><u>EXECUTIVE SUMMARY</u></a>	4
<a href="#"><u>INTERNAL CONTROL OVER FINANCIAL REPORTING</u></a>	9
<a href="#"><u>ADDITIONAL REQUIRED COMMUNICATIONS</u></a>	12

The following communication was prepared as part of our audit, has consequential limitations, and is intended solely for the information and use of those charged with governance (e.g., Board of Directors and Finance Committee) and, if appropriate, management of ITP, and is not intended and should not be used by anyone other than these specified parties.

# Welcome

January 17, 2024

Members of the Board of Directors and Finance Committee  
Interurban Transit Partnership

Professional standards require us to communicate with you regarding matters related to the audit that are, in our professional judgment, significant and relevant to your responsibilities in overseeing the financial reporting process. On October 25, 2023 we presented an overview of our plan for the audit of the financial statements including the schedule of expenditures of federal awards of Interurban Transit Partnership (ITP) as of and for the year ended September 30, 2023, including a summary of our overall objectives for the audit, and the nature, scope, and timing of the planned audit work.

This communication is intended to elaborate on the significant findings from our audit, including our views on the qualitative aspects of ITP's accounting practices and policies, management's judgments and estimates, financial statement disclosures, and other required matters.

We are pleased to be of service to ITP and look forward to meeting with you to discuss our audit findings, as well as other matters that may be of interest to you, and to answer any questions you might have.

Respectfully,

*BDO USA*

BDO USA, P.C., a Virginia professional corporation, is the U.S. member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms. BDO is the brand name for the BDO network and for each of the BDO Member Firms.



**JOHN LAFRAMBOISE**  
Audit Director  
[jlaframboise@bdo.com](mailto:jlaframboise@bdo.com)



**JASON KELLY**  
Audit Senior Manager  
[jkelly@bdo.com](mailto:jkelly@bdo.com)



# Executive Summary

# Status of Our Audit

We have substantially completed our audit of the financial statements as of and for the year ended September 30, 2023. Our audit was conducted in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*. This audit of the financial statements does not relieve management or those charged with governance of their responsibilities.

- ▶ The objective of our audit was to obtain reasonable - not absolute - assurance about whether the financial statements are free from material misstatements.
- ▶ The scope of the work performed was substantially the same as that described to you in our earlier Audit Planning communications.
- ▶ We expect to issue an unmodified opinion on the financial statements and release our report on January 17, 2024.
- ▶ We expect to issue an unmodified opinion on ITP's Single Audit report, including the Schedule of Expenditures of Federal Awards (SEFA).
- ▶ In planning and performing our audit of the SEFA, we considered ITP's internal control over compliance with requirements that could have a direct and material effect on its major federal program(s) to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with GAS and Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance.
- ▶ Our responsibility for other information in documents containing ITP's audited financial statements does not extend beyond the financial information identified in the audit report, and we are not required to perform procedures to corroborate such other information. However, in accordance with professional standards, we have read the information included by ITP and considered whether such information, or the manner of its presentation, was materially inconsistent with its presentation in the financial statements. Our responsibility also includes calling to management's attention any information that we believe is a material misstatement of fact. We have not identified any material inconsistencies or concluded there are any material misstatements of facts in the other information that management has chosen not to correct.
- ▶ All records and information requested by BDO were freely available for our inspection.

# Results of the Audit

## ACCOUNTING PRACTICES, POLICIES, AND ESTIMATES

The following summarizes the more significant required communications related to our audit concerning ITP's accounting practices, policies, and estimates:

ITP's significant accounting practices and policies are those included in Note 1 to the financial statements. These accounting practices and policies are appropriate, comply with generally accepted accounting principles and industry practice, were consistently applied, and are adequately described within Note 1 to the financial statements.

- ▶ A summary of recently issued accounting pronouncements was included in our earlier audit planning communications.
- ▶ ITP adopted Governmental Accounting Standards Board (GASB) Statement No. 96, Subscription-Based Information Technology Arrangements during the year ended September 30, 2023.
- ▶ There were no other changes in significant accounting policies and practices during 2023.

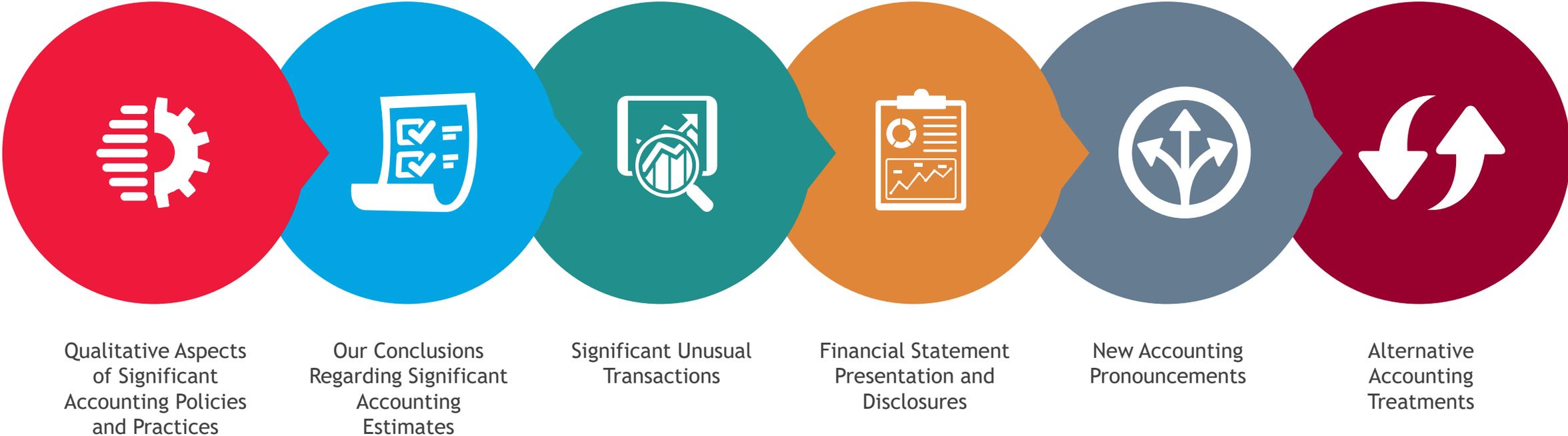
Significant estimates are those that require management's most difficult, subjective, or complex judgments, often as a result of the need to make estimates about the effects of matters that are inherently uncertain. ITP's significant accounting estimates, including a description of management's processes and significant assumptions used in development of the estimates, are disclosed in of the financial statements.

- ▶ Management did not make any significant changes to the processes or significant assumptions used to develop the significant accounting estimates in 2023.

# Results of the Audit

## QUALITY OF THE ITP'S FINANCIAL REPORTING

A discussion was held regarding the quality of ITP's financial reporting, which included:



# Results of the Audit

## CORRECTED AND UNCORRECTED MISSTATEMENTS

There were no corrected misstatements, other than those that were clearly trivial, related to accounts and/or disclosures that we brought to the attention of management.

There were no uncorrected misstatements, other than those that were clearly trivial, related to accounts and/or disclosures that we presented to management.





# Internal Control Over Financial Reporting

# Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered ITP’s internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion(s) on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of ITP’s internal control. Accordingly, we do not express an opinion on the effectiveness of ITP’s internal control.

Our consideration of internal control was for the limited purpose described above and was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses.

We are required to communicate, in writing, to those charged with governance all material weaknesses and significant deficiencies that have been identified in ITP’s internal control over financial reporting. The definitions of control deficiency, significant deficiency and material weakness follow:

Category	Definition
<b>Control Deficiency</b>	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.
<b>Significant Deficiency</b>	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.
<b>Material Weakness</b>	A deficiency or combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of ITP’s financial statements will not be prevented, or detected and corrected, on a timely basis.

In conjunction with our audit of the financial statements, we noted no material weaknesses.



# Additional Required Communications

# Additional Required Communications

Following is a summary of other required items, along with specific discussion points as they pertain to ITP:

Requirement	Discussion Point
Significant changes to planned audit strategy or significant risks initially identified	There were no significant changes to the planned audit strategy or significant risks initially identified and previously communicated to those charged with governance as part of our Audit Planning communications.
Obtain information from those charged with governance relevant to the audit	There were no matters noted relevant to the audit, including, but not limited to: violations or possible violations of laws or regulations; risks of material misstatement, including fraud risks; or tips or complaints regarding ITP's financial reporting that we were made aware of as a result of our inquiry of those charged with governance.
Nature and extent of specialized skills or knowledge needed related to significant risks	There were no specialized skills or knowledge needed, outside of the core engagement team, to perform the planned audit procedures or evaluate audit results related to significant risks.
Consultations with other accountants	We are not aware of any consultations about accounting or auditing matters between management and other independent public accountants. Nor are we aware of opinions obtained by management from other independent public accountants on the application of requirements of an applicable financial reporting framework.
Significant findings and issues arising during the audit in connection with ITP's related parties	We have evaluated whether the identified related party relationships and transactions have been appropriately identified, accounted for, and disclosed and whether the effects of the related party relationships and transactions, based on the audit evidence obtained, prevent the financial statements from achieving fair presentation.
Significant findings or issues arising during the audit that were discussed, or were the subject of correspondence, with management	There were no significant findings or issues arising during the audit that were discussed, or were the subject of correspondence, with management.
Disagreements with management	There were no disagreements with management about matters, whether or not satisfactorily resolved, that individually or in aggregate could be significant to ITP's financial statements or to our auditor's report.
Significant difficulties encountered during the audit	There were no significant difficulties encountered during the audit.

# Additional Required Communications

Following is a summary of other required items, along with specific discussion points as they pertain to ITP:

Requirement	Discussion Point
<b>Matters that are difficult or contentious for which the auditor consulted outside the engagement team</b>	There were no difficult or contentious matters that we consulted with others outside the engagement team that we reasonably determined to be relevant to those charged with governance regarding their oversight of the financial reporting process.
<b>Other matters significant to the oversight of ITP's financial reporting process, including complaints or concerns regarding accounting or auditing matters</b>	There are no other matters that we consider significant to the oversight of ITP's financial reporting process that have not been previously communicated.
<b>Representations requested from management</b>	Please refer to the management representation letter.

# Independence

Our engagement letter to you dated September 25, 2023, describes our responsibilities in accordance with professional standards and certain regulatory authorities and *Government Auditing Standards* with regard to independence and the performance of our services. This letter also stipulates the responsibilities of ITP with respect to independence as agreed to by ITP. Please refer to that letter for further information.



# Audit Firm System of Quality Management

An audit firm's system of quality control (aka system of quality management) is essential to how the firm conducts audits and is in place to protect investors, shareholders and other users of financial statements.

## QUALITY MANAGEMENT STANDARDS

In June 2022, the AICPA Auditing Standards Board (ASB) issued the following interrelated standards on audit quality management (collectively, the QM standards), which are designed to improve a CPA firm's risk assessment and audit quality. The effective date of the QM standards is December 15, 2025.

<a href="#"><u>Statement on Quality Management Standards (SQMS) No. 1</u></a>	<a href="#"><u>Statement on Quality Management Standards (SQMS) No. 2</u></a>	<a href="#"><u>Statement on Auditing Standards (SAS) No. 146</u></a>
<i>A Firm's System of Quality Management</i>	<i>Engagement Quality Reviews</i>	<i>Quality Management for an Engagement Conducted in Accordance With Generally Accepted Auditing Standards</i>

BDO has assessed the requirements of the QM standards and has analyzed our firm's current system of quality management to identify changes and improvements necessary for compliance. This includes the identification of quality objectives, quality risks and the assessment of those quality risks, and responses to address those risks. We are further working with BDO Global to appropriately integrate processes deployed at a global level into our firm's system of quality management.

2020 BDO AUDIT QUALITY REPORT

CONTINUING  
TO BUILD  
TRUST



We will continue to provide you with updates on our progress. Currently, you may find discussion of BDO's system of quality control within our annual [Audit Quality Reports](#), the most recent of which is accessible [here](#).



*At BDO, our purpose is helping people thrive, every day. Together, we are focused on delivering exceptional and sustainable outcomes – for our people, our clients and our communities. Across the U.S., and in over 160 countries through our global organization, BDO professionals provide assurance, tax and advisory services for a diverse range of clients.*

*BDO is the brand name for the BDO network and for each of the BDO Member Firms.*

*BDO USA, P.C., a Virginia professional corporation, is the U.S. member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms. [www.bdo.com](http://www.bdo.com).*

*Material discussed in this publication is meant to provide general information and should not be acted on without professional advice tailored to your needs.*

© 2023 BDO USA, P.C. All rights reserved.



# Interurban Transit Partnership

## Financial Statements

Years Ended September 30, 2023 and 2022

Required Supplementary Information,  
Supplementary Information, and Schedule  
of Expenditures of Federal Awards and  
Reports Required by *Government Auditing  
Standards* and Uniform Guidance  
Year Ended September 30, 2023

## **Interurban Transit Partnership**

---

### **Financial Statements**

Years Ended September 30, 2023 and 2022

Required Supplementary Information, Supplementary Information, and  
Schedule of Expenditures of Federal Awards and Reports Required by

*Government Auditing Standards* and Uniform Guidance

Year Ended September 30, 2023

# Interurban Transit Partnership

## Contents

---

<b>Independent Auditor's Report</b>	4-6
<b>Management's Discussion and Analysis</b>	7-12
<b>Basic Financial Statements</b>	
Enterprise Fund:	
Statements of Net Position as of September 30, 2023 and 2022	14
Statements of Revenues, Expenses, and Changes in Net Position for the Years Ended September 30, 2023 and 2022	15
Statements of Cash Flows for the Years Ended September 30, 2023 and 2022	16
Fiduciary Funds:	
Statements of Fiduciary Net Position as of June 30, 2023 and 2022	17
Statements of Changes in Fiduciary Net Position for the Years Ended June 30, 2023 and 2022	18
Notes to Financial Statements	19-35
<b>Required Supplementary Information</b>	
Schedule of Changes in the Net Pension Liability and Related Ratios - Administrative Plan for the Year Ended June 30, 2023	37
Schedule of Changes in the Net Pension Liability and Related Ratios - Non-Administrative Plan for the Year Ended June 30, 2023	38
Schedule of Contributions - Administrative Plan as of June 30, 2023	39-40
Schedule of Contributions - Non-Administrative Plan as of June 30, 2023	41-42
<b>Supplementary Information</b>	
Pension Trust Funds:	
Combining Statement of Plan Net Position as of June 30, 2023	44
Combining Statement of Changes in Plan Net Position for the Year Ended June 30, 2023	45

# Interurban Transit Partnership

## Contents

---

Schedule of Non-Operating Revenues - Local for the Year Ended September 30, 2023	46
Schedule of Non-Operating Revenues - State and Federal for the Year Ended September 30, 2023	47
Schedule of Operating Expenses by Function for the Year Ended September 30, 2023	48-49
Schedule of Expenses by Grant for the Year Ended September 30, 2023	50
Schedule of Regular Service Expenses by Function - Urban for the Year Ended September 30, 2023	51
Schedule of Regular Service Revenues - Urban for the Year Ended September 30, 2023	52
Schedule of Hours and Miles - Urban for the Year Ended September 30, 2023	53
Schedule of Operating Assistance Calculation for the Year Ended September 30, 2023	54
Notes to Schedule of Operating Assistance Calculation	55
<b>Schedule of Expenditures of State Awards</b> for the Year Ended September 30, 2023	56
<b>Schedule of Expenditures of Federal Awards</b> for the Year Ended September 30, 2023	57
Notes to Schedule of Expenditures of Federal Awards	58
<b>Additional Information</b>	
<b>Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i></b>	59-60
<b>Independent Auditor's Report on Compliance for Each Major Federal Program, Report on Internal Control Over Compliance, and Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance</b>	61-63
Schedule of Findings and Questioned Costs for the Year Ended September 30, 2023	64



## Independent Auditor's Report

Members of the Board  
Interurban Transit Partnership  
Grand Rapids, Michigan

### Report on the Audit of the Financial Statements

#### *Opinions*

We have audited the financial statements of Interurban Transit Partnership (ITP) as of and for the years ended September 30, 2023 and 2022 (as of and for the years ended June 30, 2023 and 2022 for the Pension Trust Funds), and the related notes to the financial statements, which collectively comprise ITP's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of Interurban Transit Partnership as of September 30, 2023 and 2022 (June 30, 2023 and 2022 for the Pension Trust Funds), and the respective changes in financial position and, where applicable, cash flows thereof for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

#### *Basis for Opinions*

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

#### *Emphasis of Matter*

As discussed in Note 1 to the basic financial statements, in fiscal year 2023, ITP adopted Governmental Accounting Standards Board (GASB) Statement No. 96, *Subscription-Based Information Technology Arrangements*. Our opinion is not modified with respect to this matter.

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

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



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

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of ITP's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about ITP's ability to continue as a going concern for a reasonable period of time.

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

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

Accounting principles generally accepted in the United States of America require that management's discussion and analysis, the schedules of changes in the net pension liability and related ratios, and the schedules of contributions be presented to supplement the basic financial



statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audits of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary Information***

Our audits were conducted for the purpose of forming opinions on the financial statements that collectively comprise ITP's basic financial statements. The accompanying combining statements, and various schedules as listed in the table of contents, and the schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not required parts of the basic 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 basic financial statements. The information has been subjected to the auditing procedures applied in the audits of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining statements, and various schedules as listed in the table of contents, and the schedule of expenditures of federal awards, are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated January 17, 2024 on our consideration of ITP'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 ITP'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 ITP's internal control over financial reporting and compliance.

