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# **TRANSPORTATION RIDERS UNITED, INC.**

**(A MICHIGAN NON-PROFIT CORPORATION)**

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**Financial Reports  
For The Year Ended  
December 31, 2020  
(With Comparative Totals for 2019)**



certified public accountants

**1301 WEST LONG LAKE ROAD, SUITE 200, TROY MI 48098**

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**TRANSPORTATION RIDERS UNITED, INC.**  
**Detroit, Michigan**

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## INDEPENDENT ACCOUNTANTS' REVIEW REPORT

The Board of Directors  
Transportation Riders United, Inc.  
Detroit, Michigan

We have reviewed the accompanying financial statements of Transportation Riders United, Inc. (a non-profit organization), which comprise the statement of financial position as of December 31, 2020, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

### **Management's Responsibility for the Financial Statements**

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

### **Accountants' Responsibility**

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

### **Accountants' Conclusion**

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

### **Report on 2019 Financial Statements**

The December 31, 2019 financial statements were audited by us, and we expressed an unmodified opinion on them in our report dated June 24, 2020. We have not performed any auditing procedures since that date.

*Gordon Advisors, P.C.*

February 16, 2022

# TRANSPORTATION RIDERS UNITED, INC.

## Statements of Financial Position

### ASSETS

	<u>December 31,</u>	
	<u>2020</u>	<u>2019</u>
	<u>Reviewed</u>	<u>Audited</u>
<b>Current Assets</b>		
Cash	\$ 81,835	\$ 75,586
Grants receivable	0	0
Pledges receivable	295	1,000
Other receivables	578	0
Prepaid expenses	3,743	5,902
	<u>86,451</u>	<u>82,488</u>
<b>Total Current Assets</b>		
	<u>86,451</u>	<u>82,488</u>
<b>Property and equipment - At cost:</b>		
Computers and equipment	48,138	48,138
Less: Accumulated depreciation	<u>(35,272)</u>	<u>(27,688)</u>
	<u>12,866</u>	<u>20,450</u>
<b>Total Fixed Assets - At cost,</b>		
<b>Less Accumulated Depreciation</b>		
	<u>12,866</u>	<u>20,450</u>
	<u>\$ 99,317</u>	<u>\$ 102,938</u>

### LIABILITIES AND NET ASSETS

<b>Liabilities</b>		
Accrued liabilities	\$ 3,864	\$ 9,463
Deferred revenue	0	10,000
	<u>3,864</u>	<u>19,463</u>
<b>Total Liabilities</b>		
	<u>3,864</u>	<u>19,463</u>
<b>Net Assets</b>		
Without donor restrictions	95,453	83,475
With donor restrictions	0	0
	<u>95,453</u>	<u>83,475</u>
<b>Total Net Assets</b>		
	<u>\$ 99,317</u>	<u>\$ 102,938</u>

See Independent Accountants' Review Report and Accompanying Footnotes.

**TRANSPORTATION RIDERS UNITED, INC.**  
**Statements of Activities**  
**For the Year Ended December 31, 2020**  
**(With Comparative Totals for the Year Ended December 31, 2019)**

	<b>2020 Reviewed</b>			<b>2019 Audited Total</b>
	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>	
<b>Revenue and Other Support</b>				
Grants	\$ 106,000	\$ 0	\$ 106,000	\$ 51,000
Membership dues and contributions	33,156	0	33,156	47,732
Special events	4,738	0	4,738	6,821
In-kind donations	0	0	0	563
	143,894	0	143,894	106,116
Net assets released from restrictions - Satisfaction of program restrictions	0	0	0	0
<b>Total Revenue and Other Support</b>	<b>143,894</b>	<b>0</b>	<b>143,894</b>	<b>106,116</b>
<b>Expenses</b>				
Program expenses	128,272	0	128,272	81,160
Supporting services - Management and general	4,426	0	4,426	29,396
Fundraising	16,439	0	16,439	17,752
<b>Total Expenses</b>	<b>149,137</b>	<b>0</b>	<b>149,137</b>	<b>128,308</b>
<b>Other Income</b>				
Other income (expense)	17,221	0	17,221	(45)
<b>Total Other Income</b>	<b>17,221</b>	<b>0</b>	<b>17,221</b>	<b>(45)</b>
<b>Change In Net Assets</b>	<b>11,978</b>	<b>0</b>	<b>11,978</b>	<b>(22,237)</b>
<b>Net Assets - Beginning of Year</b>	<b>83,475</b>	<b>0</b>	<b>83,475</b>	<b>105,712</b>
<b>Net Assets - End of Year</b>	<b>\$ 95,453</b>	<b>\$ 0</b>	<b>\$ 95,453</b>	<b>\$ 83,475</b>

See Independent Accountants' Review Report and Accompanying Footnotes.

