



AGENDA

Meeting of the Connect Transit Board of Trustees

October 23, 2018

4:30 P.M.

Board Room
Connect Transit Operations Facility
351 Wylie Drive, Normal, IL 61761

- A. Call to Order
- B. Roll Call
- C. Public Comments
- D. Consent Agenda
 - 1. Approval of Minutes of Regular Meeting of September 25, 2018 as rescheduled by the Board of Trustees to be held on October 2, 2018
 - 2. Disbursements for the Month of September 2018
 - 3. Financial Report for September 2018
 - 4. Capital and Self Insurance Reserve Fund Balances for Month of September 2018
 - 5. Monthly Statistical Report for month September 2018
- E. Old Business
- F. New Business
 - 1. Presentation of Connect Transit 2018 Financial Audit - CliftonLarsonAllen
 - 2. Recommendation for Award of Snow Plowing Contract
 - 3. Recommendation for Award of Revolving Line of Credit
 - 4. Recommendation of FY19-FY23 Capital Improvement Plan
- G. General Manager's Report
- H. Trustee's Comments
- I. Executive Session - (cite section)
- J. Adjournment



September 2018

Financial and Statistical Reports



Connect Transit Cash Disbursement Report September 2018

Name	Check Number	Date	Amount	Description
A.T.U. - C.O.P.E.	00040203	14-Sep-18	\$134.90	Payroll Deduction
Advance Auto Parts	00040175	07-Sep-18	\$80.28	Maintenance Supplies
Advance Auto Parts	00040204	14-Sep-18	\$1,672.83	Maintenance Supplies
Advance Auto Parts	00040250	21-Sep-18	\$509.08	Maintenance Supplies
Advance Auto Parts	00040262	28-Sep-18	\$304.12	Maintenance Supplies
Airgas USA, LLC	00040176	07-Sep-18	\$185.50	Welding Supplies
Airgas USA, LLC	00040205	14-Sep-18	\$16.08	Welding Supplies
Ally Financial	00040177	07-Sep-18	\$196.08	Lease
Amalgamated Transit Union Local 752	00040206	14-Sep-18	\$6,724.40	Payroll Deduction
Amalgamated Transit Union Local 752	00040263	28-Sep-18	\$150.00	Payroll Deduction
Amazon Capital Service	00040178	07-Sep-18	\$105.57	Office Supplies
Amazon Capital Service	00040255	21-Sep-18	\$165.98	Office Supplies
Amazon Capital Service	00040264	28-Sep-18	\$461.36	Office Supplies
Assurance Agency, Ltd.	00040234	21-Sep-18	\$97,590.00	Insurance
Barker Motor Co.	00040179	07-Sep-18	\$1,752.80	Outside repair
Brink's Incorporated	00040252	21-Sep-18	\$2.48	Consulting
Brink's Incorporated	00040265	28-Sep-18	\$146.89	Consulting
Cardinal Infrastructure	00040180	07-Sep-18	\$6,000.00	Consulting
Cardinal Infrastructure	00040256	21-Sep-18	\$6,000.00	Consulting
Central Illinois Trucks Inc.	00040207	14-Sep-18	\$456.03	Bus Parts
Central Illinois Trucks Inc.	00040235	21-Sep-18	\$739.92	Bus Parts
Central Illinois Trucks Inc.	00040266	28-Sep-18	\$582.24	Bus Parts
Charles Slone	00040181	07-Sep-18	\$175.00	Tool Reimbursement
CIRBN, LLC	00040267	28-Sep-18	\$347.84	Internet
City of Bloomington	00040182	07-Sep-18	\$658.18	Utilities
City of Bloomington	00040236	21-Sep-18	\$119.07	Utilities
CliftonLarsonAllen LLP	00040208	14-Sep-18	\$14,000.00	Audit Services
Corn Belt Energy Corp.	00040268	28-Sep-18	\$4,213.97	Utilities
Cornerstone Government Affairs	00040269	28-Sep-18	\$3,333.33	Consulting
Cummins Crosspoint	00040183	07-Sep-18	\$34.44	Bus Parts
Cummins Crosspoint	00040237	21-Sep-18	\$925.37	Bus Parts
Cumulus Media	00040209	14-Sep-18	\$750.00	Radio Advertising
Don Owen Tire Service, Inc.	00040184	07-Sep-18	\$209.27	Bus Parts
Don Owen Tire Service, Inc.	00040210	14-Sep-18	\$18.00	Bus Parts
Engraving Express	00040211	14-Sep-18	\$58.00	Printed materials
Evergreen FS	00040212	14-Sep-18	\$48,018.46	Fuel
Fastenal Company	00040213	14-Sep-18	\$472.03	Bus Parts
Fastenal Company	00040238	21-Sep-18	\$41.96	Bus Parts
Fastenal Company	00040270	28-Sep-18	\$25.95	Bus Parts
Fasteners Etc.	00040214	14-Sep-18	\$88.38	Maintenance Supplies
Fasteners Etc.	00040246	21-Sep-18	\$205.07	Maintenance Supplies
Fleet-Net Corporation	00040185	07-Sep-18	\$1,405.00	Software & Tech Support
Frontier	00040245	21-Sep-18	\$949.00	Telephone
GFI Digital	00040254	21-Sep-18	\$205.07	Copier
Gillig LLC	00040186	07-Sep-18	\$187.44	Bus Parts
Gillig LLC	00040215	14-Sep-18	\$77.14	Bus Parts
Global Equipment Company	00040216	14-Sep-18	\$167.74	Garage Supplies
Global Equipment Company	00040239	21-Sep-18	\$639.86	Garage Supplies
Great Plains Media	00040217	14-Sep-18	\$1,400.00	Radio Advertising