*BDO USA, P.C.*

January 17, 2024

# Interurban Transit Partnership

## Management's Discussion and Analysis

---

*This section of Interurban Transit Partnership's (ITP) annual financial report presents our discussion and analysis of ITP's financial performance during the fiscal years ended September 30, 2023 and 2022.*

### Financial Highlights

- The state operating assistance reimbursement rate (for eligible operating expenses) for fiscal year (FY) ending 2023 decreased from 29.5134% in FY 2022 to 29.2015%, and represented another decline in the rate from 31.6001% in FY 2021.
- ITP levied 1.41 mills in 2023, 1.41 mills and 1.43 mills in 2022 and 2021, respectively, as approved by the taxpayers, adjusted by MCL211.34d (Headlee adjustment).
- GASB 68 - *Accounting and Financial Reporting for Pensions*, requires that ITP's net pension liability, as well as deferred outflows and inflows of resources related to pensions, be recorded in its financial statements. ITP recognized a net pension liability of \$1,146,920, \$2,927,208 and \$739,049 at September 30, 2023, 2022, and 2021, respectively.

### Overview of the Financial Statements

The financial section of this annual report consists of four parts: management's discussion and analysis (this section), the basic financial statements and notes to the financial statements, required supplementary information, and other supplementary information.

The financial statements provide both long-term and short-term information about ITP's overall financial status. The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of other supplementary information that further explains and supports the information in the financial statements.

The financial statements are prepared in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) as applied to public transit authorities on an accrual basis. Under this basis, revenues are recognized in the period in which they are earned, expenses are recognized in the period in which they are incurred, and depreciation of assets is recognized in the statements of revenues, expenses, and changes in net position. All assets, deferred outflows of resources, liabilities, and deferred inflows of resources associated with the operation of ITP are included in the statements of net position.

The statements of net position report the net position and how it has changed. Net position, the difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources is one way to measure the financial health or position of ITP.

### Financial Analysis of ITP

#### *Net Position*

ITP's net position increased by \$5.8 million as of September 30, 2023, an increase of 3% from September 30, 2022 (see Table A-1). The increase in current assets includes the last of federal COVID reimbursement of operating expenses. The reimbursement increased cash investments and ITP's five-year financial outlook. ITP continues to invest in capital assets (land, buildings, vehicles,

# Interurban Transit Partnership

## Management's Discussion and Analysis

---

equipment, and infrastructure) to achieve community and regional outcomes. This fiscal year's significant capital purchases include the purchase of revenue vehicles, renovation of the Ellsworth building, the Cummins Park and Ride Lot in Walker, and an additional compressor at the Lake Line facility. The net pension liability decreased as the asset return was favorable for the defined benefit plans. ITP's net position increased by \$14.4 million as of September 30, 2022, an increase of 8% from September 30, 2021 (see Table A-1). The increase in current assets is largely due to the federal COVID reimbursement of operating expenses. The reimbursement increased cash investments and ITP's five-year financial outlook. ITP continues to invest in capital assets (land, buildings, vehicles, equipment, and infrastructure) to achieve community and regional outcomes. Fiscal year 2022's significant capital purchases include the purchase of the GO BUS Operations facility (Busch Drive), the purchase of the Standale Laker Line Park and Ride lot, and the completion of the new Facilities building at 720 Butterworth. The net pension liability increased as the asset return was unfavorable for the defined benefit plans. The following table shows the net position as of September 30, 2023, 2022, and 2021:

Table A-1  
Net Position  
(in thousands of dollars)

<i>September 30,</i>	<b>2023</b>	<b>2022</b>	<b>2021</b>
Current assets	\$ 88,042	\$ 77,697	\$ 62,817
Capital assets, net	148,395	151,476	158,283
<b>Total Assets</b>	<b>236,437</b>	<b>229,173</b>	<b>221,100</b>
<b>Deferred Outflows of Resources</b>	<b>953</b>	<b>1,821</b>	<b>996</b>
<b>Current Liabilities</b>	<b>8,806</b>	<b>7,836</b>	<b>13,842</b>
<b>Long-Term Liabilities</b>	<b>1,724</b>	<b>2,927</b>	<b>739</b>
<b>Deferred Inflows of Resources</b>	<b>22,108</b>	<b>21,248</b>	<b>22,912</b>
<b>Net Position</b>			
Net investment in capital assets	148,395	151,476	158,283
Unrestricted	56,357	47,508	26,320
<b>Total Net Position</b>	<b>\$ 204,752</b>	<b>\$ 198,984</b>	<b>\$ 184,603</b>

*The remainder of this page intentionally left blank.*

# Interurban Transit Partnership

## Management's Discussion and Analysis

---

### *Changes in Net Position*

Net position increased by \$5.8 million from September 30, 2022 to September 30, 2023 (see Table A-2). Operating revenues increased as ridership is recovering. The change in non-operating revenues is a result of the decrease in federal funding due to the completion of the American Rescue Plan Act (ARPA) grant. Capital contributions increased this fiscal year with the purchase of linehaul and specialized service revenue vehicles, the renovation of the Ellsworth building, the addition of the Cummins Park and Ride Lot and the purchase of an additional compressor at the Laker Line facility. Net position increased by \$14.4 million from September 30, 2021 to September 30, 2022 (see Table A-2). Operating revenues increased as ridership and fares are recovering while non-operating revenue is consistent due to federal funding through the Coronavirus Response and Relief Supplemental Appropriations (CRRSA) and American Rescue (ARP) Acts. Capital contributions decreased this fiscal year as the prior year included the purchase of revenue buses and Laker Line ticket vending machines.

Table A-2  
Change in Net Position  
(in thousands of dollars)

<i>Year ended September 30,</i>	<b>2023</b>	<b>2022</b>	<b>2021</b>
<b>Operating Revenues</b>			
Passenger fares	\$ 4,535	\$ 4,216	\$ 2,962
Advertising	385	411	258
<b>Total Operating Revenues</b>	<b>4,920</b>	<b>4,627</b>	<b>3,220</b>
<b>Operating Expenses</b>			
Salaries and fringe benefits	27,649	26,582	26,892
Supplies and other operating expenses	23,780	20,263	20,210
Depreciation and loss on disposal of assets	16,676	16,234	15,677
<b>Total Operating Expenses</b>	<b>68,105</b>	<b>63,079</b>	<b>62,779</b>
<b>Operating Loss</b>	<b>(63,185)</b>	<b>(58,452)</b>	<b>(59,559)</b>
<b>Non-Operating Revenues</b>			
State and federal	29,968	38,298	40,121
Property taxes	18,868	18,012	17,472
Other local	7,364	7,096	6,469
<b>Total Non-Operating Revenues</b>	<b>56,200</b>	<b>63,406</b>	<b>64,062</b>
<b>Income (Loss), before capital contributions</b>	<b>(6,985)</b>	<b>4,954</b>	<b>4,503</b>
<b>Capital Contributions</b>	<b>12,753</b>	<b>9,427</b>	<b>15,606</b>
<b>Change in Net Position</b>	<b>5,768</b>	<b>14,381</b>	<b>20,109</b>
<b>Net Position, beginning of year</b>	<b>198,984</b>	<b>184,603</b>	<b>164,494</b>
<b>Net Position, end of year</b>	<b>\$ 204,752</b>	<b>\$ 198,984</b>	<b>\$ 184,603</b>

# Interurban Transit Partnership

## Management's Discussion and Analysis

---

Table A-3  
Operating Expenses Before Depreciation  
(in thousands of dollars)

The table below compares fiscal year ended September 30, 2023 to September 30, 2022 for operating expenses before depreciation. The main changes from year-to-year are attributed to an increase in overtime due to labor challenges, the completion of the Rapid Central Station driveway rehabilitation project, implementation of a new purchased transportation contract (demand response), a dramatic increase in pass through funding for Specialized Services, and overall inflation and economic pressures resulted in inflation.

<i>Year ended September 30,</i>	<b>2023</b>	<b>2022</b>	<b>Change (%)</b>
Labor	\$ 18,989	\$ 18,207	4.3
Fringe benefits	8,660	8,375	3.4
Services	4,361	3,946	10.5
Materials and supplies consumed	4,794	4,745	1.0
Utilities	1,404	1,334	5.2
Casualty and liability costs	2,468	2,453	.6
Purchased transportation	9,642	6,855	40.7
Miscellaneous	517	492	5.1

The main reason for changes from FY 2021 to FY 2022 is due to an increase in overtime due to labor challenges, the volatility in fuel prices, and increased costs for materials, supplies and services due to economic factors. Insurance costs were reduced, but reducing ITP's loss ratio and exposure remains its priority.

<i>Year ended September 30,</i>	<b>2022</b>	<b>2021</b>	<b>Change (%)</b>
Labor	\$ 18,207	\$ 17,538	3.8
Fringe benefits	8,375	9,354	(10.5)
Services	3,946	4,289	(8.0)
Materials and supplies consumed	4,745	3,723	27.5
Utilities	1,334	1,226	8.8
Casualty and liability costs	2,453	3,250	(24.5)
Purchased transportation	6,855	6,415	6.9
Miscellaneous	492	549	(10.4)

# Interurban Transit Partnership

## Management's Discussion and Analysis

---

### Capital Assets

As of September 30, 2023, ITP had invested \$281,795 million in capital assets, including land, land improvements, buildings, revenue equipment, and machinery and operating equipment. Net of accumulated depreciation, capital assets on September 30, 2023 totaled approximately \$148,395 million (see Table A-4). This amount represents a net decrease (including additions and disposals, net of depreciation) of approximately \$3.1 million, or 2.0%, from September 30, 2022.

As of September 30, 2022, ITP had invested \$230 million in capital assets, including land, land improvements, buildings, revenue equipment, and machinery and operating equipment. Net of accumulated depreciation, capital assets on September 30, 2022 totaled approximately \$151 million (see Table A 4). This amount represents a net decrease (including additions and disposals, net of depreciation) of approximately \$6.8 million, or 4.3%, from September 30, 2021.

Table A-4  
Capital Assets, Net of Depreciation  
(in thousands of dollars)

<i>September 30,</i>	<b>2023</b>	<b>2022</b>	<b>Change (%)</b>
Land	\$ 12,139	\$ 12,139	-
Artwork	368	368	-
Easements	55	55	-
Construction in progress	1,958	-	100.0
Land improvements	3,032	2,709	11.9
Facilities	79,099	83,112	(4.8)
Revenue vehicles	39,112	42,700	(7.6)
Support equipment	5,749	3,883	39.5
Information systems and technology	5,639	5,908	(4.6)
Software and software development	403	602	(38.2)
Subscription Based Information Technology Arrangements (SBITA)	841	-	100.0
<b>Total Net Capital Assets</b>	<b>\$ 148,395</b>	<b>\$ 151,476</b>	<b>(2.1)</b>
<i>September 30,</i>	<b>2022</b>	<b>2021</b>	<b>Change (%)</b>
Land	\$ 12,139	\$ 9,368	29.6
Artwork	368	368	-
Easements	55	55	-
Construction in progress	-	172	(100.0)
Land improvements	2,709	2,586	4.7
Facilities	83,112	84,620	(1.8)
Revenue vehicles	42,700	49,152	(13.1)
Support equipment	3,883	4,026	(3.6)
Information systems and technology	5,908	7,564	(21.9)
Software and software development	602	372	61.8
<b>Total Net Capital Assets</b>	<b>\$ 151,476</b>	<b>\$ 158,283</b>	<b>(4.3)</b>

# Interurban Transit Partnership

## Management's Discussion and Analysis

---

### Economic Factors and Next Year's Budget

ITP's focus in FY 2023/2024 is on the value transit provides in achieving community equity, access and regional economic growth goals and outcomes. Transit is no longer a conversation limited to how many riders are on ITP's system. The conversation has turned to the value a transit network and infrastructure brings to support and promote the vitality of the community it serves. ITP is a strategic partner in growth and economic development, playing its part means providing access to employment, health care, and education and by offering and continuously improving and reimagining a flexible network of public transportation and mobility solutions.

For FY 2023/2024, the Board of Directors adopted a \$56 million operating budget, exclusive of depreciation, and a \$29.9 million capital budget. Ridership and thereby passenger fares continue to recover and contract service revenue remains consistent. The remaining balance of eligible federal funding was received in FY 2023/2024. Property tax revenue is anticipated to be stable, and state operating assistance increased to 34.3056%. According to the Michigan Department of Transportation this is a onetime increase, and it is not an indication that State Operating Assistance is on the rise to the 50% permitted by the State of Michigan Act 51. Unrestricted net reserves will be used to offset the deficit between revenue and expenses. The goal is to continue to advocate for changes in current legislative funding, identify alternative revenue tools used by other states through the Transit Master Plan, and review our internal revenue sources to identify potential additional funding solutions. Converting ITP's fleet to zero emissions continues to be a priority of ITP. The linehaul fleet is currently 69% CNG and 31% diesel. ITP has applied for the Alternative Fuel Tax Credit. This incentive is available to companies that use alternative fuel to operate a motor vehicle. ITP's RNG and propane fuels qualify for the credit in the estimated amount of \$500,000. Staff continuously monitor and investigate strategies to control costs.

## **Basic Financial Statements**

---

# Interurban Transit Partnership

## Statements of Net Position Enterprise Fund

September 30,	2023	2022
<b>Assets</b>		
<b>Current Assets</b>		
Cash and investments (Note 2)	\$ 75,924,629	\$ 67,052,999
Property taxes receivable, net	2,315,218	1,387,045
Due from federal government	3,740,872	1,789,509
Due from State of Michigan	2,195,997	854,585
Billed receivables	1,763,040	4,618,419
Materials and supplies inventories	747,054	696,091
Prepaid expenses and deposits	1,354,706	1,298,725
<b>Total Current Assets</b>	<b>88,041,516</b>	<b>77,697,373</b>
<b>Capital Assets (Note 3)</b>		
Facilities	121,383,660	120,752,930
Revenue vehicles	86,039,523	83,915,094
Support equipment	20,329,630	17,876,445
Land and improvements	18,541,503	17,861,038
Information systems, technology, and software	32,041,549	29,545,913
Other non-depreciable assets	423,813	423,814
Subscription Based Information Technology Arrangements (SBITA)	1,077,359	-
Construction in progress	1,958,118	-
	281,795,155	270,375,234
Less: accumulated depreciation and amortization	(133,400,530)	(118,899,166)
<b>Net Capital Assets</b>	<b>148,394,625</b>	<b>151,476,068</b>
<b>Total Assets</b>	<b>\$ 236,436,141</b>	<b>\$ 229,173,441</b>
<b>Deferred Outflows of Resources</b>		
Related to pensions (Note 4)	\$ 953,056	\$ 1,821,163
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Accounts payable	\$ 3,586,605	\$ 3,311,065
Accrued payroll	2,029,206	1,904,372
Unredeemed fares	790,927	627,090
Unearned revenues	269,458	274,008
Due to state of Michigan	1,870,612	1,719,160
Current portion of subscription liabilities (Note 7)	259,040	-
<b>Total Current Liabilities</b>	<b>8,805,848</b>	<b>7,835,695</b>
<b>Net Pension Liability (Note 4)</b>	<b>1,146,920</b>	<b>2,927,208</b>
<b>Subscription Liabilities, net of current portion (Note 7)</b>	<b>576,790</b>	<b>-</b>
<b>Total Liabilities</b>	<b>\$ 10,529,558</b>	<b>\$ 10,762,903</b>
<b>Deferred Inflows of Resources</b>		
Property taxes received or receivable before the levy date	\$ 20,071,589	\$ 18,627,623
Related to pensions (Note 4)	2,035,988	2,620,129
<b>Total Deferred Inflows of Resources</b>	<b>\$ 22,107,577</b>	<b>\$ 21,247,752</b>
<b>Net Position</b>		
Net investment in capital assets	\$ 148,394,625	\$ 151,476,068
Unrestricted	56,357,437	47,507,881
<b>Total Net Position</b>	<b>\$ 204,752,062</b>	<b>\$ 198,983,949</b>

*See accompanying notes to financial statements.*

## Interurban Transit Partnership

### Statements of Revenues, Expenses, and Changes in Net Position Enterprise Fund

<i>Year ended September 30,</i>	<b>2023</b>	<b>2022</b>
<b>Operating Revenues</b>		
Passenger fares	\$ 4,534,783	\$ 4,216,120
Advertising	385,457	410,866
<b>Total Operating Revenues</b>	<b>4,920,240</b>	<b>4,626,986</b>
<b>Operating Expenses</b>		
Salaries and fringe benefits	27,648,668	26,582,153
Supplies and other operating expenses	23,780,278	20,262,989
Depreciation and loss on disposal of assets	16,676,021	16,234,357
<b>Total Operating Expenses</b>	<b>68,104,967</b>	<b>63,079,499</b>
<b>Operating Loss</b>	<b>(63,184,727)</b>	<b>(58,452,513)</b>
<b>Non-Operating Revenues</b>		
State	16,839,046	16,062,177
Federal	13,128,675	22,235,906
Property taxes	18,867,978	18,012,199
Other local	7,363,867	7,096,053
<b>Total Non-Operating Revenues</b>	<b>56,199,566</b>	<b>63,406,335</b>
<b>Income (Loss), before capital contributions</b>	<b>(6,985,161)</b>	<b>4,953,822</b>
<b>Capital Contributions</b>	<b>12,753,274</b>	<b>9,427,007</b>
<b>Change in Net Position</b>	<b>5,768,113</b>	<b>14,380,829</b>
<b>Net Position, beginning of year</b>	<b>198,983,949</b>	<b>184,603,120</b>
<b>Net Position, end of year</b>	<b>\$ 204,752,062</b>	<b>\$ 198,983,949</b>