# TRANSPORTATION RIDERS UNITED, INC.

## Statements of Functional Expenses

For the Year Ended December 31, 2020

(With Comparative Totals for the Year Ended December 31, 2019)

	2020					
	Reviewed					
	Program Services					
	Bus Improvement Advocacy	Regional Transit Advocacy	Transportation Advocacy	Climate Advocacy	Community Outreach & Engagement	Total Program Services
Salaries	\$ 15,980	\$ 8,390	\$ 5,728	\$ 5,280	\$ 23,614	\$ 58,992
Payroll taxes	1,055	609	392	317	1,572	3,945
Employee benefit program	1,925	1,085	787	700	2,963	7,460
<b>Total Compensation</b>	<b>18,960</b>	<b>10,084</b>	<b>6,907</b>	<b>6,297</b>	<b>28,149</b>	<b>70,397</b>
Contractual and professional services	704	897	1,191	1,059	4,499	8,350
Occupancy	627	353	257	228	969	2,434
Sub-grantee services	29,100	0	0	0	0	29,100
Telephone	232	131	95	84	358	900
Printing, postage & supplies	358	100	8	7	1,245	1,718
Meetings and educational material	69	274	516	18	1,211	2,088
Office expenses and miscellaneous	675	414	328	236	1,625	3,278
Transportation	0	12	90	0	14	116
Insurance	595	335	243	216	918	2,307
Subtotal	32,360	2,516	2,728	1,848	10,839	50,291
Depreciation	0	0	0	0	7,584	7,584
<b>Total Expenses</b>	<b>\$ 51,320</b>	<b>\$ 12,600</b>	<b>\$ 9,635</b>	<b>\$ 8,145</b>	<b>\$ 46,572</b>	<b>\$ 128,272</b>

See Independent Accountants' Review Report and Accompanying Footnotes.

**TRANSPORTATION RIDERS UNITED, INC.**  
**Statements of Functional Expenses (continued)**  
**For the Year Ended December 31, 2020**  
**(With Comparative Totals for the Year Ended December 31, 2019)**

	<b>2020</b>			
	<b>Reviewed</b>			
	<b>Supporting Services</b>			
	<b>Management &amp; General</b>	<b>Fundraising</b>	<b>2020 Reviewed Total</b>	<b>2019 Audited Total</b>
Salaries	\$ 520	\$ 9,674	\$ 69,186	\$ 72,748
Payroll taxes	246	657	4,848	5,287
Employee benefit program	50	1,221	8,731	9,757
<b>Total Compensation</b>	<b>816</b>	<b>11,552</b>	<b>82,765</b>	<b>87,792</b>
Contractual and professional services	3,530	1,853	13,733	11,954
Occupancy	36	399	2,869	4,125
Sub-grantee services	0	0	29,100	0
Telephone	6	148	1,054	1,430
Printing, postage & supplies	0	449	2,167	2,432
Meetings and educational material	0	1,003	3,091	6,889
Office expenses and miscellaneous	12	649	3,939	5,216
Transportation	10	8	134	1,019
Insurance	16	378	2,701	626
Subtotal	3,610	4,887	58,788	33,691
Depreciation	0	0	7,584	6,825
<b>Total Expenses</b>	<b>\$ 4,426</b>	<b>\$ 16,439</b>	<b>\$ 149,137</b>	<b>\$ 128,308</b>

See Independent Accountants' Review Report and Accompanying Footnotes.

# TRANSPORTATION RIDERS UNITED, INC.

## Statements of Cash Flows

	<b>For the Years Ended December 31,</b>	
	<b>2020</b>	<b>2019</b>
	<b>Reviewed</b>	<b>Audited</b>
<b>Operating Activities</b>		
Change in net assets	\$ 11,978	\$ (22,237)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	7,584	6,825
Donated investment securities	0	(3,074)
(Increase) Decrease in operating assets:		
Grant receivable	0	4,250
Pledges receivable	705	(1,000)
Other receivables	(578)	0
Prepaid expenses	2,159	(5,560)
Increase (Decrease) in operating liabilities:		
Accrued liabilities	(5,599)	2,034
Deferred revenue	(10,000)	10,000
<b>Net Cash Provided By (Used In) Operating Activities</b>	<b>6,249</b>	<b>(8,762)</b>
<b>Investing Activities</b>		
Purchase of equipment	0	(3,906)
Proceeds from sale of assets	0	3,074
<b>Net Cash Provided By (Used In) Investing Activities</b>	<b>0</b>	<b>(832)</b>
<b>Net Increase (Decrease) in Cash</b>	<b>6,249</b>	<b>(9,594)</b>
<b>Cash</b>		
<b>Beginning of Year</b>	<b>75,586</b>	<b>85,180</b>
<b>End of Year</b>	<b>\$ 81,835</b>	<b>\$ 75,586</b>

See Independent Accountants' Review Report and Accompanying Footnotes.