Connect Transit Cash Disbursement Report September 2018

Name	Check Number	Date	Amount	Description
ICMA 457 Retirement Trust	ACH	13-Sep-18	\$27,069.68	Payroll Deduction
ICMA 457 Retirement Trust	ACH	02-Sep-18	\$26,990.16	Payroll Deduction
Illinois Department of Revenue	00040218	14-Sep-18	\$12,339.79	Payroll Deduction
Illinois Department of Revenue	00040271	28-Sep-18	\$12,350.53	Payroll Deduction
Illinois State Disbursement Unit	00040219	14-Sep-18	\$1,368.64	Payroll Deduction
Illinois State Disbursement Unit	00040272	28-Sep-18	\$1,368.64	Payroll Deduction
Interstate Batteries of Mid-Illinois	00040220	14-Sep-18	\$1,879.60	Bus Parts
John A. Dash & Associates, Inc	00040187	07-Sep-18	\$200.00	Dues & Subscriptions
Ken Koester	00040260	21-Sep-18	\$96.73	Uniform Reimbursement
Ken's Oil Service, Inc	00040188	07-Sep-18	\$1,396.00	Oil, Antifreeze
Ken's Oil Service, Inc	00040221	14-Sep-18	\$2,131.94	Oil, Antifreeze
Ken's Oil Service, Inc	00040273	28-Sep-18	\$190.95	Oil, Antifreeze
Kirby Risk Corporation	00040240	21-Sep-18	\$188.40	Bus Parts
Kurt Kisandi	00040274	28-Sep-18	\$49.98	Garage Maintenance Equipment
Lewis, Yockey & Brown, Inc	00040257	21-Sep-18	\$3,660.25	Bus Shelters
LifeCIL	00040248	21-Sep-18	\$7,415.00	Consulting
Mark O'Daniel	00040222	14-Sep-18	\$110.34	Driver's Uniforms
MH Equipment Co.	00040189	07-Sep-18	\$88.72	Garage Equipment Repair
Michelin North America, Inc	00040223	14-Sep-18	\$6,037.11	Tires
Midwest Transit Equipment, Inc.	00040190	07-Sep-18	\$454.88	Bus Parts
Midwest Transit Equipment, Inc.	00040261	24-Sep-18	\$153.00	Bus Parts
Miller Janitor Supply	00040191	07-Sep-18	\$193.24	Maintenance Supplies
Miller Janitor Supply	00040224	14-Sep-18	\$119.32	Maintenance Supplies
Miller Janitor Supply	00040275	28-Sep-18	\$329.22	Maintenance Supplies
Minerva Promotions	00040192	07-Sep-18	\$675.00	Uniforms
Minerva Promotions	00040276	28-Sep-18	\$744.00	Uniforms
Mohawk Mfg. & Supply Co.	00040225	14-Sep-18	\$318.13	Bus Parts
Morris Avenue Garage	00040277	28-Sep-18	\$75.00	Vehicle Inspection
National Express LLC	00040193	07-Sep-18	\$25,581.00	Software Licensing
Neuhoff Media	00040249	21-Sep-18	\$2,050.00	Advertising- Media
Nicor Gas	00040278	28-Sep-18	\$244.30	Utilities
Occupational Health Centralized Billing	00040258	21-Sep-18	\$348.00	Drug Testing
Orkin Pest Control	00040243	21-Sep-18	\$560.00	Pest Control
Payroll	ACH	13-Sep-18	\$191,117.79	
Payroll	ACH	27-Sep-18	\$198,194.30	
Prairie Signs	00040226	14-Sep-18	\$1,029.26	Advertising Promotions
Ricoh USA, Inc	00040227	14-Sep-18	\$387.84	Copier
Ricoh USA, Inc	00040279	28-Sep-18	\$501.00	Copier
Ross & White Co.	00040280	28-Sep-18	\$436.34	Garage Equipment Repair
Safety-Kleen Systems, Inc	00040228	14-Sep-18	\$1,391.99	Building Maintenance
Simme, LLC	00040259	21-Sep-18	\$6,469.00	Bus Stop Infrastructure
Social Security Administration	00040229	14-Sep-18	\$60.00	Payroll Deduction
Social Security Administration	00040281	28-Sep-18	\$60.00	Payroll Deduction
Southtown Wrecker Service, Inc.,	00040230	14-Sep-18	\$95.00	Towing
Streator Onized Credit Union	00040282	28-Sep-18	\$329.04	Payroll Deduction
The Aftermarket Parts Company LLC	00040195	07-Sep-18	\$2,969.78	Bus Parts
The Aftermarket Parts Company LLC	00040231	14-Sep-18	\$2,574.12	Bus Parts
The Aftermarket Parts Company LLC	00040242	21-Sep-18	\$6,953.04	Bus Parts
The Aftermarket Parts Company LLC	00040283	28-Sep-18	\$9,868.40	Bus Parts