*See accompanying notes to financial statements.*

# Interurban Transit Partnership

## Statements of Cash Flows Enterprise Fund

<i>Year ended September 30,</i>	<b>2023</b>	<b>2022</b>
<b>Cash from Operating Activities</b>		
Receipts from customers	\$ 7,939,457	\$ 3,224,250
Payments to suppliers	(23,611,683)	(26,307,390)
Payments to employees and fringe benefits	(29,020,156)	(28,419,611)
<b>Net Cash Used in Operating Activities</b>	<b>(44,692,382)</b>	<b>(51,502,751)</b>
<b>Cash from Noncapital Financing Activities</b>		
Federal grants received	13,128,675	22,235,906
State grants received	15,649,086	17,167,411
Local government assistance received	5,932,328	6,740,388
Property taxes	19,383,771	18,714,477
Other income	324,998	205,599
<b>Net Cash Provided by Noncapital Financing Activities</b>	<b>54,418,858</b>	<b>65,063,781</b>
<b>Cash from Capital and Related Financing Activities</b>		
Federal contributed capital	7,608,161	14,764,292
State contributed capital	2,957,694	1,855,121
Purchase of capital assets	(12,517,218)	(9,427,007)
Proceeds from sale of capital assets	92,218	30,460
<b>Net Cash Provided by (Used in) Capital and Related Financing Activities</b>	<b>(1,859,145)</b>	<b>7,222,866</b>
<b>Cash from Investing Activity</b>		
Interest received on investments	1,004,299	119,606
<b>Net Increase in Cash and Investments</b>	<b>8,871,630</b>	<b>20,903,502</b>
<b>Cash and Investments, beginning of year</b>	<b>67,052,999</b>	<b>46,149,497</b>
<b>Cash and Investments, end of year</b>	<b>\$ 75,924,629</b>	<b>\$ 67,052,999</b>
<b>Reconciliation of Operating Loss to Net Cash Used in Operating Activities</b>		
Operating loss	\$ (63,184,727)	\$ (58,452,513)
Adjustments to reconcile operating loss to net cash used in operating activities:		
Depreciation and loss on disposal of assets	16,676,021	16,234,357
Changes in assets and liabilities:		
(Increase) decrease in billed receivables	2,855,379	(1,520,304)
(Increase) decrease in inventories	(50,963)	(117,265)
(Increase) decrease in prepaid expenses and deposits	(55,980)	(501,261)
Increase (decrease) in accounts payable	275,540	(5,425,875)
Increase (decrease) in accrued payroll	124,834	(694,499)
Increase in unredeemed fares	163,837	117,567
Decrease in pension-related items	(1,496,322)	(1,142,959)
<b>Net Cash Used in Operating Activities</b>	<b>\$ (44,692,382)</b>	<b>\$ (51,502,752)</b>

*See accompanying notes to financial statements.*

**Interurban Transit Partnership**  
**Statements of Fiduciary Net Position**  
**Fiduciary Funds**

*June 30,*

	Pension Trust Funds	
	2023	2022
<b>Assets</b>		
Cash and short-term investments (Note 2)	\$ 727,749	\$ 738,603
Receivables:		
Interest and dividends receivable	3,071	671
Investments, at fair value (Note 2):		
Bond mutual funds	3,114,317	3,025,040
Equity mutual funds	10,210,834	8,955,882
<b>Total Investments, at fair value</b>	<b>13,325,151</b>	<b>11,980,922</b>
<b>Total Assets</b>	<b>14,055,971</b>	<b>12,720,196</b>
<b>Net Position Held in Trust for Pension Benefits</b>	<b>\$ 14,055,971</b>	<b>\$ 12,720,196</b>

*See accompanying notes to financial statements.*

**Interurban Transit Partnership**  
**Statements of Changes in Fiduciary Net Position**  
**Fiduciary Funds**

*Year ended June 30,*

	Pension Trust Funds	
	2023	2022
<b>Additions</b>		
Employer and employee contributions	\$ 900,000	\$ 688,771
Investment income (loss):		
Net appreciation (depreciation)	1,283,668	(2,517,648)
Interest	23,467	1,428
Dividends	275,560	357,762
Investment expense	(12,304)	(12,353)
<b>Total Investment Income (Loss)</b>	<b>1,570,391</b>	<b>(2,170,811)</b>
<b>Total Additions, net of investment income (loss)</b>	<b>2,470,391</b>	<b>(1,482,040)</b>
<b>Deductions</b>		
Benefits	1,091,824	975,093
Administrative expense	42,792	39,130
<b>Total Deductions</b>	<b>1,134,616</b>	<b>1,014,223</b>
<b>Change in Net Position</b>	<b>1,335,775</b>	<b>(2,496,263)</b>
<b>Net Position Held in Trust for Pension Benefits,</b> beginning of year	<b>12,720,196</b>	<b>15,216,459</b>
<b>Net Position Held in Trust for Pension Benefits,</b> end of year	<b>\$ 14,055,971</b>	<b>\$ 12,720,196</b>

*See accompanying notes to financial statements.*

# Interurban Transit Partnership

## Notes to Financial Statements

---

### 1. Summary of Significant Accounting Policies

#### *Reporting Entity*

Interurban Transit Partnership (ITP) was created in 2000 pursuant to the provisions of the Public Transit Authority Act of 1986, as amended. The six-member municipalities of East Grand Rapids, Grand Rapids, Grandville, Kentwood, Walker, and Wyoming each levy 1.41 mills to fund operations.

ITP provides public passenger transportation to the general public in the greater Grand Rapids area. These financial statements include the Enterprise Fund and the Pension Trust Funds of ITP.

#### *Measurement Focus and Basis of Accounting*

The Enterprise Fund's and Pension Trust Funds' financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recognized when earned; expenses are recognized when incurred. Grants are recognized as revenue as soon as all eligibility requirements have been met.

Enterprise funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with the fund's principal ongoing operations. The principal operating revenues are passenger fares. Operating expenses include salaries and benefits, supplies and operating expense, and depreciation. All revenues not meeting this definition are reported as non-operating revenues.

#### *Cash*

ITP considers cash on hand, demand deposits, and short-term investments in Kent County's investment pool, and governmental money market funds with local financial institutions with maturities of three months or less when purchased to be cash for the statements of cash flows.

#### *Materials and Supplies Inventories*

Materials and supplies inventories are stated at the lower of average cost or market.

#### *Investments*

Investments in bond mutual funds and equities are recorded at fair value based on quoted market prices.

#### *Capital Assets*

Property, buildings, and equipment are recorded at cost. Depreciation is computed on the straight-line method based on the estimated useful lives of the related assets. Assets having a useful life in excess of three years and whose costs exceed \$1,000 are capitalized. Expenditures for maintenance and repairs are charged to expense as incurred. Contributions of funds from federal, state, or local sources for the purpose of purchasing property, plant, and equipment are recorded as contributions when received.

# Interurban Transit Partnership

## Notes to Financial Statements

---

Estimated useful lives of the related assets by asset category are as follows:

Asset category	Useful Life (Years)
Facilities	20-40
Revenue vehicles	3-12
Support equipment	3-10
Land improvements	10-30
Information systems, technology, and software	3-10

### ***Unearned Revenues***

Unearned revenues arise when resources are received by ITP before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when revenue recognition criteria are met or when ITP has a legal claim to the resources, the liability for unearned revenue is removed from the statements of net position and revenue is recognized.

### ***Deferred Outflows of Resources***

In addition to assets, the statements of net position report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expenses) until then. ITP has pension-related items that qualify to be reported in this category. These amounts are expensed in the plan years in which it applies.

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

In addition to liabilities, the statements of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. ITP has two items that qualify for reporting in this category. First, ITP reports a deferred inflow of resources for property taxes received or receivable prior to the period for which they were levied. Second are the future resources yet to be recognized in relation to the pension actuarial calculation. These future resources arise from differences in the estimates used by the actuary to calculate the pension liability and the actual results. The amounts are amortized over a period determined by the actuary.

### ***Pensions***

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of ITP's pension plans and additions to/deductions from the plans' fiduciary net positions have been determined on the same basis as they are reported by the plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

# Interurban Transit Partnership

## Notes to Financial Statements

---

### ***Net Position***

Net position represents the difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources. Net position invested in capital assets is net of accumulated depreciation. Net position is reported as restricted when there are limitations imposed on its use either through legislation or external restrictions imposed by creditors, grantors, laws, or regulations of other governments.

### ***Compensated Absences***

Bus operators, maintenance, and facility employees are credited 56 hours of personal paid leave each year on their seniority date. An employee who has worked less than 1,680 hours in the prior 12 months shall be credited with a proportionate share of paid personal leave. Paid personal leave may be accrued with no maximum limit. Upon termination, employees are paid for unused personal leave at their current rates.

### ***Property Taxes***

Property taxes are levied as an enforceable lien on property as of December 1. ITP's taxes are billed on July 1 and are due without penalty on July 31 for the city of Grand Rapids and September 14 for all other local governments. Real property taxes not collected as of March 1 are turned over to Kent County for collection. The county then advances ITP 100% of the delinquent real property taxes. Collection of the delinquent personal property taxes remains the responsibility of the local communities.

Property taxes are recognized as revenue in the period for which they are levied, with proper allowances made for estimated uncollectible amounts. ITP levied 1.41 mills and 1.4308 mills for fiscal years 2023 and 2022, respectively, for operations as approved by the voters and adjusted by MCL211.34d (Headlee adjustment) in a prior year.

### ***Advertising***

ITP advertising is outsourced. The contracting agency is responsible for any related expenses. ITP records no advertising expenses, and none are included in total eligible operating expenses.

### ***Subscription-Based Information Technology Arrangements***

ITP is party to two subscription-based information technology arrangements (SBITAs). ITP recognizes a subscription liability and an intangible right-to-use subscription asset (subscription asset) in the financial statements. ITP recognizes subscription liabilities with an initial term greater than 12 months. Remaining subscription terms range from three to four years with fixed payments due annually. For SBITAs with a maximum possible term of 12 months or less at commencement, ITP recognizes expenses based on the provisions of the arrangement.

At the commencement of a SBITA, ITP initially measures the subscription liability at the present value of expected subscription payments to be made over the SBITA term. Subsequently, the subscription liability is reduced by the principal portion of subscription payments made. The subscription asset is initially measured as the initial measurement of the subscription liability, adjusted for payments associated with the SBITA contract made to the vendor at the commencement of the subscription term, plus any capitalizable initial implementation costs, less any vendor

# Interurban Transit Partnership

## Notes to Financial Statements

---

incentives received at the commencement of the subscription term. Subsequently, the subscription asset is amortized on a straight-line basis over the shorter of the useful life of the IT asset or subscription term.

Key estimates and judgments related to SBITAs include how ITP determines (1) the discount rate it uses to discount the expected subscription payments to present value, (2) the subscription term, and (3) subscription payments.

ITP uses the interest rate charged by the vendor as the discount rate. When the interest rate charged by the vendor is not provided, ITP generally uses its estimated incremental borrowing rate as the discount rate. The subscription term includes the noncancellable period during which ITP has a noncancellable right to use the underlying IT assets. The subscription term also includes periods covered by an option to extend if reasonably certain ITP or vendor will exercise that option or to terminate if it is reasonably certain that ITP or vendor will not exercise that option. Subscription payments included in the measurement of the subscription liability are composed of fixed payments.

ITP monitors changes in circumstances that would require a remeasurement of a SBITA and will remeasure the subscription asset and subscription liability if certain changes occur that are expected to significantly affect the amount of the subscription liability.

Subscription assets are reported with other capital assets and subscription liabilities are reported with long-term obligations on the statement of net position.

ITP capitalizes qualifying initial implementation costs of \$1,000 or more as part of the subscription asset. Preliminary project stage outlays are expensed as incurred. Operation and additional implementation stage activities are expensed as incurred unless they meet specific capitalization criteria.

### ***Estimates***

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

### ***New Accounting Pronouncements***

ITP adopted GASB Statement Number 96, *Subscription-Based Information Technology Arrangements*, on October 1, 2022. Adoption of this standard did not have a material impact on net position as of October 1, 2022 and therefore no changes have been made to beginning net position as previously reported.

### ***Subsequent Events***

Management has evaluated subsequent events through January 17, 2024, the date the financial statements were available to be issued. Based on that evaluation, there were no matters identified that had a significant impact on the financial statements as presented.

# Interurban Transit Partnership

## Notes to Financial Statements

---

### 2. Cash and Investments

#### *Deposits*

State statutes require that certificates of deposit, savings accounts, deposit accounts, and depository receipts are made with banks doing and having a place of business in the state of Michigan that are also members of a federal or national insurance corporation.

#### *Custodial Credit Risk Related to Deposits*

Custodial credit risk is the risk that, in the event of a bank failure, ITP's deposits might not be recovered. ITP minimizes custodial credit risk by pre-qualifying financial institutions. At September 30, 2023, the bank balances were \$77,156,747, of which \$74,736,405 was uninsured and uncollateralized.

Accounts held by government depositors are insured as follows:

In-state accounts: All time, savings, and demand deposits owned by a public unit in an insured depository institution are added together and insured up to \$250,000.

#### *Investments*

State statutes authorize ITP to invest in obligations and certain repurchase agreements of the U.S. Treasury and related governmental agencies, commercial paper rated prime at the time of purchase and maturing not more than 270 days from the date of purchase, bankers acceptances and certificates of deposit issued or created by any state or national bank insured with the applicable federal agency, investment pools authorized by the Surplus Funds Investment Pool Act, and mutual funds composed entirely of the above investments.

ITP's Enterprise Fund had the following investment, which is measured at amortized cost:

<i>September 30,</i>		<b>2023</b>	<b>2022</b>
Investment	Maturity	Amortized Cost	Amortized Cost
Kent County Investment Pool	Less than 1 year	\$ 6,291,536	\$ 6,139,098

#### *Interest Rate Risk*

ITP minimizes interest rate risk, which is the risk that the market value of securities in the portfolio will fall due to changes in market interest rates, by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities in the open market and investing operating funds primarily in shorter-term investments.

#### *Custodial Credit Risk Related to Investments*

Custodial credit risk is the risk that, in the event of the failure of the counterparty, ITP will not be able to recover the value of its investments that are in the possession of an outside party. ITP minimizes custodial credit risk by limiting investments and pre-qualifying financial institutions. ITP had no investments subject to custodial credit risk at September 30, 2023.

# Interurban Transit Partnership

## Notes to Financial Statements

---

### ***Credit Risk***

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. ITP's policy to mitigate such risk is by limiting investment choices to that of the highest ratings and direct obligations of the United States or those that are guaranteed by the United States.

At September 30, 2023, ITP's investments had the following credit ratings and exposure:

Investment Type	Rating	Credit Exposure as a Percentage of Total Investments (%)
<b>Enterprise Fund</b>		
Kent County Investment Pool	Not rated	100
<b>Pension Trust Funds</b>		
Money market funds	Moody's A-mf	5.2
Bond mutual funds and equities	Not rated	94.8

### ***Fair Value Measurement***

ITP is required to disclose amounts within a framework established for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are as follows:

*Level 1* - This level consists of quoted prices in active markets for identical securities.

*Level 2* - This level consists of prices determined using other significant observable inputs. Observable inputs are inputs that other market participants may use in pricing a security. These may include prices for similar securities, interest rates, prepayment speeds, credit risk, and others.

*Level 3* - This level consists of prices determined using significant unobservable inputs. In situations where quoted prices are observable, or inputs are unavailable or deemed less relevant, unobservable inputs may be used. Unobservable inputs reflect on ITP's own assumptions about the factors market participants would use in pricing an investment and would be based on the best information available.

The following tables set forth by level, within the fair value hierarchy, the investment assets at fair value as of June 30, 2023 and 2022. As required by the fair value measurement standard, assets are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

# Interurban Transit Partnership

## Notes to Financial Statements

---

The balances of assets measured at fair value on a recurring basis are as follows:

*June 30, 2023*

---

	Level 1	Level 2	Level 3	Total
<b>Pension Trust Fund</b>				
Cash and short-term investments	\$ 727,749	\$ -	\$ -	\$ 727,749
Equity mutual funds	10,210,834	-	-	10,210,834
Bond mutual funds	3,114,317	-	-	3,114,317
<b>Investments, at fair value</b>	<b>\$ 14,052,900</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 14,052,900</b>

---

*June 30, 2022*

---

	Level 1	Level 2	Level 3	Total
<b>Pension Trust Fund</b>				
Cash and short-term investments	\$ 738,603	\$ -	\$ -	\$ 738,603
Equity mutual funds	8,955,882	-	-	8,955,882
Bond mutual funds	3,025,040	-	-	3,025,040
<b>Investments, at fair value</b>	<b>\$ 12,719,525</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 12,719,525</b>

---

*The remainder of this page intentionally left blank.*

# Interurban Transit Partnership

## Notes to Financial Statements

### 3. Capital Assets

Capital asset activity is as follows:

	Balance, October 1, 2022	Additions	Deletions/ Reclassifications	Balance, September 30, 2023
<b>Capital Assets</b>				
Capital assets not being depreciated:				
Construction in progress	\$ -	\$ 1,958,118	\$ -	\$ 1,958,118
Land	12,138,892	-	-	12,138,892
Artwork	368,470	-	-	368,470
Easements - intangible	55,343	-	-	55,343
Capital assets being depreciated:				
Facilities	120,752,930	630,730	-	121,383,660
Revenue vehicles	83,915,094	3,483,312	1,358,883	86,039,523
Support equipment	17,876,445	3,268,959	815,774	20,329,630
Land improvements	5,722,146	680,465	-	6,402,611
Information systems and technology	25,490,842	2,445,645	-	27,936,487
Software - intangible	4,055,072	49,990	-	4,105,062
SBITA	-	1,077,359	-	1,077,359
<b>Total Capital Assets</b>	<b>270,375,234</b>	<b>13,594,578</b>	<b>2,174,657</b>	<b>281,795,155</b>
<b>Accumulated Depreciation</b>				
Facilities	37,640,566	4,644,871	-	42,285,437
Revenue vehicles	41,215,590	7,071,383	1,358,883	46,928,090
Support equipment	13,993,822	1,402,468	815,774	14,580,516
Land improvements	3,013,542	357,761	-	3,371,303
Information systems and technology	19,582,693	2,714,755	-	22,297,448
Software - intangible	3,452,953	248,728	-	3,701,681
SBITA	-	236,055	-	236,055
<b>Total Accumulated Depreciation</b>	<b>118,899,166</b>	<b>16,676,021</b>	<b>2,174,657</b>	<b>133,400,530</b>
<b>Net Capital Assets</b>	<b>\$ 151,476,068</b>	<b>\$ (3,081,443)</b>	<b>\$ -</b>	<b>\$ 148,394,625</b>

*The remainder of this page intentionally left blank.*

# Interurban Transit Partnership

## Notes to Financial Statements

Please note the \$1,958,118 amount in construction in progress are the costs for the Ellsworth renovation project through September 30, 2023. It is anticipated that the project will be completed at the beginning of 2024 and estimated costs to complete this project are approximately \$1,300,000 at September 30, 2023.