**TRANSPORTATION RIDERS UNITED, INC.**  
**Notes to the Financial Statements**  
**For the Year Ended December 31, 2020 and 2019**

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**NOTE**

**1. Organization and Purpose**

Description of Organization – Transportation Riders United, Inc. “the Organization” is a nonprofit corporation organized under the laws of the State of Michigan. The Organization’s mission is: Transportation Riders United, Inc. believes everyone should be able to get where they need to go. We educate, mobilize, and advocate for more and better public transit and other affordable mobility options throughout Metro Detroit.

Program Services:

Bus Improvement Advocacy – Monitoring, promoting, and advocating for improvements in existing bus service and funding, and seeking to provide bus riders a voice in transit decisions.

Regional Transit Advocacy – Monitoring, supporting, and advising the Regional Transit Authority (RTA) and otherwise advocating for improved transit throughout southeast Michigan with and through the RTA.

Transportation Advocacy (Other) – Monitoring and seeking to improve non-bus and non-RTA transportation projects including M-1 Rail streetcar and highway expansion proposals.

Transit Education Project – Educating voters about and making the case to support the Regional Transit funding ballot measure to invest in transit expansion.

Community Outreach and Engagement – Informing and engaging transit stakeholders and the broader public about transit news, events and opportunities for involvement.

Management and General – This includes the functions necessary to maintain an adequate working environment, provide proper administrative support of the Organization’s programs, planning, and manage the financial and budgeting responsibilities of the Organization.

Fundraising – This provides the structure necessary to encourage and secure support from individuals, foundations, corporations, and government agencies.

**2. Summary of Significant Accounting Policies**

The following are accounting principles and policies followed by the Organization:

Basis of Accounting – The accrual basis of accounting has been adopted for purposes of financial reporting.

Classification of Net Assets – Net assets of the Organization are classified as without donor restrictions and with donor restrictions depending on the presence and characteristics of donor-imposed restrictions limiting the Organization’s ability to use or dispose of contributed assets or the economic benefits embodied in these assets. Donor-imposed restrictions that expire with the passage of time or can be removed by meeting certain requirements result in net assets with donor restrictions. Earnings, gains and losses on net assets with donor restrictions are classified as unrestricted unless specifically restricted by the donor or by applicable state law.

Cash Equivalents – The Organization considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Investments – Purchased and donated securities are valued at fair market value.

**TRANSPORTATION RIDERS UNITED, INC.**  
**Notes to the Financial Statements (Continued)**  
**For the Year Ended December 31, 2020 and 2019**

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**NOTE**

**2. Summary of Significant Accounting Policies (Continued)**

Allowance for Doubtful Accounts – The Organization uses the allowance method to determine uncollectible unconditional promises receivable. The allowance is based on prior years' experience and management's analysis of specific promises made. Management has determined that no allowance is necessary as all amounts are expected to be received.

Property and Equipment – It is the Organization's policy to capitalize property and equipment over \$500. Lesser amounts are expensed. Purchased property and equipment is capitalized at cost. Donations of property and equipment are recorded as contributions at their estimated fair value. Depreciation is computed on a straight-line basis over the estimated useful lives of the assets.

Contributed Support – Contributions of cash and other assets, including unconditional promises to give in the future, are recorded as with donor restrictions or without donor restrictions, depending on the existence and/or nature of any donor restrictions. When a donor restriction expires, that is, when a stipulated time restriction ends or the purpose restriction is accomplished, donor restricted net assets are reclassified to unrestricted net assets and reported in the statement of activity as net assets released from restrictions. If a restriction is fulfilled in the same time period in which the contribution is received, the contribution is reported as unrestricted.

The Organization records various types of in-kind support. The Organization records the value of donated goods or services when there is an objective basis available to measure their value. Contributions of tangible assets are recognized at estimated fair values when received. Donated services are recognized as contributions if the services (a) create or enhance non-financial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the organization.