**Connect Transit
Cash Disbursement Report
September 2018**

Name	Check Number	Date	Amount	Description
The Pantagraph	00040196	07-Sep-18	\$10.08	Dues & Subscriptions
Town of Normal	00040197	07-Sep-18	\$381.80	Utilites
Town of Normal	00040232	14-Sep-18	\$1,448.60	Utilites
Truck Centers, Inc.	00040284	28-Sep-18	\$338.67	Bus Parts
Uline	00040253	21-Sep-18	\$437.76	Office Supplies
Uline	00040285	28-Sep-18	\$98.13	Office Supplies
UniFirst Corporation	00040198	07-Sep-18	\$247.16	Cleaning Uniforms & Rugs
UniFirst Corporation	00040233	14-Sep-18	\$247.16	Cleaning Uniforms & Rugs
UniFirst Corporation	00040251	21-Sep-18	\$247.16	Cleaning Uniforms & Rugs
UniFirst Corporation	00040286	28-Sep-18	\$247.16	Cleaning Uniforms & Rugs
United Parcel Service	00040244	21-Sep-18	\$23.26	Shipping
United States Treasury	ACH	05-Sep-18	\$65,080.28	Federal Tax Payment
United States Treasury	ACH	18-Sep-18	\$67,183.72	Federal Tax Payment
USSC Group	00040199	07-Sep-18	\$720.59	Safety Equipment Supplies
Verizon Wireless	00040200	07-Sep-18	\$528.13	Mobile Data Terminals for SS
Vince Espejo	00040201	07-Sep-18	\$96.00	Uniform Reimbursement
Weaver's Rent-All Inc.	00040202	07-Sep-18	\$44.00	Machine Rentals
WGLT	00040247	21-Sep-18	\$600.00	Radio Advertising
	Grand Total		\$899,898.22	

Bloomington Normal Public Transit Income Statement With Approved Budget

Fiscal Year: 2019 Period 3

Division: 98 Operating Profit/Loss

As of: 09/30/2018

	Jul-2018 Thru Sep-2018		Year To Date		Approved Budget
	September - 2018	%	%	%	
Operating Revenue					
Passenger Fares	\$48,329.75	7.39%	\$168,605.98	25.78%	\$654,000.00
ISU Contract Fare	\$45,416.66	8.33%	\$136,249.98	25.00%	\$545,000.00
Other Contract Fares	\$6,746.50	3.55%	\$29,633.50	15.60%	\$190,000.00
Advertising Revenue	\$9,833.10	5.70%	\$27,448.60	15.91%	\$172,500.00
Miscellaneous Revenue	\$159.58	4.56%	\$9,472.37	270.64%	\$3,500.00
Total Operating Revenue	\$110,485.59	7.06%	\$371,410.43	23.73%	\$1,565,000.00
Operating Expenses					
Operators Wages	\$461,802.92	8.38%	\$1,415,603.24	25.68%	\$5,512,000.00
Maintenance Wages	\$87,830.19	7.37%	\$280,242.04	23.53%	\$1,191,000.00
Administration Wages	\$66,435.78	6.49%	\$190,499.41	18.60%	\$1,024,000.00
Employer Payroll Tax Expense	\$46,678.18	7.37%	\$143,408.64	22.66%	\$633,000.00
Retirement Plan	\$24,529.02	6.67%	\$73,560.96	19.99%	\$368,000.00
Group Insurance	\$124,732.97	7.53%	\$352,695.84	21.29%	\$1,657,000.00
Uniform Expense	\$2,254.35	6.26%	\$7,929.79	22.03%	\$36,000.00
Professional Services	\$27,421.13	8.44%	\$112,492.74	34.61%	\$325,000.00
Outside Repair-Labor	\$6,005.51	5.36%	\$10,802.88	9.65%	\$112,000.00
Contract Maintenance Services	\$4,625.84	3.95%	\$17,619.46	15.06%	\$117,000.00
Custodial Services	\$1,831.76	11.45%	\$4,031.03	25.19%	\$16,000.00
Employee Recruiting/Testing/Temp Help	\$425.86	3.55%	\$3,600.08	30.00%	\$12,000.00
Fuel	\$66,950.24	7.46%	\$191,035.89	21.30%	\$897,000.00
Lubricants	(\$110.07)	-0.25%	\$5,290.27	12.02%	\$44,000.00
Tires	\$6,455.97	7.09%	\$19,693.08	21.64%	\$91,000.00
Bus Repair Parts	\$13,774.46	7.06%	\$42,005.52	21.54%	\$195,000.00
Other Materials & Supplies	\$2,284.05	4.01%	\$8,612.74	15.11%	\$57,000.00
Shelters/Signs/Shop Tools	\$1,196.19	11.96%	\$3,224.69	32.25%	\$10,000.00
Computer and Office Supplies	\$9,946.27	6.26%	\$42,738.38	26.88%	\$159,000.00
Utilities	\$7,347.04	5.29%	\$22,038.02	15.85%	\$139,000.00
Corporate Insurance	\$28,904.92	10.79%	\$86,714.76	32.36%	\$268,000.00
Dues/Subscriptions/Fees	\$10,007.78	20.02%	\$30,767.43	61.53%	\$50,000.00
Printing/Marketing/Training	\$22,531.51	8.41%	\$52,825.11	19.71%	\$268,000.00
Total Operating Expenses	\$1,023,861.87	7.77%	\$3,117,432.00	23.65%	\$13,181,000.00
Operating Assistance					
Operating Deficit Before Subsidies and Grants	(\$913,376.28)	7.86%	(\$2,746,021.57)	23.64%	(\$11,616,000.00)
City of Bloomington Operating Assistance	\$50,833.33	8.33%	\$152,499.99	25.00%	\$610,000.00
Town of Normal Operating Assistance	\$32,500.00	8.33%	\$97,500.00	25.00%	\$390,000.00
Illinois Downstate Operating Assistance	\$659,443.00	7.77%	\$2,006,959.00	23.66%	\$8,482,000.00
FTA 5307 Operating Assistance	\$158,091.00	7.90%	\$451,647.00	22.56%	\$2,002,000.00
Total Operating Assistance	\$900,867.33	7.84%	\$2,708,605.99	23.59%	\$11,484,000.00