	Balance, October 1, 2021	Additions	Deletions/ Reclassifications	Balance, September 30, 2022
<b>Capital Assets</b>				
Capital assets not being depreciated:				
Construction in progress	\$ 171,715	\$ -	\$ 171,715	\$ -
Land	9,367,620	2,771,272	-	12,138,892
Artwork	368,470	-	-	368,470
Easements - intangible	55,343	-	-	55,343
Capital assets being depreciated:				
Facilities	117,678,642	3,074,288	-	120,752,930
Revenue vehicles	83,340,271	574,823	-	83,915,094
Support equipment	16,790,853	1,121,877	36,285	17,876,445
Land improvements	5,324,532	397,614	-	5,722,146
Information systems and technology	24,679,954	1,224,357	413,469	25,490,842
Software - intangible	3,633,841	434,491	13,260	4,055,072
<b>Total Capital Assets</b>	<b>261,411,241</b>	<b>9,598,722</b>	<b>634,729</b>	<b>270,375,234</b>
<b>Accumulated Depreciation</b>				
Facilities	33,059,029	4,581,537	-	37,640,566
Revenue vehicles	34,188,162	7,027,428	-	41,215,590
Support equipment	12,764,597	1,265,510	36,285	13,993,822
Land improvements	2,738,505	275,037	-	3,013,542
Information systems and technology	17,115,909	2,880,253	413,469	19,582,693
Software - intangible	3,261,621	204,592	13,260	3,452,953
<b>Total Accumulated Depreciation</b>	<b>103,127,823</b>	<b>16,234,357</b>	<b>463,014</b>	<b>118,899,166</b>
<b>Net Capital Assets</b>	<b>\$ 158,283,418</b>	<b>\$ (6,635,635)</b>	<b>\$ 171,715</b>	<b>\$ 151,476,068</b>

#### 4. Pension and Retirement Plans

ITP has two single-employer defined benefit pension plans that provide retirement benefits to plan members and beneficiaries consisting of the Interurban Transit Partnership Pension Plan (Administrative Plan) and the Interurban Transit Partnership and Amalgamated Transit Union Pension Plan (Non-Administrative Plan).

##### *Plan Description - Administrative Plan*

ITP administers the Administrative Plan, a single-employer defined benefit pension plan that provides pensions for participants as defined by the plan document. The plan is currently closed to new participants. Administrative employees were eligible to participate when they attained 21 years of age and completed one full year of service. One full year of service is defined as at least 1,000 hours of service in the 12-consecutive-month period beginning on the employee's hire date. The plan provided for vesting based on years of credited service, ranging from 20% at three years

# Interurban Transit Partnership

## Notes to Financial Statements

---

to 100% at five or more years. The pension benefit, payable monthly for life to the retired employee, equals 50% of the employee's average monthly compensation, adjusted for the employee's years of credited service. Full benefits are received if the employee retires at age 65 and is fully vested.

The financial statements of the plan are included in these financial statements as a Pension Trust Fund (a fiduciary fund).

The plan's membership consisted of:

<i>June 30,</i>	<b>2023</b>	<b>2022</b>
Retirees and beneficiaries currently receiving benefits	<b>13</b>	14
Terminated employees entitled to benefits but not yet receiving them	<b>11</b>	13
Active plan members	<b>1</b>	1
<b>Total</b>	<b>25</b>	<b>28</b>

### ***Plan Description - Non-Administrative Plan***

ITP administers the Amalgamated Transit Union Pension Plan, a single-employer defined benefit pension plan that provides pensions for participants as defined by the plan document. The plan is a non-contributory defined benefit pension plan for ITP's non-administrative employees (drivers and mechanics). The plan is currently closed to new participants. Non-administrative employees were eligible to participate upon completion of 60 days of continuous service. Accumulated benefits attributable to ITP contributions are fully vested after five years of service. Termination of employment prior to completion of five years of service results in the forfeiture of the accumulated benefits attributable to ITP contributions. The pension benefit, payable monthly for life to the retired employee, equals a minimum of \$230.45, increased by a function of the employee's years of credited service or \$34 per year of service, whichever is greater.

The financial statements of the plan are included in these financial statements as a Pension Trust Fund (a fiduciary fund).

The plan's membership consisted of:

<i>June 30,</i>	<b>2023</b>	<b>2022</b>
Retirees and beneficiaries currently receiving benefits	<b>148</b>	136
Terminated employees entitled to benefits but not yet receiving them	<b>170</b>	160
Active plan members	<b>134</b>	165
<b>Total</b>	<b>452</b>	<b>461</b>

### ***Basis of Accounting***

The financial statements of both plans have been prepared on the accrual basis. The employer contributions are recognized when due and a formal commitment to provide the contribution has been made. Benefits are recognized when due and payable, according to the terms of the plans. Investments are reported at fair value.

# Interurban Transit Partnership

## Notes to Financial Statements

---

### ***Funding Policy***

The Administrative Plan was established and is being funded under the authority of ITP. Article 9, Section 24 of the Regulations of the State of Michigan constitution requires the financial benefits arising on account of service rendered each year be funded during that year. ITP retains an actuary to determine the estimated amount necessary to finance the costs of benefits earned by plan members during the year, with an additional amount to finance any unfunded accrued liability. ITP is required to contribute the actuarially determined amount.

The Non-Administrative Plan was established and is being funded under the authority of ITP and under agreements with the union representing employees covered by the plan. The plan's funding policy is that the employer will contribute to the plan based on the current negotiated rate; for July 1, 2017 to December 10, 2017, this rate is \$1.00 for each hour of service completed. ITP is required by the terms of the plan to contribute based on the negotiated rate. This fund is now closed.

### ***Actuarial Assumptions***

The total pension liability for both plans was determined by an actuarial valuation as of July 1, 2021, and the following actuarial assumptions, applied to all periods included in the measurement:

	Administrative Plan	Non- Administrative Plan
Inflation	2.50	2.50
Salary increases	0.00	0.00
Investment rate of return	6.00	6.50

### ***Discount Rate***

The discount rate used to measure the total pension liability for the Administrative Plan was 6.00% and 6.50% for the Non-Administrative Plan. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that contributions will be made at rates equal to the most recent recommended contribution expressed as a percentage of covered payroll. Based on those assumptions, both plans' fiduciary net position was projected to be sufficient to make all future benefit payments of current plan members. For projected benefits that are covered by projected assets, the long-term expected rate was used to discount the projected benefits. From the year that benefit payments were not projected to be covered by the projected assets (the depletion date), projected benefits were discounted at a discount rate reflecting a 20-year AA/Aa tax-exempt municipal bond yield. A single equivalent discount rate is used to determine the total pension liability.

# Interurban Transit Partnership

## Notes to Financial Statements

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

The following tables present the pension plans' net pension liability, calculated using the current discount rate, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease	Current Rate	1% Increase
Administrative Plan	(5.00)	(6.00)	(7.00)
<b>Net Pension Liability</b>	<b>\$ 311,899</b>	<b>\$ 140,317</b>	<b>\$ (7,969)</b>
<hr/>			
	1% Decrease	Current Rate	1% Increase
Non-Administrative Plan	(5.50)	(6.50)	(7.50)
<b>Net Pension Liability</b>	<b>\$ 2,443,389</b>	<b>\$ 1,006,603</b>	<b>\$ (199,584)</b>

### *Long-Term Expected Rates of Return and Asset Allocation*

The long-term expected rates of return on retirement plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of retirement plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rates of return by weighting the expected future real rates of return by target asset allocation percentage and by adding expected inflation. Best estimates are arithmetic real rates of return for each major asset class included in the retirement plan's investment policy.

	Administrative Plan		Non-Administrative Plan	
	Target Allocation (%)	Long-Term Expected Rate of Return (%)	Target Allocation (%)	Long-Term Expected Rate of Return (%)
Domestic equity	50.00	7.50	50.00	7.50
International equity	10.00	8.50	15.00	8.50
Domestic bonds	32.50	2.50	20.00	2.50
International bonds	7.50	3.50	5.00	3.50
Real estate	0.00	0.00	10.00	4.50

*The remainder of this page intentionally left blank.*

# Interurban Transit Partnership

## Notes to Financial Statements

### *Changes in the Net Pension Liability*

The following table summarizes changes in the net pension liability related to the Administrative Plan:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
<b>Balance, July 1, 2022</b>	\$ 2,197,840	\$ 1,718,210	\$ 479,630
<b>Changes in Pension Liability</b>			
Service cost			
Interest	121,643	-	121,643
Experience gains	(55,815)	-	(55,815)
Contributions - employer	-	250,000	(250,000)
Assumption change	2,531	-	2,531
Net investment income (loss)	-	172,097	(172,097)
Benefit payments	(340,891)	(340,891)	-
Administrative expenses	-	(14,425)	14,425
<b>Net Changes in Pension Liability</b>	<b>(272,532)</b>	<b>66,781</b>	<b>(339,313)</b>
<b>Balance, June 30, 2023</b>	<b>\$ 1,925,308</b>	<b>\$ 1,784,991</b>	<b>\$ 140,317</b>

The following table summarizes changes in the net pension liability related to the Non-Administrative Plan:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
<b>Balance, July 1, 2022</b>	\$ 13,449,564	\$ 11,001,986	\$ 2,447,578
<b>Changes in Pension Liability</b>			
Interest	849,817	-	849,817
Experience (gains) losses	(298,166)	-	(298,166)
Contributions - employer	-	650,000	(650,000)
Assumption change	27,301	-	27,301
Net investment income (loss)	-	1,398,294	(1,398,294)
Benefit payments	(750,933)	(750,933)	-
Administrative expenses	-	(28,367)	28,367
<b>Net Changes in Pension Liability</b>	<b>(171,981)</b>	<b>1,268,994</b>	<b>(1,440,975)</b>
<b>Balance, June 30, 2023</b>	<b>\$ 13,277,583</b>	<b>\$ 12,270,980</b>	<b>\$ 1,006,603</b>

# Interurban Transit Partnership

## Notes to Financial Statements

### *Deferred Inflows and Outflows of Resources Related to the Pension Plan*

At September 30, 2023, ITP reported deferred outflows of resources and deferred inflows of resources to pensions from the following sources:

	Administrative Plan		Non-Administrative Plan	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ -	\$ 197,520	\$ 351,206
Changes of assumptions	-	-	513,182	1,684,782
Investment earnings losses	59,100	-	183,254	-
<b>Total</b>	<b>\$ 59,100</b>	<b>\$ -</b>	<b>\$ 893,956</b>	<b>\$ 2,035,988</b>

Deferred outflows of resources and deferred inflows of resources that are the result of differences in expected and actual experience with regard to economic and demographic factors, or from changes in assumptions regarding those factors, are amortized over a closed period equal to the average of the expected remaining period of service for all plan participants. Those time periods are five years for both plans. The differences between projected and actual investment earnings are amortized over five years.

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

*Year ending September 30,*

	Administrative Plan	Non- Administrative Plan	Total
2024	\$ 8,217	\$ (724,250)	\$ (716,033)
2025	(1,059)	(566,906)	(567,965)
2026	66,374	114,263	180,637
2027	(14,432)	(65,281)	(79,713)
2028	-	91,055	91,055
Thereafter	-	9,087	9,087

### *Components of Pension Expense*

For the year ended September 30, 2023, ITP recognized pension expense of \$6,489 for the Administrative Plan and \$(602,811) for the Non-Administrative Plan.

# Interurban Transit Partnership

## Notes to Financial Statements

Below are the components of the total pension expense:

*Year ended September 30, 2023*

	Administrative Plan	Non- Administrative Plan
Interest	\$ 121,643	\$ 849,817
Experience gains	(55,815)	(225,157)
Assumption change	2,531	(494,388)
Projected earnings on pension plan investments	(99,933)	(710,927)
Investment earnings losses	23,638	(50,523)
Administrative expenses	14,425	28,367
<b>Total Pension Expense</b>	<b>\$ 6,489</b>	<b>\$ (602,811)</b>

For the year ended September 30, 2023, actual cash payments made were \$250,000 and \$650,000 for the Administrative Plan and the Non-Administrative Plan, respectively.

### ***Defined Contribution - Administrative Plan***

ITP has a non-contributory defined contribution benefit plan for its administrative employees. The plan was established July 1, 2000. Administrative employees are eligible to participate on the first day of the month following completion of six months of service, provided that the employee has at least 500 hours of service. The plan provides 100% vesting after five years of service. The contribution is made monthly at 10% of compensation paid during the month. ITP made contributions totaling \$566,631 for the year ended September 30, 2023.

### ***Defined Contribution - Non-Administrative Plan***

ITP has a contributory defined contribution benefit plan for its non-administrative employees. The plan had an initial effective date of August 1, 2018, with ITP contributions retroactive to the December 11, 2017 effective date of a new bargaining agreement. Non-administrative employees are eligible to participate after completion of a probationary period of 90 or 150 days. The plan provides 100% vesting after five years of service, with intermediate vesting levels for fewer years of service. Contributions are made bi-weekly and consist of 6% of eligible compensation, plus a match of participants' additional elective contributions up to 1% of eligible compensation. ITP made contributions totaling \$1,001,564 for the year ended September 30, 2023.

## **5. Risk Management**

ITP is exposed to various risks of loss related to torts, theft of and damage to assets, errors and omissions, injuries to employees, and natural disasters. ITP carries commercial insurance for most risks of loss, including employee life, health, and accident insurance. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years. ITP participated in a public entity risk pool for property and liability coverage through November 30, 2009. ITP paid an annual premium to the entity risk pool, which is adjusted retroactively to reflect the actual cost. Each member is responsible for all losses falling within its selected retention level, plus its share of pool losses and administrative expenses, less its share of investment income. The agreement for formation of the Michigan Transit Pool (the Pool) provides that the Pool will be self-sustaining

# Interurban Transit Partnership

## Notes to Financial Statements

---

through member premiums and will provide property and liability coverage to its members for the first \$2,000,000 per occurrence. The Pool has purchased excess insurance for an additional \$3,000,000 per occurrence. In addition, ITP carried excess insurance for an additional \$5,000,000 per occurrence. The Pool publishes its own financial report, which can be obtained from the Pool. ITP's participation in the Pool ended as of December 1, 2009, except with regard to known and unknown covered events occurring prior to December 1, 2009. ITP currently purchases commercial insurance for property and liability with coverage of \$5,000,000 per occurrence with a \$50,000 deductible and has excess coverage for an additional \$5,000,000. ITP carries catastrophic insurance to cover direct damage to property.

### 6. Description of Grant Funding

The following is a description of ITP's major grant funding:

#### *Operations*

ITP's general operations are funded as follows:

The Michigan Department of Transportation (MDOT) authorized funding for fiscal years 2023 and 2022 of up to 50% of eligible expenses, based on actual costs and the appropriated funds available. Maximum operating assistance from MDOT totaled \$22,553,611 and \$22,465,395 in 2023 and 2022, respectively. Actual operating assistance accrued based on MDOT's stated funding rate of 29.2015% and 29.5134%, respectively, totaled \$13,171,985 and \$13,260,604 in 2023 and 2022, respectively.

#### *Capital Acquisitions*

Funds used to purchase property, buildings, and equipment were advanced to ITP pursuant to grants provided by agencies of the state and federal governments. Funding is generally provided by the Federal Transit Authority (FTA) (80%) and by MDOT (20%). Pursuant to the terms of those grants and applicable state and federal law, ITP is required to remit to the state and federal governments substantially all of the amounts it may receive as a result of the sale or other disposal of the property that has been purchased with monies provided by state and federal grants.

#### *Contingencies*

Amounts received or receivable from grantor agencies are subject to audit and potential adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, although ITP expects such amounts, if any, to be immaterial.