Also, a number of volunteers donated significant amounts of their time in the Organization's program services. The value of these services is not disclosed since no objective basis is available to measure the value of such services.

Estimates in the Financial Statements – 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 certain reported amounts and disclosures. Actual results could differ from those estimates.

Concentrations of Credit Risk – The Organization maintains its checking and savings accounts at a financial institution whose balances are insured up to limits established by the Federal Deposit Insurance Corporation. The Organization at times maintains balances in excess of federally insured limits. Management does not believe the Organization is exposed to any unusual credit risk on uninsured balances.

Subsequent Events – The Organization has evaluated events and transactions that occurred through February 16, 2022, which is the date the financial statements were available for issue.

Advertising – Advertising costs are expensed as incurred.

Uncertain Tax Positions – Management evaluates, at least annually, whether any tax positions reported on a tax return are more likely than not to be sustained if challenged. Management believes no such positions exist that would have a significant impact on the Organization's financial position and statement of activities. As of December 31, 2020, no liability for unrecognized tax benefits was recorded.

**TRANSPORTATION RIDERS UNITED, INC.**  
**Notes to the Financial Statements (Continued)**  
**For the Year Ended December 31, 2020 and 2019**

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**NOTE**

**3. Federal Income Taxes**

The Organization has applied to the Internal Revenue Service and has received a favorable determination letter for tax-exempt status under Section 501(c)(3) of the Internal Revenue Code. Therefore, a provision for federal income taxes is not required. In addition, the Organization has been determined not to be a private foundation within the meaning of Section 509(A) of the code.

**4. Functional Allocation of Expenses**

Expenditures incurred in connection with the Organization's operations are summarized on both a functional basis and using natural expense categories in the statement of activities to segregate program service expenses from administrative and fundraising costs.

The costs of providing programs, fundraising, and supporting services are reported in the statement of functional expenses. Indirect costs have been allocated between the various programs, supporting services, and fundraising based on estimates by management.

**5. Unconditional Promises to Give**

There were no unconditional promises to give as of December 31, 2020.

**6. Net Assets With Donor Restrictions**

Net assets with donor restrictions represent certain grants and contributions that have been received that are either time restricted or purpose restricted for a particular Organization project. As of December 31, 2020, there was \$0 in temporarily restricted net assets.

**7. Office Rental Agreement**

The Organization leases from TechOne for its operations. The month-to-month agreement calls for monthly payments of \$313, and the lease can be terminated at any time.

**8. PPP Loan Payable**

In May 2020, the Organization obtained funding of \$16,520 through Comerica Bank from the U.S. Small Business Administration. The Organization pursued these arrangements to maintain liquidity in response to the coronavirus pandemic (see Note 11). This loan is under the Paycheck Protection Program ("PPP"). The PPP, established as part of the Coronavirus Aid, Relief and Economic Security Act ("CARES Act"), provides for loans to qualifying organizations that can be forgiven if the organization uses the proceeds to fund payroll, and certain other specified operating expenses during a specified period. Under provisions of the program, the amount of loan forgiveness will be reduced if the organization lowers either employee headcount or compensation levels when compared to amounts incurred at specified times prior to the pandemic. The Organization qualified for full debt forgiveness in December 2020.

**9. Liquidity Management**

The Organization has \$81,835 of cash assets available within one year of the balance sheet date to meet cash needs for general expenditures. None of the cash is subject to donor or other contractual restrictions that make them unavailable for general expenditure within one year of the balance sheet date.

The Organization has a goal to maintain enough cash to meet all anticipated operating expenses throughout the year.

**TRANSPORTATION RIDERS UNITED, INC.**  
**Notes to the Financial Statements (Continued)**  
**For the Year Ended December 31, 2020 and 2019**

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**NOTE**

**10. Pandemic Uncertainty**

On March 13, 2020, a national emergency was declared in response to the outbreak of a novel strain of coronavirus in the United States. To further contain the spread of the virus, the State of Michigan issued various executive orders and regulations that limit the social and business activities of individuals except for activities that sustain or protect life (as defined by the order). These orders have required organizations to either close or modify their operations to comply.

The Organization has been able to provide program services and manage operations of the Organization by enacting heightened safety measures. These measures have in certain instances limited the number of programs provided and have increased program service costs. Management is carefully monitoring the situation. While this disruption is expected to be temporary, there is considerable uncertainty as to the duration and spread of the outbreak, its impact on the economy as a whole, and on the Organization's operations. Therefore, management cannot reasonably estimate how this matter will affect the Organization's future results of operations and financial position.