Connect Transit
Local Capital and Self-Insurance Fund Balance
September 2018

<u>Local Capital</u>	<u>Commerce Bank - Cash Balance</u>	
09/01/18	Beginning Balance	\$ 1,063,920.60
09/30/18	Additions - Interest Income	\$ 122.42
09/30/18	Ending Balance	<u>\$ 1,064,043.02</u>
Total Reserve Capital Account		<u><u>\$ 1,064,043.02</u></u>

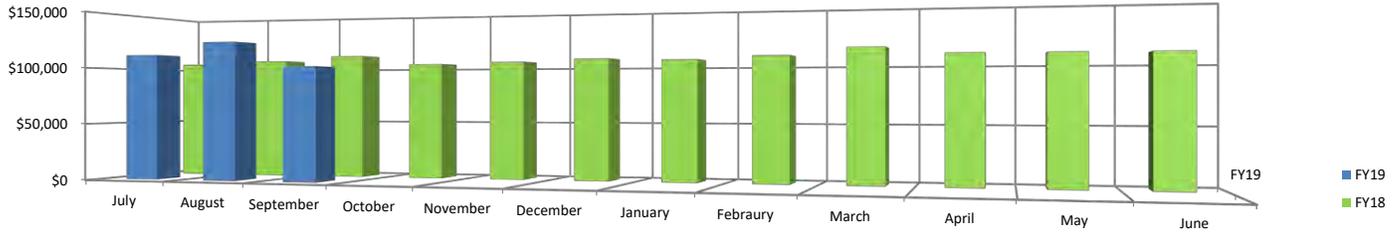
Breakdown of Local Funding in Local Capital #2 (Earmarked Funds):

	<u>FY19 Received</u> <u>9/30/2018</u>	<u>FY19 Receivable</u> <u>9/30/2018</u>
Bloomington	\$ 149,374.98	\$ -
Normal	\$ 121,642.50	\$ -
Total YTD	<u>\$ 271,017.48</u>	<u>\$ -</u>

<u>Local Capital Reserve Fund Balance - Account Value</u>		
<u>09/30/18</u>	Cash Balance	\$ 1,064,043.02
<u>09/30/18</u>	Loans to Operating	\$ 2,980,249.22
<u>09/30/18</u>	Reserve fund for underground storage tank (Cap. I)	\$ (40,000.00)
<u>09/30/18</u>	Ending Balance	<u>\$ 4,004,292.24</u>

Financial Reports

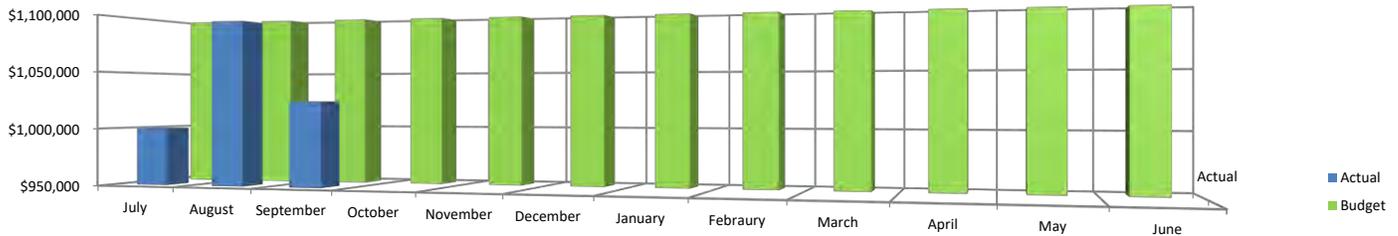
Transit Fare



	July	August	September	October	November	December	January	February	March	April	May	June
FY19	\$111,416	\$122,580	\$100,493									
FY18	\$104,830	\$107,448	\$111,692	\$103,871	\$105,390	\$107,762	\$106,388	\$109,339	\$115,744	\$110,241	\$110,211	\$110,224

Notes: ISU revenue increased \$833 in September 2018 from September 2017. Other Contract Fares revenue increased \$38 in September 2018 from September 2017 due to Heartland Community College. Total Cash Fares decreased \$14,566 in September 2018 from September 2017. Total Pass Fares increased \$2,684 in September 2018 from September 2017.