### 7. Subscription Liabilities

Changes in subscription liabilities for the year ended September 30, 2023 are as follows:

	Balance September 30, 2022	Additions	Re- measurements	Deductions	Balance September 30, 2023	Amounts due within one year
Subscription liabilities	\$ -	\$ 1,077,359	\$ -	\$ (241,529)	\$ 835,830	\$ 259,040

# Interurban Transit Partnership

## Notes to Financial Statements

---

### *SBITA Payments Maturity Schedule*

The future principal and interest SBITA payments as of September 30, 2023 are as follows:

*September 30,*

	Principal		Interest		Total
2024	\$	259,040	\$	52,347	\$ 311,387
2025		277,819		33,568	311,387
2026		232,575		13,426	246,001
2027		66,396		-	66,396
<b>Total</b>	\$	835,830	\$	99,341	\$ 935,171

## Required Supplementary Information

---

## Interurban Transit Partnership

### Schedule of Changes in the Net Pension Liability and Related Ratios - Administrative Plan

<i>Year ended June 30,</i>	2023	2022	2021	2020	2019	2018
<b>Total Pension Liability</b>						
Service cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest	121,643	132,650	147,516	166,683	222,849	298,964
Changes in benefit terms		-	-	-	-	-
Difference between expected and actual experience	(55,815)	(28,168)	208,572	70,045	652,124	(17,596)
Change of assumptions	2,531	(13,943)	(8,535)	139,623	(2,976)	92,870
Benefit payments	(340,891)	(207,063)	(983,585)	(185,757)	(3,355,575)	(177,586)
<b>Net Change in Total Pension Liability</b>	<b>(272,532)</b>	<b>(116,524)</b>	<b>(636,032)</b>	<b>190,594</b>	<b>(2,483,578)</b>	<b>196,652</b>
<b>Total Pension Liability - beginning</b>	<b>2,197,840</b>	<b>2,314,364</b>	<b>2,950,396</b>	<b>2,759,802</b>	<b>5,243,380</b>	<b>5,046,728</b>
<b>Total Pension Liability - ending (a)</b>	<b>1,925,308</b>	<b>2,197,840</b>	<b>2,314,364</b>	<b>2,950,396</b>	<b>2,759,802</b>	<b>5,243,380</b>
<b>Plan Fiduciary Net Position</b>						
Contributions - employer	250,000	152,611	408,451	419,186	400,000	207,924
Net investment income (loss)	172,097	(281,958)	451,877	79,677	126,980	250,474
Benefit payments	(340,891)	(207,063)	(983,585)	(185,757)	(3,355,575)	(177,586)
Administrative expenses	(14,425)	(14,315)	(14,385)	(13,905)	(14,445)	(12,580)
<b>Net Change in Fiduciary Net Position</b>	<b>66,781</b>	<b>(350,725)</b>	<b>(137,642)</b>	<b>299,201</b>	<b>(2,843,040)</b>	<b>268,232</b>
<b>Plan Fiduciary Net Position - beginning</b>	<b>1,718,210</b>	<b>2,068,935</b>	<b>2,206,577</b>	<b>1,907,376</b>	<b>4,750,416</b>	<b>4,482,184</b>
<b>Plan Fiduciary Net Position - ending (b)</b>	<b>1,784,991</b>	<b>1,718,210</b>	<b>2,068,935</b>	<b>2,206,577</b>	<b>1,907,376</b>	<b>4,750,416</b>
<b>Net Pension Liability - ending (a)-(b)</b>	<b>\$ 140,317</b>	<b>\$ 479,630</b>	<b>\$ 245,429</b>	<b>\$ 743,819</b>	<b>\$ 852,426</b>	<b>\$ 492,964</b>
<b>Plan Fiduciary Net Position as a Percentage of Total Pension Liability (%)</b>	<b>92.7</b>	<b>78.2</b>	<b>89.4</b>	<b>74.8</b>	<b>69.1</b>	<b>90.6</b>
Covered-employee payroll	\$ 51,122	\$ 48,532	\$ 48,337	\$ 205,047	\$ 210,141	\$ 707,023
<b>Net Pension Liability as a Percentage of Covered-Employee Payroll (%)</b>	<b>274.5</b>	<b>988.3</b>	<b>507.7</b>	<b>362.8</b>	<b>405.6</b>	<b>41.9</b>

Note: This schedule is presented to illustrate the requirement to show information for ten years. However, until a full ten-year trend is compiled, ITP presents information for those years for which information is available.

## Interurban Transit Partnership

### Schedule of Changes in the Net Pension Liability and Related Ratios - Non-Administrative Plan

<i>Year ended June 30,</i>	2023	2022	2021	2020	2019	2018
<b>Total Pension Liability</b>						
Service cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 424,425
Interest	849,817	861,713	848,945	800,046	782,627	823,542
Changes in benefit terms	-	-	-	-	-	(1,612,940)
Difference between expected and actual experience	(298,166)	(228,921)	111,431	43,263	194,529	25,377
Change of assumptions	27,301	(56,342)	-	637,632	(56,593)	373,105
Benefit payments	(750,933)	(768,030)	(759,830)	(697,478)	(607,696)	(597,778)
<b>Net Change in Total Pension Liability</b>	<b>(171,981)</b>	<b>(191,580)</b>	<b>200,546</b>	<b>783,463</b>	<b>312,867</b>	<b>(564,269)</b>
<b>Total Pension Liability - beginning</b>	<b>13,449,564</b>	<b>13,641,144</b>	<b>13,440,598</b>	<b>12,657,135</b>	<b>12,344,268</b>	<b>12,908,537</b>
<b>Total Pension Liability - ending (a)</b>	<b>13,277,583</b>	<b>13,449,564</b>	<b>13,641,144</b>	<b>13,440,598</b>	<b>12,657,135</b>	<b>12,344,268</b>
<b>Plan Fiduciary Net Position</b>						
Contributions - employer	650,000	536,160	766,843	387,328	250,000	529,010
Net investment income (loss)	1,398,294	(1,888,853)	2,998,961	501,605	715,694	648,430
Benefit payments	(750,933)	(768,030)	(759,830)	(697,478)	(607,696)	(597,778)
Administrative expenses	(28,367)	(24,815)	(27,722)	(25,729)	(28,605)	(32,948)
<b>Net Change in Fiduciary Net Position</b>	<b>1,268,994</b>	<b>(2,145,538)</b>	<b>2,978,252</b>	<b>165,726</b>	<b>329,393</b>	<b>546,714</b>
<b>Plan Fiduciary Net Position - beginning</b>	<b>11,001,986</b>	<b>13,147,524</b>	<b>10,169,272</b>	<b>10,003,546</b>	<b>9,674,153</b>	<b>9,127,439</b>
<b>Plan Fiduciary Net Position - ending (b)</b>	<b>12,270,980</b>	<b>11,001,986</b>	<b>13,147,524</b>	<b>10,169,272</b>	<b>10,003,546</b>	<b>9,674,153</b>
<b>Net Pension Liability - ending (a)-(b)</b>	<b>\$ 1,006,603</b>	<b>\$ 2,447,578</b>	<b>\$ 493,620</b>	<b>\$ 3,271,326</b>	<b>\$ 2,653,589</b>	<b>\$ 2,670,115</b>
<b>Plan Fiduciary Net Position as a Percentage of Total Pension Liability (%)</b>	<b>92.4</b>	<b>81.8</b>	<b>96.4</b>	<b>75.7</b>	<b>79.0</b>	<b>78.4</b>
Covered-employee payroll	N/A	N/A	N/A	N/A	N/A	N/A
<b>Net Pension Liability as a Percentage of Covered-Employee Payroll (%)</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>

Note: This schedule is presented to illustrate the requirement to show information for ten years. However, until a full ten-year trend is compiled, ITP presents information for those years for which information is available.

**Interurban Transit Partnership**  
**Schedule of Contributions - Administrative Plan**

---

<i>Year ended June 30,</i>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
Actuarially determined contribution	\$ 508,748	\$ 144,807	\$ 408,541	\$ 419,186	\$ 192,821	\$ 52,414	\$ 74,018	\$ 216,577
Actual contribution	250,000	152,611	408,451	419,186	400,000	207,924	250,000	1,234,492
<b>Contribution (Excess)</b>	<b>\$ 258,748</b>	<b>\$ (7,804)</b>	<b>\$ 90</b>	<b>\$ -</b>	<b>\$ (207,179)</b>	<b>\$ (155,510)</b>	<b>\$ (175,982)</b>	<b>\$ (1,017,915)</b>
Covered payroll	\$ 51,122	\$ 48,532	\$ 48,337	\$ 205,047	\$ 210,141	\$ 707,023	\$ 625,402	\$ 660,626
Actual contribution as % of covered payroll (%)	489.0	314.5	845.0	204.4	190.3	29.4	40.0	186.9

# Interurban Transit Partnership

## Schedule of Contributions - Administrative Plan

---

Methods and assumptions used to determine contribution rates:

Valuation date	July 1, 2022
Actuarial cost method	Unit Credit
Asset valuation method	Market value
Retirement age	Age 65
Interest rate	6.00% per year
Mortality tables:	
Pre-retirement	None
Post-retirement	Pub-2010 Public Retirement Plans Mortality Tables for General Employees; annuitant and non-annuitant, sex-distinct with modified MP-2019 improvement factors
Turnover rates	None
Salary scale	None
Ancillary benefits values	None
Administrative experience	Prior year, rounded to nearest \$100
Date and form of data	All personnel and asset data was prepared by the plan sponsor or a representative and was generally relied upon as being correct and complete without audit by Watkins Ross
Changes since prior valuation	Mortality improvement scale updated from MP-2020
Cost of living adjustments after retirement	None

Note: This schedule is presented to illustrate the requirement to show information for ten years. However, until a full ten-year trend is compiled, ITP presents information for those years for which information is available.

## Interurban Transit Partnership

### Schedule of Contributions - Non-Administrative Plan

<i>Year ended June 30,</i>	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially determined contribution	\$ 262,597	\$ 321,702	\$ 455,490	\$ 387,328	\$ 376,920	\$ 735,101	\$ 775,392	\$ 746,846
Actual contribution	650,000	536,160	766,843	387,328	250,000	529,010	987,300	644,412
<b>Contribution (Excess)</b>	<b>\$ (387,403)</b>	<b>\$ (214,458)</b>	<b>\$ (311,353)</b>	<b>\$ -</b>	<b>\$ 126,920</b>	<b>\$ 206,091</b>	<b>\$ (211,908)</b>	<b>\$ 102,434</b>
Covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Actual contribution as % of covered payroll (%)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

# Interurban Transit Partnership

## Schedule of Contributions - Non-Administrative Plan

---

Methods and assumptions used to determine contribution rates:

Valuation date	July 1, 2022
Actuarial cost method	Unit Credit
Asset valuation method	75% of expected assets plus 25% of market value of assets, including contributions accrued for hours worked through the valuation date, but not less than 80%, nor more than 120% of market value
Retirement age	10% of active employees are assumed to retire at age 62 (if eligible for early retirement) and all remaining at age 65 (or current age if older); terminated vested participants are assumed to retire at age 65
Interest rate	6.50%
Mortality table	SOA RP-2014 adjusted to 2006 Mortality Table for Blue-Collar Employees with MP-2020 Improvement Scale
Post-disablement mortality rates	Disabled retirees receiving benefits who have not attained age 65 are valued with applicable mortality rates from IRS Rev. Rul. 96-7 and 1964 OASDI rates of mortality
Turnover rates	Crocker-Sarason-Straight T-5
Ancillary benefits values	Vesting and pre-retirement death
Normal cost expenses (non-investment related)	Estimated expense is calculated as the average of prior two years' non-investment-related expenses paid from the trust, rounded to the nearest \$1,000
Date and form of data	All personnel and asset data was prepared by the plan sponsor or a representative and was generally relied upon as being correct and complete without audit by Watkins Ross
Changes since prior valuation	Mortality improvement scale updated from MP-2020
Cost of living adjustments after retirement	None

Note: This schedule is presented to illustrate the requirement to show information for ten years. However, until a full ten-year trend is compiled, ITP presents information for those years for which information is available.

## Supplementary Information

---

**Interurban Transit Partnership**  
**Combining Statement of Plan Net Position**  
**Pension Trust Funds**

*June 30, 2023*

	Administrative Plan	Non- Administrative Plan	Total
<b>Assets</b>			
Cash and short-term investments	\$ 136,439	\$ 591,310	\$ 727,749
Receivables:			
Interest and dividends receivable	409	2,662	3,071
Investments, at fair value:			
Bond mutual funds	583,338	2,530,979	3,114,317
Equity mutual funds	1,064,806	9,146,028	10,210,834
<b>Total Investments, at fair value</b>	<b>1,648,144</b>	<b>11,677,007</b>	<b>13,325,151</b>
<b>Total Assets</b>	<b>1,784,992</b>	<b>12,270,979</b>	<b>14,055,971</b>
<b>Net Position Held in Trust for Pension Benefits</b>	<b>\$ 1,784,992</b>	<b>\$ 12,270,979</b>	<b>\$ 14,055,971</b>

**Interurban Transit Partnership**  
**Combining Statement of Changes in Plan Net Position**  
**Pension Trust Funds**

*Year ended June 30, 2023*

	Administrative Plan	Non- Administrative Plan	Total
<b>Additions</b>			
Employer and employee contributions	\$ 250,000	\$ 650,000	\$ 900,000
Investment income (loss):			
Net appreciation	131,330	1,152,338	1,283,668
Interest	2,118	21,349	23,467
Dividends	40,144	235,416	275,560
Investment expense	(1,494)	(10,810)	(12,304)
<b>Total Investment Income</b>	<b>172,098</b>	<b>1,398,293</b>	<b>1,570,391</b>
<b>Total Additions</b>	<b>422,098</b>	<b>2,048,293</b>	<b>2,470,391</b>
<b>Deductions</b>			
Benefits	340,892	750,932	1,091,824
Administrative expense	14,424	28,368	42,792
<b>Total Deductions</b>	<b>355,316</b>	<b>779,300</b>	<b>1,134,616</b>
<b>Change in Net Position</b>	<b>66,782</b>	<b>1,268,993</b>	<b>1,335,775</b>
<b>Net Position Held in Trust for Pension</b>			
Benefits, beginning of year	1,718,210	11,001,986	12,720,196
<b>Net Position Held in Trust for Pension</b>			
Benefits, end of year	\$ 1,784,992	\$ 12,270,979	\$ 14,055,971

**Interurban Transit Partnership**  
**Schedule of Non-Operating Revenues - Local**

---

*Year ended September 30, 2023*

---

<b>Local Revenue</b>	
Property taxes	\$ 18,867,978
Grand Valley State University	3,188,376
Network180	403,637
DASH - city of Grand Rapids	1,659,742
Van pool	(1,243)
Ferris State University	108,923
Grand Rapids Community College	93,529
Amtrak	90,033
Alpine Township	87,692
Disabilities Advocates of Kent County - DAKC	60,984
Cascade Township	198,153
Gaines Township	41,930
Other local services	572
<b>Total Local Revenue</b>	<b>24,800,306</b>
<b>Other Income</b>	
Gain on sale of capital assets	92,218
Retail lease	26,631
CNG fuel sales	40,223
Alternative Fuel Credit	177,535
Interest income	1,004,299
Miscellaneous	12,508
Ride project coordination	31,284
Vending machine	22,166
Fare evasion fines	1,280
Billboard lease	23,395
<b>Total Other Income</b>	<b>1,431,539</b>
<b>Total Non-Operating Revenues - Local</b>	<b>\$ 26,231,845</b>

# Interurban Transit Partnership

## Schedule of Non-Operating Revenues - State and Federal

---

*Year ended September 30, 2023*

---

**State of Michigan Grants**

General operating assistance	\$	14,310,222
Capital assistance		359,969
Preventive maintenance (operating)		690,810
Planning and miscellaneous project assistance		148,069
Specialized services		1,329,976

---

**Total State of Michigan Grants** 16,839,046

---

**Federal Government Grants**

Capital assistance		1,451,498
ARP Act Assistance		8,321,660
Preventive maintenance (operating)		2,763,242
Planning and miscellaneous project assistance		592,275

---

**Total Federal Government Grants** 13,128,675

---

**Total Non-Operating Revenues - State and Federal** \$ 29,967,721

---

## Interurban Transit Partnership

### Schedule of Operating Expenses by Function

Year ended September 30, 2023

	General Operations				Grants	Total System
	Operations	Maintenance	Administration	Total		
<b>Labor</b>						
Operators' salaries and wages	\$ 12,093,929	\$ -	\$ -	\$ 12,093,929	\$ -	\$ 12,093,929
Other salaries and wages	1,746,066	2,892,319	2,074,673	6,713,058	-	6,713,058
Dispatchers' salaries and wages	181,895	-	-	181,895	-	181,895
<b>Total Labor</b>	<b>14,021,890</b>	<b>2,892,319</b>	<b>2,074,673</b>	<b>18,988,882</b>	<b>-</b>	<b>18,988,882</b>
<b>Fringe Benefits</b>						
Pension - defined benefit (actual paid)	654,138	137,425	108,437	900,000	-	900,000
Pension - defined benefit (GASB adjustment)	(1,164,733)	(225,966)	(105,623)	(1,496,322)	-	(1,496,322)
Pension - defined contribution	1,081,051	241,369	245,776	1,568,196	-	1,568,196
Other fringe benefits	5,508,451	1,222,829	956,634	7,687,914	-	7,687,914
<b>Total Fringe Benefits</b>	<b>6,078,907</b>	<b>1,375,657</b>	<b>1,205,224</b>	<b>8,659,788</b>	<b>-</b>	<b>8,659,788</b>
<b>Services</b>						
Audit fees	-	-	39,135	39,135	-	39,135
Other services	533,078	2,028,524	874,669	3,436,271	885,336	4,321,607
<b>Total Services</b>	<b>533,078</b>	<b>2,028,524</b>	<b>913,804</b>	<b>3,475,406</b>	<b>885,336</b>	<b>4,360,742</b>
<b>Materials and Supplies Consumed</b>						
Fuel and lubricants	2,716,979	-	-	2,716,979	-	2,716,979
Tires and tubes	-	33,782	-	33,782	285,691	319,473
Other materials and supplies	13,969	1,607,160	93,968	1,715,097	42,731	1,757,828
<b>Total Materials and Supplies Consumed</b>	<b>2,730,948</b>	<b>1,640,942</b>	<b>93,968</b>	<b>4,465,858</b>	<b>328,422</b>	<b>4,794,280</b>
<b>Utilities</b>						
Other	-	-	1,403,663	1,403,663	-	1,403,663
<b>Casualty and Liability Costs</b>						
Premiums for public liability and property damage insurance	2,181,385	-	-	2,181,385	-	2,181,385
Other insurance	-	-	286,439	286,439	-	286,439
<b>Total Casualty and Liability Costs</b>	<b>2,181,385</b>	<b>-</b>	<b>286,439</b>	<b>2,467,824</b>	<b>-</b>	<b>2,467,824</b>

