
TRANSPORTATION RIDERS UNITED, INC.

(A MICHIGAN NON-PROFIT CORPORATION)

**Financial Reports
For The Year Ended
December 31, 2021
(With Comparative Totals for 2020)**



certified public accountants

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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, 2021, and the related statements of activities, functional expenses and cash flows for the years 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.

We are required to be independent of Transportation Riders United, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review

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.

Summarized Comparative Information

We previously reviewed Transportation Riders United, Inc.'s December 31, 2020 financial statements and in our report dated February 16, 2022, stated that based on our procedures, we were not aware of any material modifications that should be made to the December 31, 2020 financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America. We are not aware of any material modifications that should be made to the summarized comparative information presented herein as of and for the year ended December 31, 2021 for it to be consistent with the reviewed financial statements from which it has been derived.

Gordon Advisors, P.C.

November 1, 2022

TRANSPORTATION RIDERS UNITED, INC.
Statements of Financial Position

ASSETS

	December 31,	
	2021	2020
Current Assets		
Cash	\$ 88,681	\$ 81,835
Grants receivable	0	0
Pledges receivable	0	295
Other receivables	2,073	578
Prepaid expenses	1,926	3,743
Total Current Assets	<u>92,680</u>	<u>86,451</u>
Property and equipment - At cost:		
Computers and equipment	48,138	48,138
Less: Accumulated depreciation	<u>(42,857)</u>	<u>(35,272)</u>
Total Fixed Assets - At cost, Less Accumulated Depreciation	<u>5,281</u>	<u>12,866</u>
	<u><u>\$ 97,961</u></u>	<u><u>\$ 99,317</u></u>

LIABILITIES AND NET ASSETS

Liabilities		
Accrued liabilities	\$ 9,864	\$ 3,864
Deferred revenue	<u>0</u>	<u>0</u>
Total Liabilities	<u>9,864</u>	<u>3,864</u>
Net Assets		
Without donor restrictions	88,097	95,453
With donor restrictions	<u>0</u>	<u>0</u>
Total Net Assets	<u>88,097</u>	<u>95,453</u>
	<u><u>\$ 97,961</u></u>	<u><u>\$ 99,317</u></u>

See Independent Accountants' Review Report and Accompanying Footnotes.

TRANSPORTATION RIDERS UNITED, INC.
Statements of Activities

	Year Ended December 31, 2021			2020
	Without Donor Restrictions	With Donor Restrictions	Total	Total
Revenue and Other Support				
Grants	\$ 52,000	\$ 10,000	\$ 62,000	\$ 106,000
Membership dues and contributions	40,476	0	40,476	33,156
Special events	0	0	0	4,738
	92,476	10,000	102,476	143,894
Net assets released from restrictions - Satisfaction of program restrictions	10,000	(10,000)	0	0
Total Revenue and Other Support	102,476	0	102,476	143,894
Expenses				
Program expenses	109,534	0	109,534	128,272
Supporting services - Management and general	6,239	0	6,239	4,426
Fundraising	13,384	0	13,384	16,439
Total Expenses	129,157	0	129,157	149,137
Other Income				
Other income (expense)	19,325	0	19,325	17,221
Total Other Income	19,325	0	19,325	17,221
Change In Net Assets	(7,356)	0	(7,356)	11,978
Net Assets - Beginning of Year	95,453	0	95,453	83,475
Net Assets - End of Year	\$ 88,097	\$ 0	\$ 88,097	\$ 95,453

See Independent Accountants' Review Report and Accompanying Footnotes.

TRANSPORTATION RIDERS UNITED, INC.
Statements of Functional Expenses
For the Year Ended December 31, 2021
(With Comparative Totals for the Year Ended December 31, 2020)

	2021					
	Program Services					
	Bus Improvement Advocacy	Regional Transit Advocacy	Transportation Advocacy	Climate Advocacy	Community Outreach & Engagement	Total Program Services
Salaries and payroll taxes	\$ 15,862	\$ 5,842	\$ 4,534	\$ 12,258	\$ 32,724	\$ 71,220
Employee benefit program	1,213	440	364	971	2,272	5,260
Total Compensation	17,075	6,282	4,898	13,229	34,996	76,480
Contractual and professional services	3,133	1,136	940	2,507	5,963	13,679
Occupancy	756	274	227	605	1,417	3,279
Sub-grantee services	0	0	0	0	0	0
Telephone	148	54	44	119	278	643
Printing, postage & supplies	80	29	24	64	798	995
Meetings and educational material	9	3	72	7	41	132
Office expenses and miscellaneous	778	278	229	700	2,884	4,869
Transportation	66	10	20	35	200	331
Insurance	496	180	149	396	928	2,149
Subtotal	5,466	1,964	1,705	4,433	12,509	26,077
Depreciation	0	0	0	0	6,977	6,977
Total Expenses	\$ 22,541	\$ 8,246	\$ 6,603	\$ 17,662	\$ 54,482	\$ 109,534

See Independent Accountants' Review Report and Accompanying Footnotes.