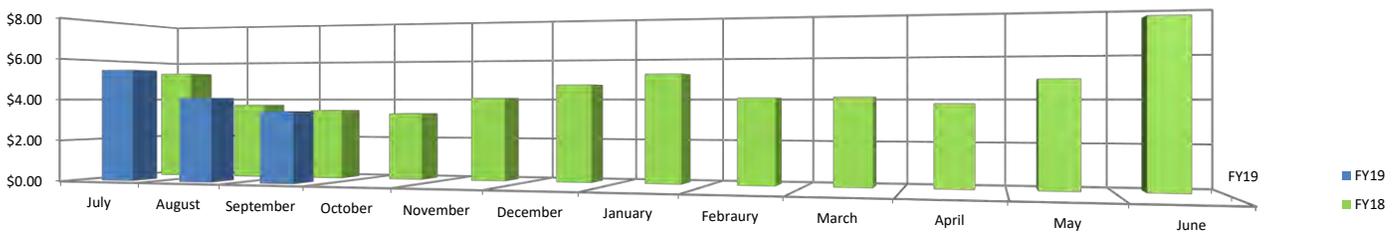
Operating Expenses



	July	August	September	October	November	December	January	February	March	April	May	June
Actual	\$999,862	\$1,093,708	\$1,023,682									
Budget	\$1,098,417	\$1,098,417	\$1,098,416	\$1,098,417	\$1,098,417	\$1,098,416	\$1,098,417	\$1,098,417	\$1,098,416	\$1,098,417	\$1,098,417	\$1,098,416

Notes:

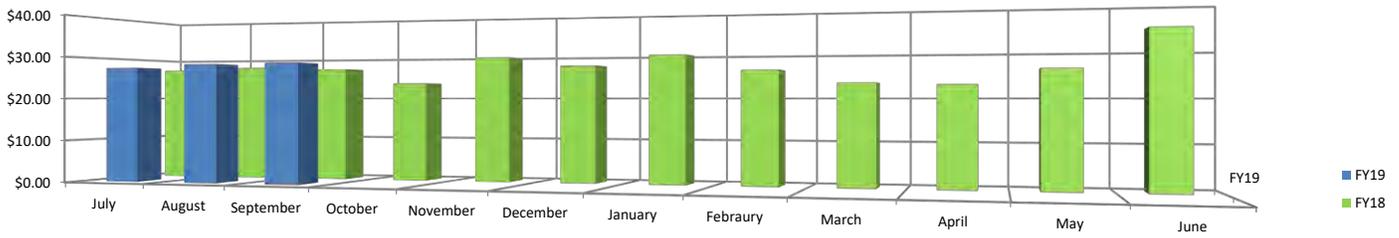
Fixed Route Cost Per Unlinked Passenger Trip



	July	August	September	October	November	December	January	February	March	April	May	June
FY19	\$5.46	\$4.07	\$3.42									
FY18	\$5.36	\$3.71	\$3.44	\$3.29	\$4.07	\$4.72	\$5.22	\$4.08	\$4.12	\$3.82	\$4.91	\$7.60

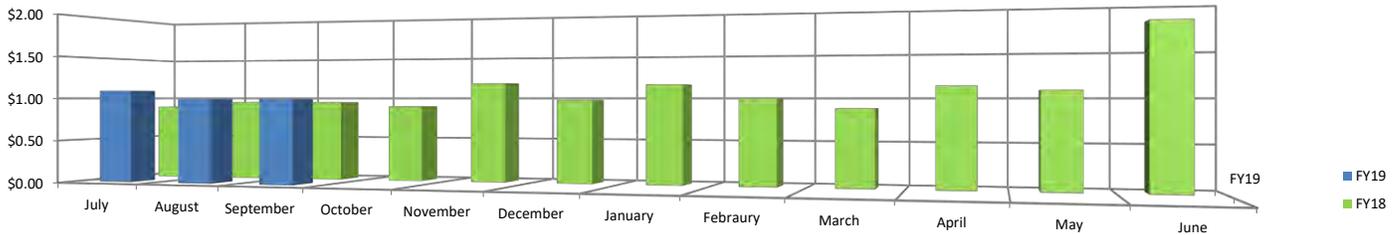
Notes: Expenses increased \$56,638 in September 2018 from September 2017. Trips increased 13,007 in September 2018 from September 2017.

Connect Mobility Cost Per Unlinked Passenger Trip



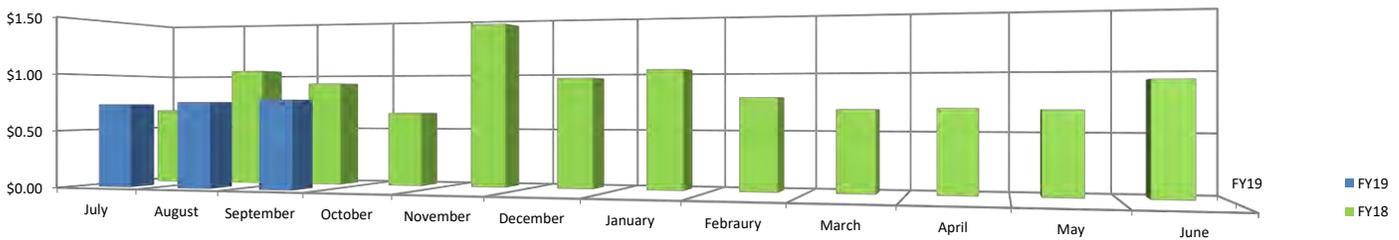
Notes: Expenses increased \$12,489 in September 2018 from September 2017. Trips increased by 180 in September 2018 from September 2017.