**Interurban Transit Partnership**  
**Schedule of Operating Expenses by Function**

*Year ended September 30, 2023*

	General Operations				Grants	Total System
	Operations	Maintenance	Administration	Total		
<b>Purchased Transportation</b>	\$ 7,269,465	\$ -	\$ -	\$ 7,269,465	\$ 2,372,146	\$ 9,641,611
<b>Miscellaneous</b>						
Travel and training	17,030	9,957	30,168	57,155	17,321	74,476
Meetings	2,210	793	3,044	6,047	-	6,047
Advertising and promotion	-	-	71,293	71,293	68,786	140,079
Dues	1,168	-	158,824	159,992	27,305	187,297
Other miscellaneous	948	39,475	68,966	109,389	-	109,389
<b>Total Miscellaneous</b>	21,356	50,225	332,295	403,876	113,412	517,288
<b>Lease</b>	-	-	58,812	58,812	-	58,812
<b>Subscription Based Information Technology Asset</b>	-	-	85,947	85,947	-	85,947
<b>Depreciation and Loss on Disposal of Assets</b>	-	-	16,676,021	16,676,021	-	16,676,021
<b>Non-Rapid Enhancements</b>	-	-	-	-	182,471	182,471
<b>Preventive Maintenance</b>	-	(3,186,414)	-	(3,186,414)	3,454,052	267,638
<b>Total Expenses</b>	\$ 32,837,029	\$ 4,801,253	\$ 23,130,846	\$ 60,769,128	\$ 7,335,839	\$ 68,104,967

## Interurban Transit Partnership

### Schedule of Expenses by Grant

Year ended September 30, 2023

		540 MI-2017-X023 001 General FY17	550 MI-2018-011 17-0070-P7 FY18	560 MI-2019-023 17-0070-P13 FY19	570 MI-2020-047 17-0070-P16 FY20	580 MI-2021-022 17-0070-P18 FY20	590 MI-2022-029 22-0073-P3 FY22	772 MI-2019-024 17-0070-P12 FY 19 -21	773 MI-2022-042 22-0073-P6 FY 23	798 2022-0073-P6 FY 23 Specialized Services	870/871 MI-2017-015 FY17	849 MI-2022-029 22-0073-P3 FY22	987 MI-2019-010 TOD Grant	
	Total	Operations	Section 5307	Section 5307	Section 5307	Section 5307	Section 5307	Section 5307	Section 5307	Section 5307	Section 5339	Section 5339	Section 5339	
<b>Expenses</b>														
Labor	\$ 18,988,882	\$ 18,988,882	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Fringe benefits	8,659,788	8,659,788	-	-	-	-	-	-	-	-	-	-	-	
Services	4,360,742	3,475,406	-	98,124	79,328	-	-	493,271	-	3,330	-	200,302	10,981	
Materials and supplies consumed	4,794,280	4,465,858	-	-	273,584	51,844	2,993	-	-	-	-	-	-	
Utilities	1,403,663	1,403,663	-	-	-	-	-	-	-	-	-	-	-	
Casualty and liability costs	2,467,824	2,467,824	-	-	-	-	-	-	-	-	-	-	-	
Purchased transportation	9,641,611	7,269,465	-	-	-	-	110,819	700,000	231,350	-	1,329,976	-	-	
Miscellaneous	517,288	403,876	-	17,354	19,755	-	24,060	298	50,085	-	-	1,859	-	
Lease	58,812	58,812	-	-	-	-	-	-	-	-	-	-	-	
Depreciation and loss on disposal of assets	16,676,021	16,676,021	-	-	-	-	-	-	-	-	-	-	-	
Subscription Based Information Technology Assets (SBITA)	85,947	85,947	-	-	-	-	-	-	-	-	-	-	-	
Nonrapid enhancements	182,471	-	-	-	-	-	-	-	-	-	-	182,471	-	
Preventive maintenance	267,638	(3,186,414)	-	683,723	1,500,000	1,270,329	-	-	-	-	-	-	-	
<b>Total Expenses</b>	<b>\$ 68,104,967</b>	<b>\$ 60,769,128</b>	<b>\$ -</b>	<b>\$ 799,202</b>	<b>\$ 1,872,667</b>	<b>\$ 1,322,173</b>	<b>\$ 137,873</b>	<b>\$ 1,193,570</b>	<b>\$ 281,436</b>	<b>\$ 3,330</b>	<b>\$ 1,329,976</b>	<b>\$ 384,632</b>	<b>\$ 10,981</b>	<b>\$ -</b>

ITP charges only direct costs to its grant projects. Therefore, ITP has no Bureau of Passenger Transportation approved cost allocation plan. As there are no indirect costs allocated to programs such as specialized services, there was no review of the methodology for capturing nonfinancial information for such programs.

# Interurban Transit Partnership

## Schedule of Regular Service Expenses by Function - Urban

Year ended September 30, 2023

	Operations	Maintenance	Administration	Total
<b>Labor</b>				
Operators' salaries and wages	\$ 12,093,929	\$ -	\$ -	\$ 12,093,929
Other salaries and wages	1,746,066	2,892,319	2,074,673	6,713,058
Dispatchers' salaries and wages	181,895	-	-	181,895
<b>Total Labor</b>	<b>14,021,890</b>	<b>2,892,319</b>	<b>2,074,673</b>	<b>18,988,882</b>
<b>Fringe Benefits</b>				
Pension - defined benefit	654,138	137,425	108,437	900,000
Pension - defined benefit (GASB)	(1,164,733)	(225,966)	(105,623)	(1,496,322)
Pension - defined contributions	1,081,051	241,369	245,776	1,568,196
Other fringe benefits	5,508,451	1,222,829	959,634	7,687,914
<b>Total Fringe Benefits</b>	<b>6,078,907</b>	<b>1,375,657</b>	<b>1,205,224</b>	<b>8,659,788</b>
<b>Services</b>				
Audit fees	-	-	39,135	39,135
Other services	533,078	2,028,524	874,669	3,436,271
<b>Total Services</b>	<b>533,078</b>	<b>2,028,524</b>	<b>913,804</b>	<b>3,475,406</b>
<b>Materials and Supplies Consumed</b>				
Fuel and lubricants	2,716,979	-	-	2,716,979
Tires and tubes	-	33,782	-	33,782
Other materials and supplies	13,969	1,607,160	93,968	1,715,097
<b>Total Materials and Supplies Consumed</b>	<b>2,703,948</b>	<b>1,640,942</b>	<b>93,968</b>	<b>4,465,858</b>
<b>Utilities</b>				
Other	-	-	1,403,663	1,403,663
<b>Total Utilities</b>	<b>-</b>	<b>-</b>	<b>1,403,663</b>	<b>1,403,663</b>
<b>Casualty and Liability Costs</b>				
Premiums for public liability and property damage insurance	2,181,385	-	-	2,181,385
Other insurance	-	-	286,439	286,439
<b>Total Casualty and Liability Costs</b>	<b>2,181,385</b>	<b>-</b>	<b>286,439</b>	<b>2,467,824</b>
<b>Purchased Transportation</b>	<b>7,269,465</b>	<b>-</b>	<b>-</b>	<b>7,269,465</b>
<b>Miscellaneous</b>				
Travel and training	17,030	9,957	30,168	57,155
Meetings	2,210	793	3,044	6,047
Advertising/promotion media	-	-	71,293	71,293
Dues	1,168	-	158,824	159,992
Other miscellaneous	948	39,475	68,966	109,389
<b>Total Miscellaneous</b>	<b>21,356</b>	<b>50,225</b>	<b>332,295</b>	<b>403,876</b>
<b>Lease</b>	<b>-</b>	<b>-</b>	<b>55,812</b>	<b>55,812</b>
<b>Preventative Maintenance</b>	<b>-</b>	<b>(3,186,414)</b>	<b>-</b>	<b>(3,186,414)</b>
<b>Subscription Based Information Technology</b>				
Asset	-	-	85,947	85,947
<b>Depreciation and Loss on Disposal of Assets</b>	<b>-</b>	<b>-</b>	<b>16,676,021</b>	<b>16,676,021</b>
<b>Total Expenses</b>	<b>\$ 32,837,029</b>	<b>\$ 4,801,253</b>	<b>\$ 23,130,846</b>	<b>\$ 60,769,128</b>

**Interurban Transit Partnership**  
**Schedule of Regular Service Revenues - Urban**

---

*Year ended September 30, 2023*

---

<b>Operating Revenues</b>	
Passenger fares	\$ 4,534,783
Advertising	385,457
<b>Total Operating Revenues</b>	<b>4,920,240</b>
<b>Non-Operating Revenues</b>	
State and federal assistance	29,967,721
<b>Local Revenue</b>	
Property taxes	18,867,978
Grand Valley State University	3,188,376
Network180	403,637
DASH - city of Grand Rapids	1,659,742
Van pool	(1,243)
Ferris State University	108,923
Grand Rapids Community College	93,529
Amtrak	90,033
Alpine Township	87,692
Disabilities Advocate for Kent County (DAKC)	60,984
Cascade Township	198,153
Gaines Township	41,930
Other local services	572
<b>Total Local Revenue</b>	<b>24,800,306</b>
<b>Other Income</b>	
Gain on sale of property	92,218
Retail lease	26,631
CNG fuel sales	40,223
Alternative Fuel Credit	177,535
Interest Income	1,004,299
Miscellaneous	12,508
Ride project coordination	31,284
Vending machine	22,166
Fare evasion fees	1,280
Billboard lease	23,395
<b>Total Other Income</b>	<b>1,431,539</b>
<b>Total Revenues</b>	<b>\$ 61,119,806</b>

# Interurban Transit Partnership

## Schedule of Hours and Miles - Urban

*Year ended September 30, 2023*

	Weekday	Saturday	Sunday	Total
Total vehicle hours - linehaul	1,303	665	334	385,561
Revenue hours - linehaul	1,260	646	321	372,847
Total vehicle hours - bus rapid transit	90	49	38	27,469
Revenue hours - bus rapid transit	88	47	36	26,856
Total vehicle hours - demand response	433	154	137	125,784
Revenue hours - demand response	343	126	113	100,268
Total vehicle miles - linehaul	17,789	8,846	4,719	5,258,621
Revenue miles - linehaul	17,033	8,498	4,460	5,033,949
Total vehicle miles - bus rapid transit	1,123	610	483	344,001
Revenue miles - bus rapid transit	1,086	581	448	331,189
Total vehicle miles - demand response	6,951	2,120	2,084	1,996,024
Revenue miles - demand response	5,164	1,680	1,692	1,495,505

The methodology used for compiling nonfinancial data on Operating Assistance Report (OAR) schedules is an adequate and reliable methodology.

**Interurban Transit Partnership**  
**Schedule of Operating Assistance Calculation**

---

*Year ended September 30, 2023*

---

	State Operating Assistance Urban
<b>General Operating Expenses</b>	\$ 68,104,969
<b>Add: Eligible Expenses</b>	
Reverse GASB entry to pension to reflect actual paid pension expenses	1,496,322
<b>Less: Ineligible Expenses</b>	
Depreciation expense and loss on disposal of assets	16,676,021
Capital funds used for operating expenses	3,881,786
Amtrak	90,033
Non-transportation revenue	281,572
APTA and MPTA dues	7,985
Preventive maintenance	3,454,052
Subscription Based Information Technology Arrangements (SBITA)	(5,474)
Lobbying	108,091
<b>Eligible Operating Expenses</b>	\$ 45,107,225
<b>Maximum State Operating Assistance (50%)</b>	\$ 22,553,612
<b>State Operating Assistance Accrual (29.2015%)</b>	\$ 13,171,986

# Interurban Transit Partnership

## Notes to Schedule of Operating Assistance Calculation

---

### Notes to the Schedule of Operating Assistance Calculation

ITP has deducted all known ineligible expenses in completing this calculation of state operating assistance. Any refunds or rebates are deducted from the appropriate expense item when received. Any expenses related to miscellaneous revenue were netted against said revenue. ITP had no other post-employment benefits. No such expense was accrued or paid during fiscal year 2023 and, therefore, there are no applicable issues regarding calculation of eligible operating expenses or the related assistance from the state of Michigan. ITP did not apply for non-urban assistance for fiscal year 2023; therefore, schedules for urban and non-urban expenses are not included.

The following are statements of assurances for the state:

*Cost Allocation Plan* - ITP charges only direct costs to its grant programs; therefore, no Office of Passenger Transportation (OPT) approved cost allocation plans are required, and none were used in the preparation of financial statements.

*Nonfinancial Methodology Plan* - The method used for compiling miles for linehaul and demand response service has been reviewed, and the recording method has been found to be adequate and reliable.

*Capital Funds Used to Pay for Operating* - Operating expenses of \$3,881,786 were paid for with capital funds. This amount was subtracted out as an ineligible expense. No other operating expenses were paid for with capital funds. Ineligible expenses are identified according to the definition in the revenue and expense manual.

*Depreciation* - The depreciation expense is identified as an ineligible expense and subtracted from expenses. Therefore, the depreciation assurance regarding approval of useful life is not required. This number also includes the SBITA amortization expense for subscriptions.

*Expenses Associated with Auxiliary Transportation Revenue* - There are no costs associated with this revenue in eligible operating expenses, because advertising and concessions are outsourced and the contracting agency is responsible for any related expenses.

*Retirement Benefits* - ITP offers two types of pension compensation plans: defined benefit and defined contribution for administrative and non-administrative staff. The defined contribution expenses paid this year for the administrative staff is \$566,631 and non-administrative staff is \$1,001,564. The entire sum of \$1,568,195 was expensed on the books and paid with out-of-pocket funds.

The defined benefit plan expenses paid this year for the administrative plan is \$250,000 and the non-administrative plan is \$650,000. The entire sum of \$900,000 was expensed on the books and paid with out-of-pocket funds. The defined benefit plan is calculated pursuant to the GASB 68 Implementation Guide. The GASB adjustment is a decrease of \$1,496,322 to the pension expense, which is a reduction of \$243,511 to the administration plan and a reduction of \$1,252,811 to the union plan. Therefore, the \$900,000 is an eligible expense and was added to the total operating expense for the calculation of state operating assistance.

\$8,321,660 in the ARP Act funding in fiscal year 2023 to reimburse eligible operating expenses through September 30, 2023. These expenses are included in the schedule of operating expenses by function under general operations.

## Interurban Transit Partnership

### Schedule of Expenditures of State Awards

Year ended September 30, 2023

Title	Assistance Listing Number	Federal Grant Number	State Authorization Number	Total State Award Amount	Current Year's Expenditures				Prior Year's State Expenditures	State Amount Remaining	Expensed as Operating	Reference
					Federal	State	Local	Total				
FY 2021 \$5307 - Local Formula	20.507	MI-2021-022	2017-0070-P18	\$ 2,513,395	\$ 2,495,756	\$ 623,939	\$ -	\$ 3,119,695	\$ 658,286	\$ 1,231,170	\$ 27,575	580
FY 2021 \$5339 - Local Bus and Bus Facilities	20.526	MI-2021-022	2017-0070-P18	263,400	-	-	-	-	263,400	-	-	848
FY 2020 \$5307 - Local Formula	20.507	MI-2020-047	2017-0070 P16	2,501,061	1,685,389	421,347	-	2,106,736	1,256,289	823,425	264,435	570
FY 2020 \$5339 - Local Bus and Bus Facilities	20.526	MI-2020-047	2017-0070 P16	284,093	-	-	-	-	284,093	-	-	847
FY 2019 \$20005(b) Map-21 Transit Oriented Development	20.500	MI-2019-010	2017-0070 P14	174,000	-	-	-	-	173,997	3	-	987
FY 2019 \$5307 - Local Formula	20.507	MI-2019-023	2017-0070 P13	2,537,958	2,662,027	665,507	-	3,327,534	1,692,164	180,287	374,533	560
FY 2019 \$5339 - Local Bus and Bus Facilities	20.526	MI-2019-023	2017-0070 P13	275,050	-	-	-	-	275,050	-	-	846
FY 2019 - FY 2021 \$5307 - Local Formula and CMAQ	20.507	MI-2019-024	2017-0070 P12	622,500	235,166	46,270	-	281,436	536,412	39,818	46,270	772
FY 2019 Michigan Mobility Challenge		N/A	2017-0070 P10	373,782	-	-	-	-	291,883	81,899	-	986
FY 2018 \$5307 - Local Formula	20.507	MI-2018-011	2017-0070 P7	2,353,918	1,633,607	408,402	-	2,042,009	1,905,670	39,846	159,840	550
FY 2018 \$5339 - Local Bus and Bus Facilities	20.526	MI-2018-011	2017-0070 P7	299,201	-	-	-	-	299,201	-	-	845
FY 2017 \$5307 - Local Formula	20.507	MI-2017-023	2017-0070 P3	2,431,404	-	-	-	-	2,390,637	40,767	-	540
FY 2017 \$5339 - Local Bus and Bus Facilities	20.526	MI-2017-023	2017-0070 P3	226,537	-	-	-	-	226,537	-	-	844
FY 2016 & FY 2017 \$5309 Capital Investment	20.500	MI-2017-015	2012-0104 P20	14,047,417	2,415,790	681,377	-	3,097,167	12,353,842	1,012,198	84,619	871
FY 2016 \$5307 - Local Formula and CMAQ	20.507	MI-2016-009	2012-0104 P18	2,269,162	-	-	-	-	2,259,477	9,685	-	530
FY 2016 \$5339 - Local Bus and Bus Facilities	20.526	MI-2016-009	2012-0104 P18	231,376	-	-	-	-	231,376	-	-	843
FY 2016 \$307 - 2016 Local Formula and CMAQ	20.507	MI-2016-013	2012-0104 P17	875,683	-	-	-	-	849,483	26,200	-	771
FY 2022 \$5307 - Local Formula	20.507	MI-2022-0029	2022-0073 P3	3,065,663	2,379,460	594,865	-	2,974,325	457,145	2,013,653	238,714	590
FY 2022 \$339 - Local Bus and Bus Facilities	20.507	MI-2022-0029	2022-0073 P3	252,438	102,779	25,695	-	128,474	-	226,743	2,196	849
FY 2020 & 2021 Specialized Services		N/A	2017-0070 P11	1,084,738	-	-	-	-	1,084,738	-	-	796
FY 2022 \$337 - State of Good Repair	20.525	MI-2022-0029	2022-0073 P3	296,716	9,012	2,253	-	11,265	-	294,463	-	701
FY 2023 \$307 - Local Formula	20.507	MI-2023-0020	2022-0073 P7	3,840,679	78,940	19,735	-	98,675	-	3,820,944	-	600
FY 2022 and FY 2023 \$307 - Local Formula & CMAQ	20.507	MI-2022-0042	2002-0073 P4	345,165	668,613	167,153	-	835,766	-	178,012	666	773
FY 2023 Specialized Services		N/A	2022-0073 P6	1,329,976	-	1,329,976	-	1,329,976	-	-	-	798
FY 2022 Specialized Services		N/A	2022-0073-P1	542,369	-	-	-	-	542,369	-	-	797
FY 2022 Fuel Transformation Program Volkswagen Mitigation Trust - State of MI grant			22-601-022	500,000	-	500,000	-	500,000	-	-	-	988
<b>Total</b>				<b>\$ 43,537,681</b>	<b>\$ 14,366,539</b>	<b>\$ 5,486,519</b>	<b>\$ -</b>	<b>\$ 19,853,058</b>	<b>\$ 28,032,049</b>	<b>\$ 10,019,113</b>	<b>\$ 1,198,848</b>	