TRANSPORTATION RIDERS UNITED, INC.
Statements of Functional Expenses (continued)
For The Year ended December 31 2021
(With Comparative Totals for the Year Ended December 31, 2020)

	2021			
	Supporting Services			
	Management & General	Fundraising	2021 Total	2020 Total
Salaries and payroll taxes	\$ 4,357	\$ 6,838	\$ 82,415	\$ 74,034
Employee benefit program	321	486	6,067	8,731
Total Compensation	4,678	7,324	88,482	82,765
Contractual and professional services	829	1,261	15,769	13,733
Occupancy	200	302	3,781	2,869
Sub-grantee services	0	0	0	29,100
Telephone	39	59	741	1,054
Printing, postage & supplies	37	935	1,967	2,167
Meetings and educational material	2	2,136	2,270	3,091
Office expenses and miscellaneous	316	517	5,702	3,939
Transportation	7	45	383	134
Insurance	131	198	2,478	2,701
Subtotal	1,561	5,453	33,091	58,788
Depreciation	0	607	7,584	7,584
Total Expenses	\$ 6,239	\$ 13,384	\$ 129,157	\$ 149,137

See Independent Accountants' Review Report and Accompanying Footnotes.

TRANSPORTATION RIDERS UNITED, INC.
Statements of Cash Flows

	Years Ended December 31,	
	2021	2020
Operating Activities		
Change in net assets	\$ (7,356)	\$ 11,978
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	7,584	7,584
(Increase) Decrease in operating assets:		
Pledges receivable	295	705
Other receivables	(1,494)	(578)
Prepaid expenses	1,817	2,159
Increase (Decrease) in operating liabilities:		
Accrued liabilities	6,000	(5,599)
Deferred revenue	0	(10,000)
Net Cash Provided By (Used In) Operating Activities	<u>6,846</u>	<u>6,249</u>
Net Increase (Decrease) In Cash	6,846	6,249
Cash		
Beginning of Year	<u>81,835</u>	<u>75,586</u>
End of Year	<u><u>\$ 88,681</u></u>	<u><u>\$ 81,835</u></u>

See Independent Accountants' Review Report and Accompanying Footnotes.

TRANSPORTATION RIDERS UNITED, INC.
Notes to the Financial Statements
For the Year Ended December 31, 2021 and 2020

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.

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.

TRANSPORTATION RIDERS UNITED, INC.
Notes to the Financial Statements (Continued)
For the Year Ended December 31, 2021 and 2020

NOTE

2. Summary of Significant Accounting Policies (Continued)

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 November 1, 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, 2021, no liability for unrecognized tax benefits was recorded.

Uncertainty from Pandemic – In March 2020, a national emergency was declared in response to the outbreak of a novel strain of coronavirus in the United States. The impact of the pandemic placed limits on the business activities of individuals from the time the national emergency was declared and have continued into 2022. While this disruption is expected to be temporary with multiple approved vaccinations currently in distribution throughout the country, there remains considerable uncertainty as to the duration and spread of the outbreak, its impact on the economy as a whole, and on the Organization's overall operations. Therefore, management cannot reasonably estimate how this matter will affect the future results of operations and financial position of the Organization.

TRANSPORTATION RIDERS UNITED, INC.
Notes to the Financial Statements (Continued)
For the Year Ended December 31, 2021 and 2020

NOTE

2. Summary of Significant Accounting Policies (Continued)

Comparative Financial Information – The financial information presented for comparative purposes for the year ended December 31, 2020 is not intended to be a complete financial statement presentation in accordance with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the 2020 financial statements from which the summarized information was derived.

Reclassification – Certain amount for the year ended December 31, 2020 have been reclassified to conform to the financial statement presentation used for the year ended December 31, 2021.

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, 2021.

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, 2021, there was \$0 in net assets with donor restrictions.

7. Office Rental Agreement

The Organization leases from TechOne for its operations. The month-to-month agreement calls for monthly payments of \$316, and the lease can be terminated at any time.

TRANSPORTATION RIDERS UNITED, INC.
Notes to the Financial Statements (Continued)
For the Year Ended December 31, 2021 and 2020

NOTE

8. PPP Loan Payable

In May 2020, the Organization obtained funding of \$16,520 from the U.S. Small Business Administration. The Organization pursued these arrangements to maintain liquidity in response to the coronavirus pandemic. This loan is governed by provisions 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.

On March 3, 2021, The Organization received additional PPP funding of \$18,356. On October 22, 2021, the Organization received full forgiveness of the loan, therefore, \$18,356 was recorded as other income during the year.

9. Liquidity Management

The Organization has \$88,681 of cash assets and accounts receivable of \$2,073 available within one year of the balance sheet date to meet cash needs for general expenditures. None of the cash or receivables 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.