Fixed Route Cost Per Maintenance Mile (Excluding Fuel) Unaudited



Notes: Fixed Route maintenance expense decreased \$2,044 in September 2018 from September 2017. Fixed Route miles decreased 6,993 in September 2018 from September 2017.

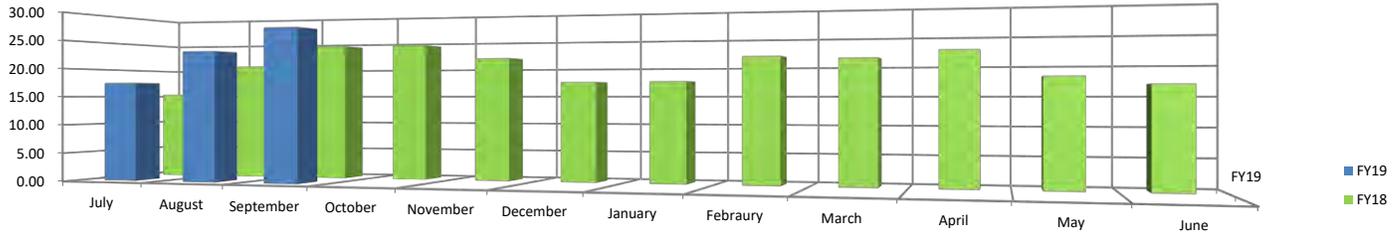
Connect Mobility Cost Per Maintenance Mile (Excluding Fuel) Unaudited



Notes: Connect Mobility maintenance expense decreased \$2,181 in September 2018 from September 2017. Mobility miles increased 3,395 in September 2018 from September 2017.

Operations Reports

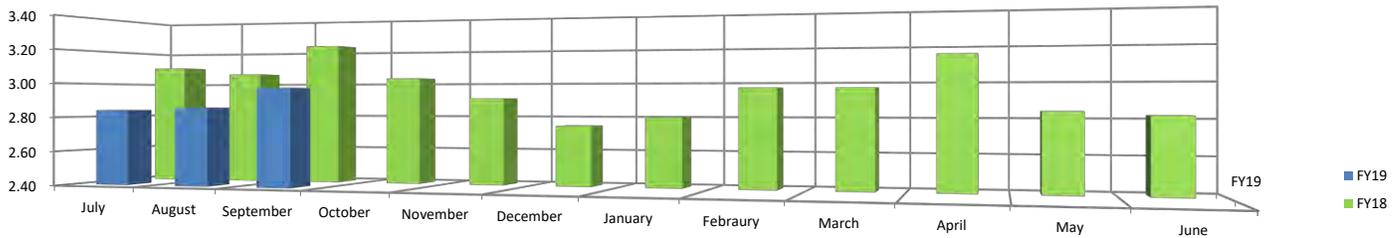
Fixed Route Passengers Per Hour



	July	August	September	October	November	December	January	February	March	April	May	June
FY19	17.44	22.97	26.97									
FY18	15.34	20.67	24.27	24.29	21.84	17.53	17.63	21.83	21.43	22.66	18.31	17.01

Notes: Fixed route boardings per revenue hour increased 11.2% or 2.73 boardings in September 2018 over September 2017. This is the average boardings per revenue hour for all fixed route service in September.

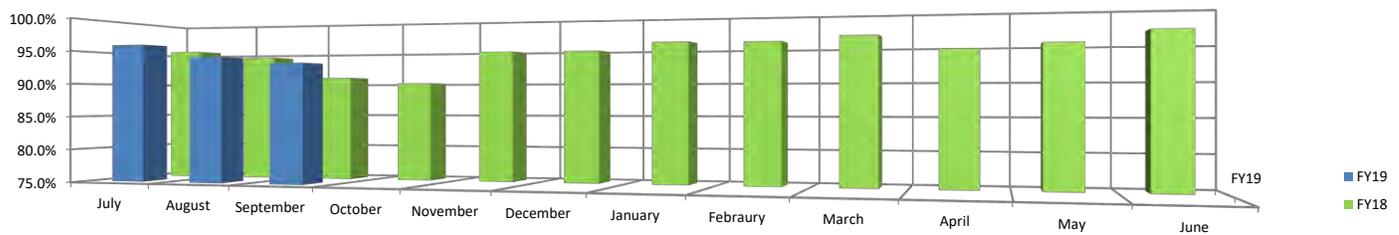
Connect Mobility Passengers Per Hour



	July	August	September	October	November	December	January	February	March	April	May	June
FY19	2.84	2.85	2.97									
FY18	3.10	3.06	3.23	3.03	2.91	2.75	2.80	2.97	2.97	3.15	2.84	2.82

Notes: Mobility boardings per revenue hour in September 2018 decreased 8.1%, mileage increase by 8.2%, and passenger trips increased by 180 trips.