**Interurban Transit Partnership**  
**Schedule of Expenditures of Federal Awards**

---

*Year ended September 30, 2023*

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Passed Through	Pass-Through Federal Grantor Number	Passed Through to Subrecipients	Total Federal Expenditures
<b>Federal Transit Cluster:</b>					
Federal Transit Formula Grants	20.507	Direct	MI-2022-029	\$ -	\$ 2,379,460
Federal Transit Formula Grants	20.507	Direct	MI-2018-011	-	1,633,607
Federal Transit Formula Grants	20.507	Direct	MI-2019-023	-	2,662,027
Federal Transit Formula Grants	20.507	Direct	MI-2020-047	-	1,685,389
Federal Transit Formula Grants	20.507	Direct	MI-2021-022	-	2,495,756
Federal Transit Formula Grants	20.507	Direct	MI-2019-024	-	235,166
Federal Transit Formula Grants	20.507	Direct	MI-2022-002	-	8,321,660
Federal Transit Formula Grants	20.507	Direct	MI-2023-020	-	78,940
Federal Transit Formula Grants	20.507	Direct	MI-2022-042	-	668,613
Federal Transit Capital Investment Grants	20.500	Direct	MI-2017-015	-	2,415,790
Buses and Bus Facilities Formula, Competitive, and Low or No Emissions Programs	20.526	Direct	MI-2022-029	-	102,778
<b>Total Federal Transit Cluster</b>				-	<b>22,679,286</b>
Federal Transit Capital Investment Grants	20.527	Direct	MI-2022-029	-	9,012
<b>Total Federal Awards</b>				<b>\$ -</b>	<b>\$22,688,198</b>

# Interurban Transit Partnership

## Notes to Schedule of Expenditures of Federal Awards

---

### 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of ITP under programs of the federal government for the year ended September 30, 2023. The information in the 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 ITP, it is not intended to and does not present the financial position, changes in net assets, or cash flows of ITP.

### 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.

### 3. Indirect Cost Rate

ITP has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

## **Independent Auditor's 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***

Members of the Board  
Interurban Transit Partnership  
Grand Rapids, Michigan

We have audited, in accordance with the 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 Interurban Transit Partnership (ITP), as of and for the years ended September 30, 2023 and 2022 (as of and for the years ended June 30, 2023 and 2022 for the Pension Trust Funds), and the related notes to the financial statements, which collectively comprise ITP's basic financial statements, and have issued our report thereon dated January 17, 2024.

### **Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered ITP'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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of ITP's internal control. Accordingly, we do not express an opinion on the effectiveness of ITP'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 a 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 a 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 or significant deficiencies may exist that were not identified.



## Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether ITP'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 results of that testing, and not to provide an opinion on the effectiveness of ITP's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering ITP's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*BDO USA, P.C.*

January 17, 2024



## **Independent Auditor's Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance**

Members of the Board  
Interurban Transit Partnership  
Grand Rapids, Michigan

### **Report on Compliance for Each Major Federal Program**

#### ***Opinion on Each Major Federal Program***

We have audited Interurban Transit Partnership's (ITP) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of ITP's major federal programs for the year ended September 30, 2023. ITP's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, ITP complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2023.

#### ***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); 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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of ITP and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of ITP's compliance with the compliance requirements referred to above.

#### ***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to ITP's federal programs.



### ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on ITP's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about ITP's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding ITP's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of ITP's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 ITP's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### **Report on 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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.

*BDO USA, P.C.*

January 17, 2024

# Interurban Transit Partnership

## Schedule of Findings and Questioned Costs Year Ended September 30, 2023

---

### Section 1. Summary of Auditor's Results

#### Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with U.S. GAAP:

Unmodified

Internal control over financial reporting:

- Material weakness(es) identified?  Yes  No
- Significant deficiency(ies) identified?  Yes  None reported
- Noncompliance material to financial statements noted?  Yes  No

#### Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified?  Yes  No
- Significant deficiency(ies) identified?  Yes  None reported

Type of auditor's report issued on compliance for major federal programs:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?

Yes  No

Identification of major federal programs:

Federal CFDA Number	Name of Federal Program or Cluster
20.500, 20.507, and 20.526	Federal Transit Cluster

Dollar threshold used to distinguish between Type A and Type B programs:

\$750,000

Auditee qualified as low-risk auditee?

Yes  No

### Section 2. Financial Statement Findings

There were no findings related to the financial statements that are required to be reported, in accordance with generally accepted government auditing standards.

### Section 3. Federal Award Findings and Questioned Costs

There were no findings and questioned costs for federal awards (as defined in 2 CFR 200.516(a)) that are required to be reported.

---



**INTERURBAN TRANSIT PARTNERSHIP BOARD OF DIRECTORS**

**RESOLUTION No. 012424-7**

**Fiscal Year: 2023-2024**

Moved and supported to adopt the following resolution:

Approval to the Financial Statements and Single Audit Reports for the fiscal year ended September 30, 2023, and 2022.

BE IT RESOLVED that the ITP Board of Directors approves the Financial Statements and Single Audit Reports for the fiscal year ending September 30, 2023, and 2022 as written, per the presentation on January 24, 2024

CERTIFICATE

The undersigned, duly qualified and acting secretary of the Interurban Transit Partnership Board, certifies that the foregoing is a true and correct copy of a resolution adopted at a legally convened meeting of the Interurban Transit Partnership Board.

\_\_\_\_\_  
Kris Heald, Board Secretary

\_\_\_\_\_  
Date



**Interurban Transit Partnership**

---

DATE: January 24, 2024  
TO: ITP Board  
FROM: Jason Prescott  
SUBJECT: DECEMBER 2023 PARATRANSIT RIDERSHIP REPORT

**Paratransit ridership information for December 2023, as compared to December 2022**

	2023	2022	% Change
Total Paratransit Ridership	17,069	16,540	3.2%
ADA Ridership	14,136	13,358	5.8%
Non-Disabled Senior (NDS) Ridership	106	98	8.2%
PASS Ridership	218	219	-0.5%
Network 180	2,067	2,153	-4.0%

**Ridership averages, as compared to 2022.**

	2023	2022	% Change
Weekday Ridership	644	617	4.4%
Saturday Ridership	265	179	48.0%
Sunday Ridership	220	199	10.6%

**Other Performance Measures**

	2023	2022	% Change
On-Time Pick-Up	94.22%	74.00%	27.3%
On-Time Drop-Off	96.92%	77.00%	25.9%
Average Cost Per Trip	\$52.99	\$40.60	30.5%

## December 2023 Paratransit Ridership and Operating Statistics

	2023	2022	Change	% Change
<b>ADA</b>				
Clients	1,214	1,204	10	0.8%
Passenger Trips	14,136	13,358	778	5.8%
<b>NDS</b>				
Clients	12	13	(1)	-7.7%
Passenger Trips	106	98	8	8.2%
<b>PASS</b>				
Clients	13	14	(1)	-7.1%
Passenger Trips	218	219	(1)	-0.5%
<b>CONTRACTED</b>				
Clients	0	0	0	#DIV/0!
Passenger Trips	0	0	0	#DIV/0!
<b>RIDELINK</b>				
Clients	248	289	(41)	-14.2%
Passenger Trips (Performed by The Rapid)	542	712	(170)	-23.9%
<b>TOTALS</b>				
Clients	1,487	1,520	(33)	-2.2%
Passenger Trips	15,002	14,387	615	4.3%
Average Weekday Ridership	644	617	27	4.4%
Average Saturday Ridership	265	179	86	48.0%
Average Sunday Ridership	220	199	21	10.6%
All Ambulatory Passengers	12,126	11,759	367	3.1%
All Wheelchair Passengers	2,876	2,628	248	9.4%
No - Shows	427	354	73	20.6%
Cancellations	348	450	(102)	-22.7%
<b>Transdev</b>				
Average Cost per Trip	\$52.99	\$40.60	\$12.39	30.5%
Riders per Hour	1.8	2.1	(0.3)	-16.2%
Accidents per Month	1.0	3.0	(2)	-66.7%
<b>Trip Denials</b>				
	0	0	0	0.0%
<b>NTD Travel Time (minutes)</b>	33	29	4	13.8%
<b>NETWORK 180</b>				
Passenger Trips	2,067	2,153	(86)	-4.0%
Average Weekday Ridership	109	98	11	11.2%
<b>TOTAL PASSENGER TRIPS</b>				
	<b>17,069</b>	<b>16,540</b>	<b>529</b>	<b>3.2%</b>
<b>Paratransit Service Quality Statistics: network 180 Excluded</b>				
	2023	2022	% of Trips	% Change
<b>Complaints</b>				
Transdev Complaints	14	21	0.1%	-33.3%
<b>On-Time Performance</b>				
On-Time Compliance - Pick-up	94.22%	74.00%	20.2%	27.3%
On-Time Compliance - Drop-off	96.92%	77.00%	19.9%	25.9%



## **Interurban Transit Partnership**

---

300 Ellsworth SW, Grand Rapids, Michigan 49503-4005 Ph 616 456 7514

**Date:** January 4, 2023

**To:** Board of Directors

**From:** Jason Prescott, Director, Paratransit, ADA and Mobility

**Subject:** Rapid Connect

### **OVERVIEW**

Rapid Connect mobility-on-demand program report from Thursday, December 28 through Wednesday, January 3. The intent of these reports is to be distributed weekly on Friday mornings. The reports will always cover a five-day service period.

### **HISTORICAL CONTEXT**

The Rapid Connect service was launched on January 3<sup>rd</sup>, 2022, in Walker and Kentwood to improve accessibility to public transportation within those two jurisdictions. The initial pilot (Jan-Mar) had a service operating on weekdays from 6 a.m. to 6 p.m. Presently the service operates until 10 p.m. on weekdays.

Sign-ups remain consistent from week to week. To date, 1,962 people have signed up to use this new service.

All training and testing trips taken by operators or Rapid employees have been omitted from all calculations included in this report.

### **CURRENT RIDERSHIP**

Between Thursday, December 28, and Wednesday, January 3 (five-day service period), there were a total of 163 completed trips. All 163 trips were scheduled on-demand through the app.

## Interurban Transit Partnership

---

300 Ellsworth SW, Grand Rapids, Michigan 49503-4005 Ph 616 456 7514

There were 107 completed trips in Kentwood (66%), and 56 trips completed in Walker (34%). There were 33 individual riders in Kentwood and 15 in Walker that made up these trip counts for this week.

The average fare trip distance in Kentwood is 2.85 miles, and 3.17 miles in Walker. The fare trip distance is the distance between the pickup and drop-off points and does not consider other stops on the route.

The earliest trip in Kentwood for this five-day service period had a reported arrival time of 5:57 a.m. The latest trip was completed at 9:42 p.m.

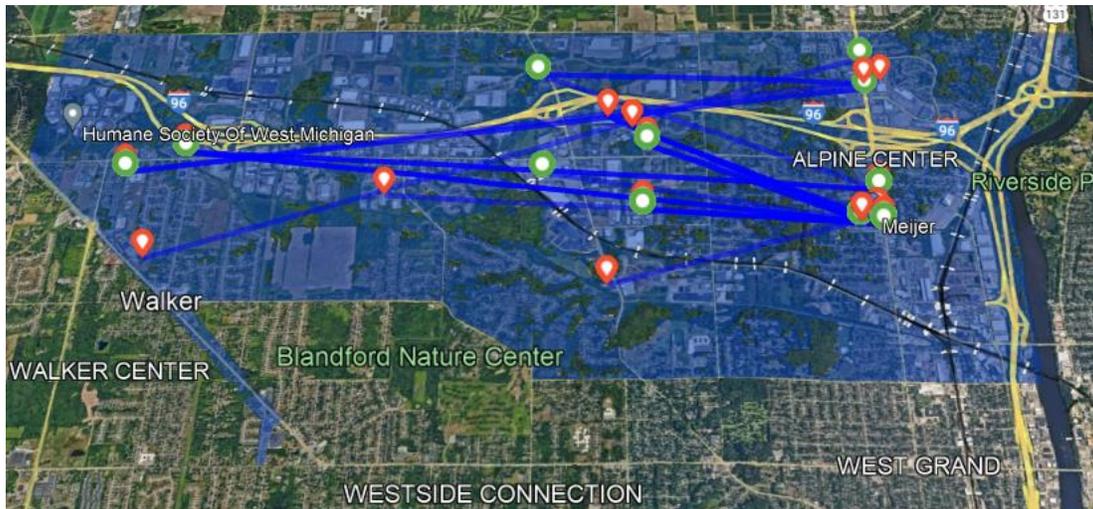


## Interurban Transit Partnership

---

300 Ellsworth SW, Grand Rapids, Michigan 49503-4005 Ph 616 456 7514

The earliest trip in Walker for this five-day service period had a reported arrival time of 6:07 a.m. The latest trip was completed at 9:09 p.m.



4 Trips taken this week in the expanded zone.

3475 Alpine Ave NW

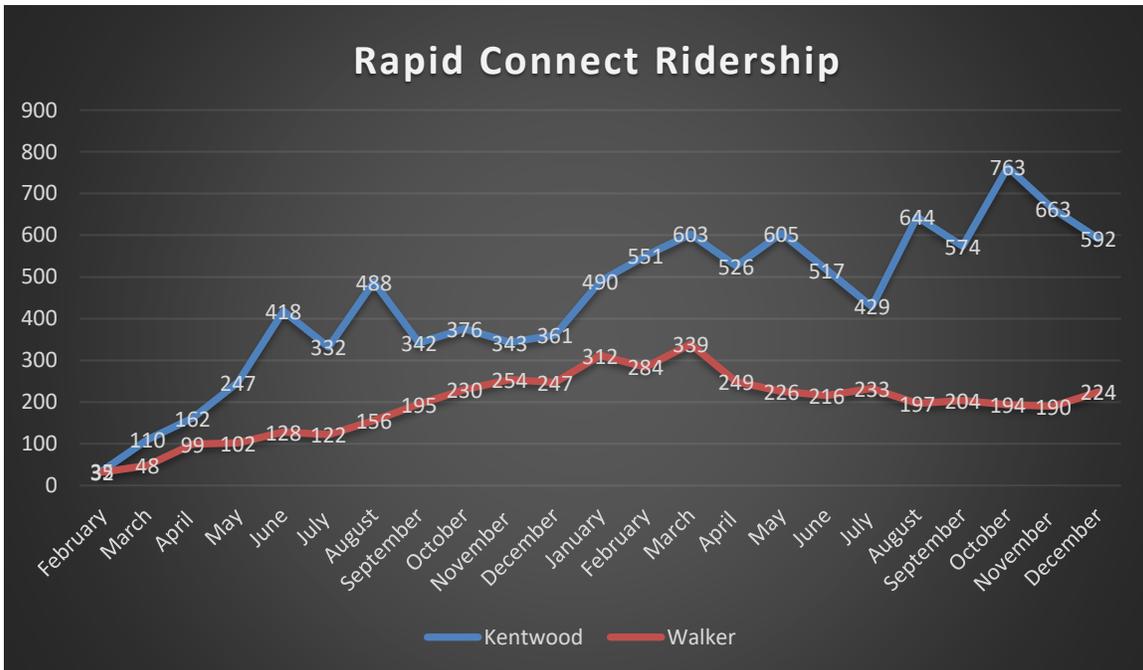
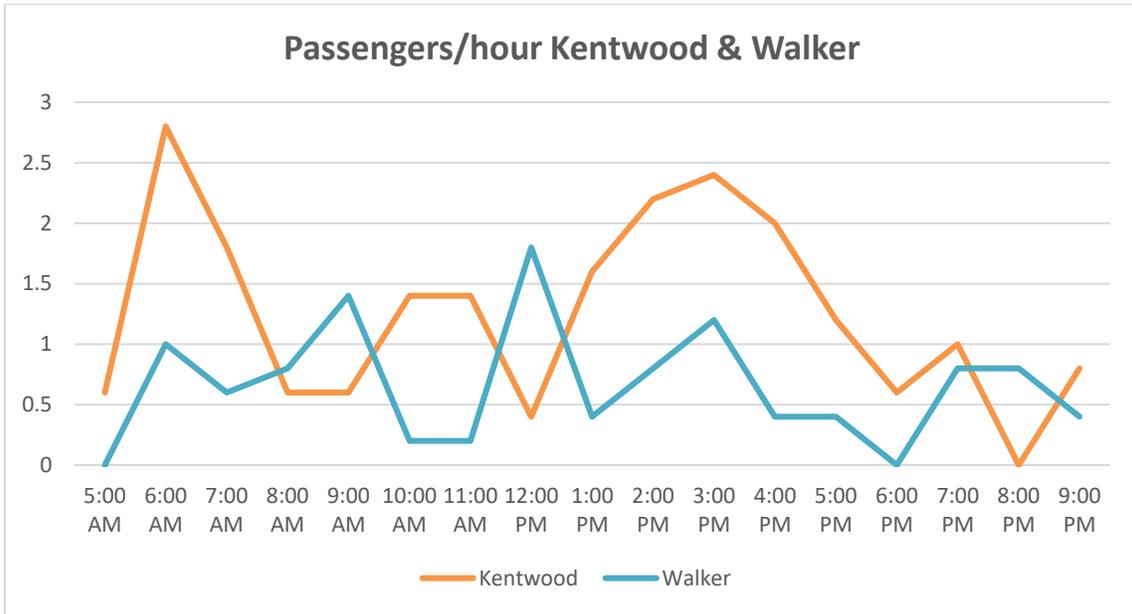
3286 Alpine Ave NW

3248 Alpine Ave NW

2189 Walker Ave

## Interurban Transit Partnership

300 Ellsworth SW, Grand Rapids, Michigan 49503-4005 Ph 616 456 7514





**Date:** January 10, 2024  
**To:** ITP Board  
**From:** Maxwell Dillivan, AICP – Senior Planner  
**Subject:** FIXED ROUTE RIDERSHIP AND PRODUCTIVITY REPORT – December 2023

**OVERVIEW**

December 2023 ridership and productivity measures significantly out-performed those of December 2022. This month’s very favorable weather conditions and extremely inclement weather during the third week of December 2022 largely explain the increase in performance.

**BACKGROUND INFORMATION**

**Monthly Ridership**

	<b>Dec 2023</b>	<b>Dec 2022</b>	<b>% Change</b>
Regular Fixed Route Service ( <i>Routes 1–44</i> )	351,130	315,243	↑ 11.4%
Contracted Service ( <i>GVSU, DASH, GRCC, and Ferris</i> )	107,838	103,429	↑ 4.3%
<b>Total Monthly Fixed Route Ridership</b>	<b>458,968</b>	<b>418,672</b>	<b>↑ 9.6%</b>

**Daily Average Ridership**

	<b>Dec 2023</b>	<b>Dec 2022</b>	<b>% Change</b>
Weekday Total	19,779	16,949	↑ 16.7%
Weekday Evening	2,629	2,175	↑ 20.9%
Saturday	8,568	6,868	↑ 24.8%
Sunday	4,109	3,817	↑ 7.7%

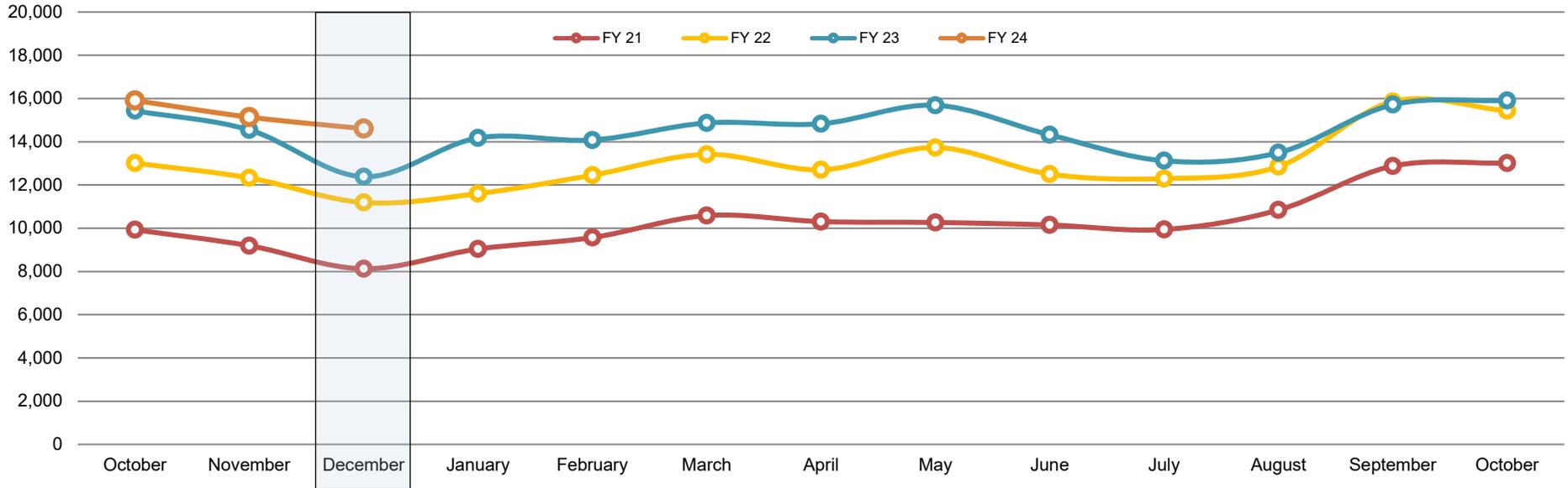
**Productivity Summary**

	<b>Dec 2023</b>	<b>Dec 2022</b>	<b>% Change</b>
Average passengers per hour per route	13.2	11.3	↑ 16.7%
Average passengers per mile per route	0.98	0.83	↑ 17.0%
Average farebox recovery percent per route	10.9%	9.8%	↑ 10.7%

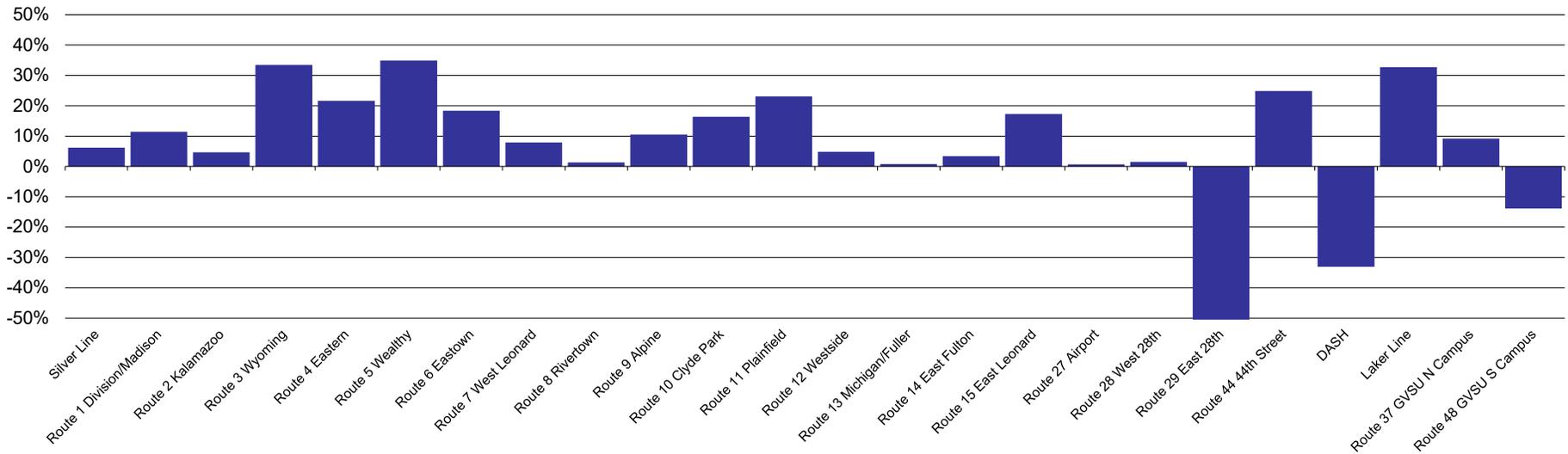
**Fiscal Year Ridership**

	<b>FY 2024</b>	<b>FY 2023</b>	<b>% Change</b>
Regular Fixed Route Service ( <i>Routes 1–44</i> )	1,122,086	1,055,497	↑ 6.3%
Contracted Service ( <i>GVSU, DASH, GRCC, and Ferris</i> )	498,228	456,330	↑ 9.2%
<b>Total Fixed Route Ridership YTD</b>	<b>1,620,314</b>	<b>1,511,827</b>	<b>↑ 7.2%</b>

## Monthly Weekday Average Ridership History



## Percent Change by Route: December 2023 compared to December 2022





## Interurban Transit Partnership

---

**Date:** January 24, 2024  
**To:** ITP Board  
**From:** Linda Medina, Director of Finance  
**Subject:** November 2023 Operating and Grant Statements and Professional Development and Travel Reports for October 2023 and November 2023

Attached is November 2023 general operating and grant report. The financial reports include October and November's transactions. Also included is the Professional Development and Travel reports for October and November 2023.

### FY 23/24 YTD Operating Statement Analysis

Total revenues and expenses are trending favorably through November 2023. Revenues are 1.7% over budget while expenses are 14.6% under budget. We are only two months into the new fiscal year and currently there are no notable patterns or trends.

Please feel free to reach out to me directly at (616) 774-1149 or [lmedina@ridetherapid.org](mailto:lmedina@ridetherapid.org) with any additional questions regarding the attached financial reports.

The Rapid  
Operating Statement  
Year to Date as of November 30, 2022

	YTD as of November 30, 2023		Variance		Last Year	Current Year	
	Budget	Actual	\$	%	FY 22/23 YTD Actual	FY 23/24 Annual Budget	
<b>Revenues and Operating Assistance</b>							
Passenger Fares	\$ 821,405	\$ 803,116	\$ (18,289)	-2.2%	\$ 733,530	\$ 4,895,883	803,115
<b>Sale of Transportation Services</b>							
CMH Contribution	82,839	61,000	(21,839)	-26.4%	64,550	447,839	61,000
Dash Contract	299,865	275,437	(24,428)	-8.1%	264,471	1,856,468	275,437
Grand Valley State University	709,743	737,457	27,714	3.9%	594,763	3,682,642	737,457
Van Pool Transportation	-	-	-	0.0%	(1,162)	-	-
Township Services	34,036	34,086	50	0.1%	57,601	185,836	34,086
Other	28,495	30,624	2,129	7.5%	28,581	218,635	30,624
Subtotal Sale of Transportation Services	1,154,978	1,138,605	(16,373)	-1.4%	1,008,804	6,391,421	1,138,604
State Operating	3,229,150	2,914,118	(315,032)	-9.8%	2,501,936	18,870,616	2,914,119
Property Taxes	3,276,834	3,444,482	167,648	5.1%	3,104,604	19,661,002	3,444,482
Advertising & Miscellaneous	101,368	427,117	325,749	321.4%	178,402	714,020	427,117
Subtotal Revenues and Operating Assistance	8,583,734	8,727,438	143,703	1.7%	7,527,276	50,532,941	8,727,437
Grant Operating Revenue	-	-	-	0.0%	2,000,001	-	-
Unrestricted Net Reserves	-	-	-	0.0%	-	5,474,451	-
<b>Total Revenues and Operating Assistance</b>	<b>\$ 8,583,734</b>	<b>\$ 8,727,438</b>	<b>\$ 143,703</b>	<b>1.7%</b>	<b>\$ 9,527,277</b>	<b>\$ 56,007,392</b>	<b>\$ 8,727,437</b>
<b>Expenses</b>							
<b>Salaries and Wages</b>							
Administrative	\$ 1,025,508	\$ 912,537	\$ (112,971)	-11.0%	\$ 854,330	\$ 7,226,977	898,439
Operators	2,466,641	2,106,565	(360,077)	-14.6%	2,096,567	16,033,168	2,173,612
Maintenance	428,132	406,888	(21,244)	-5.0%	284,819	2,782,858	353,938
Subtotal Salaries and Wages	3,920,281	3,425,989	(494,291)	-12.6%	3,235,715	26,043,003	3,425,989
Benefits	2,019,913	1,506,537	(513,376)	-25.4%	1,590,974	10,842,785	1,506,348
Contractual Services	594,477	594,476	(1)	0.0%	389,246	3,912,166	594,476
Materials and Supplies				0.0%		-	
Fuel and Lubricants	485,477	302,532	(182,944)	-37.7%	338,718	3,026,466	302,532
Other	287,169	287,123	(46)	0.0%	212,781	1,969,374	287,123
Subtotal Materials and Supplies	772,645	589,655	(182,990)	-23.7%	551,499	4,995,840	589,655
Utilities, Insurance, and Miscellaneous	1,352,326	1,267,249	(85,078)	-6.3%	1,454,385	5,699,115	1,267,440
Purchased Transportation	1,419,919	1,223,662	(196,257)	-13.8%	1,200,049	8,514,483	1,223,662
Expenses Before Capitalized Operating	10,079,561	8,607,568	(1,471,993)	-14.6%	8,421,869	60,007,392	8,607,570
Capitalized Operating Expenses	-	-	-	0.0%	-	(4,000,000)	-
<b>Total Operating Expenses</b>	<b>\$ 10,079,561</b>	<b>\$ 8,607,568</b>	<b>\$ (1,471,993)</b>	<b>-14.6%</b>	<b>\$ 8,421,869</b>	<b>\$ 56,007,392</b>	<b>\$ 8,607,570</b>
Net Surplus/(Deficit) without Net Reserves		\$ 119,869					
Net Surplus/(Deficit) with Net Reserves		\$ 119,869					

Interurban Transit Partnership  
Grant Revenues & Expenditures  
Month Ended 11/30/23

GL0376

Page 1

	Adopted Budget	Amended Budget	Month To Date	Year To Date	Balance	Percent Target 17%
1. <u>Federal Grant Assistance</u>	16,232,189	16,232,189	875,696	1,289,515	14,942,674	8%
2. <u>State Grant Assistance</u>	4,058,047	4,058,047	218,924	322,379	3,735,668	8%
3. <u>Transfer In - Operating Budget</u>	0	0	0	0	0	100%
4. <u>Use of Restricted Net Assets</u>	0	0	0	0	0	100%
5. <u>Other Local</u>	0	0	0	0	0	100%
6. Total Grant Revenue	20,290,236	20,290,236	1,094,620	1,611,894	18,678,342	8%
7. <u>Administrative Salaries</u>	0	0	0	0	0	100%
8. <u>Driver Wages</u>	0	0	0	0	0	100%
9. <u>Temporary Wages</u>	0	0	0	0	0	100%
10. <u>Fringe Benefit Distribution</u>	0	0	0	0	0	100%
11. Total Labor	0	0	0	0	0	100%
12. <u>Tires &amp; Tubes</u>	322,000	322,000	22,731	25,953	296,047	8%
13. <u>Office Supplies</u>	0	0	0	0	0	100%
14. <u>Printing</u>	0	0	0	0	0	100%
15. Total Material & Supplies	322,000	322,000	22,731	25,953	296,047	8%
16. <u>Purchased Transportation</u>	1,200,000	1,200,000	0	100,000	1,100,000	8%
17. <u>Specialized Services</u>	0	0	0	0	0	100%
18. Total Purchased Transportation	1,200,000	1,200,000	0	100,000	1,100,000	8%
19. <u>Dues &amp; Subscriptions</u>	26,000	26,000	26,757	26,757	757-	103%
20. <u>Professional Development</u>	0	0	0	0	0	100%
21. <u>Miscellaneous</u>	0	1,859	0	0	1,859	0%
22. Total Other Expenses	26,000	27,859	26,757	26,757	1,102	96%
23. <u>Office Lease</u>	0	0	0	0	0	100%
24. <u>Transit Center Lease</u>	0	0	0	0	0	100%
25. <u>Storage Space Lease</u>	0	0	0	0	0	100%
26. Total Leases	0	0	0	0	0	100%
27. <u>Rolling Stock</u>	4,320,079	4,320,079	853,080	1,194,312	3,125,767	28%
28. <u>Facilities</u>	3,617,625	6,055,443	86,206	87,963	5,967,480	1%
29. <u>Equipment</u>	675,298	1,883,609	14,721	14,721	1,868,888	1%
30. <u>Other</u>	1,742,950	2,041,091	79,922	136,196	1,904,895	7%
31. Total Capital	10,355,952	14,300,222	1,033,929	1,433,192	12,867,030	10%
32. <u>Planning Services</u>	4,932,231	986,102	11,203	25,992	960,110	3%
33. <u>Capitalized Operating</u>	3,454,053	3,454,053	0	0	3,454,053	0%
34. Total Expenditures	20,290,236	20,290,236	1,094,620	1,611,894	18,678,342	8%

PROFESSIONAL DEVELOPMENT & TRAVEL REPORT  
 ALL EMPLOYEES  
 OCTOBER 2023

AMOUNT	PURPOSE	EMPLOYEE (s)	LOCATION
\$ 3,512.87	APTA Transform Conference	K. Wisselink, D. Prato, N. Monoyios	Orlando, FL
\$ 773.50	Optimism Online Class	S. Luther, N. Monoyios, M. Dillivan, D. Prato, K. Heald, A. Erber, W. Frazier, J. King, J. Prescott, L. Medina, K. Wisselink, A. Prokopy, S. Clapp, S. Schipper, C. Cooper	Virtual
\$ 1,520.03	Global Security Exchange Conference	M. Wieringa	Dallas, TX
<u>\$ 5,806.40</u>			

\*This total does not include incidental travel and meeting expenses such as mileage, parking, lunch meetings, etc.

PROFESSIONAL DEVELOPMENT & TRAVEL REPORT  
ALL EMPLOYEES  
NOVEMBER 2023

<u>AMOUNT</u>	<u>PURPOSE</u>	<u>EMPLOYEE (s)</u>	<u>LOCATION</u>
	Michigan Public Purchasing Officers Association		
\$ 248.52	Fall Conference	E. Vesely	St Joseph, MI
<u>\$ 248.52</u>			

\*This total does not include incidental travel and meeting expenses such as mileage, parking, lunch meetings, etc.