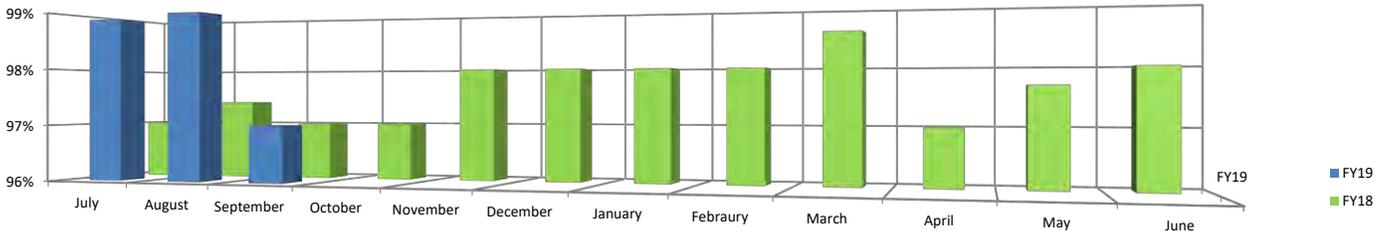
Fixed Route On Time Performance



	July	August	September	October	November	December	January	February	March	April	May	June
FY19	96.0%	94.0%	93.0%									
FY18	95.4%	94.3%	91.0%	90.1%	94.9%	94.9%	96.1%	96.0%	96.7%	94.6%	95.4%	97.0%

Notes:

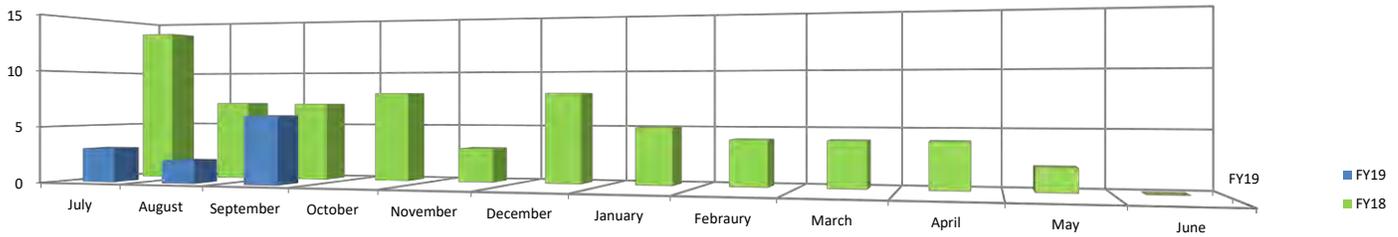
Connect Mobility On Time Performance



	July	August	September	October	November	December	January	February	March	April	May	June
FY19	99%	99%	97%									
FY18	97%	97%	97%	97%	98%	98%	98%	98%	99%	97%	98%	98%

Notes:

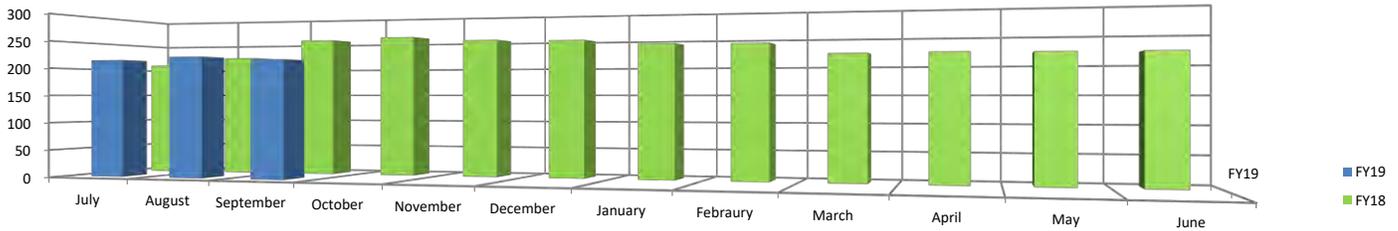
Validated Complaints Per 100,000 Miles



	July	August	September	October	November	December	January	February	March	April	May	June
FY19	3	2	6									
FY18	14	7	7	8	3	8	5	4	4	4	2	0

Notes:

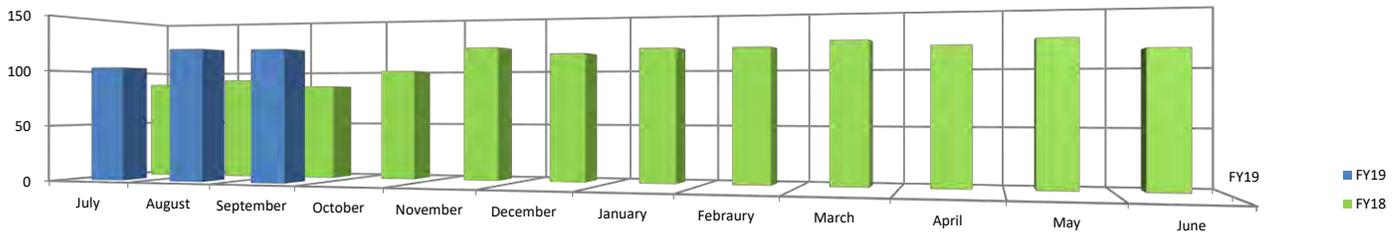
Fixed Route Average Daily Phone Calls



	July	August	September	October	November	December	January	February	March	April	May	June
FY19	215	220	214									
FY18	209	222	255	259	252	250	242	241	222	223	222	222

Notes:

Connect Mobility Average Daily Phone Calls



	July	August	September	October	November	December	January	February	March	April	May	June
FY19	103	119	118									
FY18	88	92	86	100	121	115	119	119	124	119	124	115

Notes:

Maintenance Reports

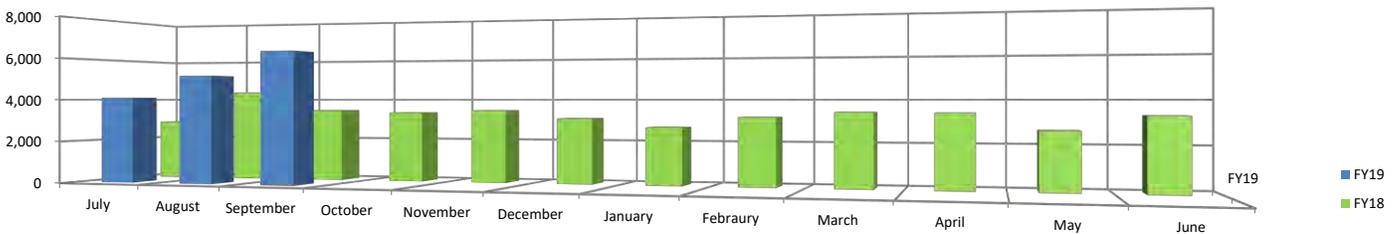
Percent Preventative Maintenance Performed On Time



	July	August	September	October	November	December	January	February	March	April	May	June
FY19	100%	100%	100%									
FY18	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Notes:

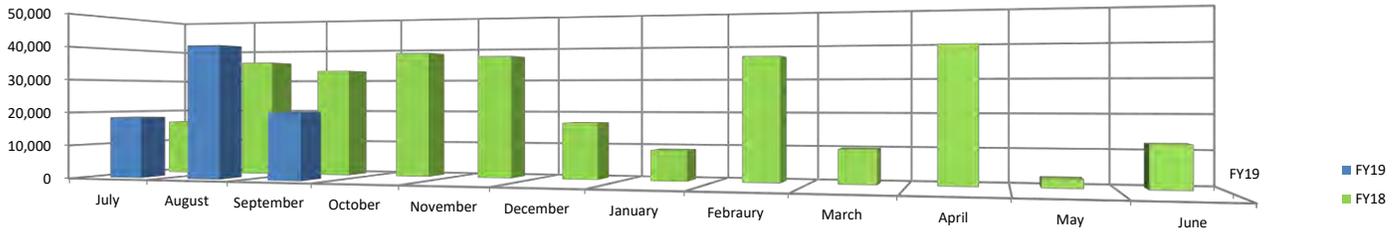
Fixed Route Vehicle Miles Between Trouble Calls



	July	August	September	October	November	December	January	February	March	April	May	June
FY19	4,098	5,139	6,281									
FY18	2,851	4,365	3,466	3,362	3,481	3,107	2,710	3,206	3,445	3,423	2,670	3,329

Notes:

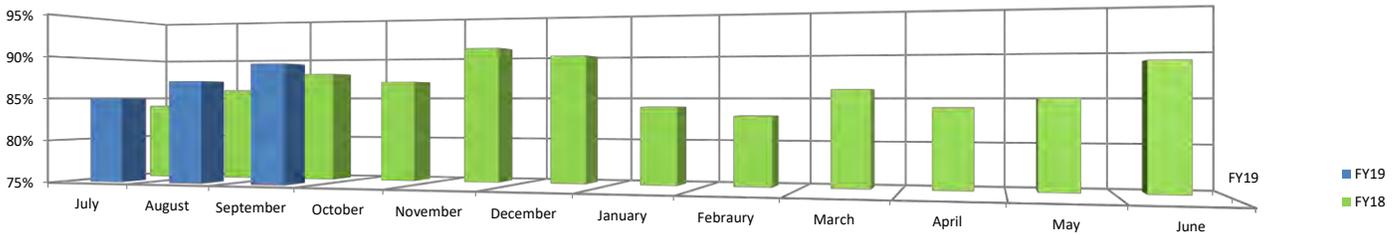
Connect Mobility Vehicle Miles Between Trouble Calls



	July	August	September	October	November	December	January	February	March	April	May	June
FY19	18,403	40,270	20,135									
FY18	16,494	35,689	32,937	38,345	37,155	16,893	9,003	36,495	9,933	39,483	2,535	12,142

Notes:

Average Interior Cleanliness Inspection Score

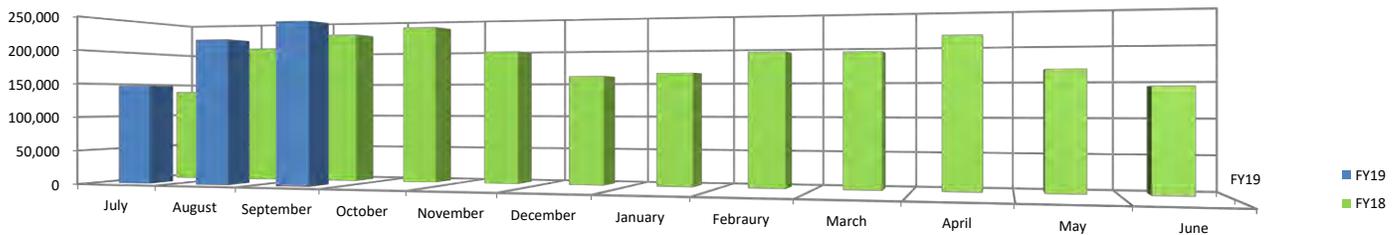


	July	August	September	October	November	December	January	February	March	April	May	June
FY19	85%	87%	89%									
FY18	84%	86%	88%	87%	91%	90%	84%	83%	86%	84%	85%	89%

Notes:

Ridership Reports

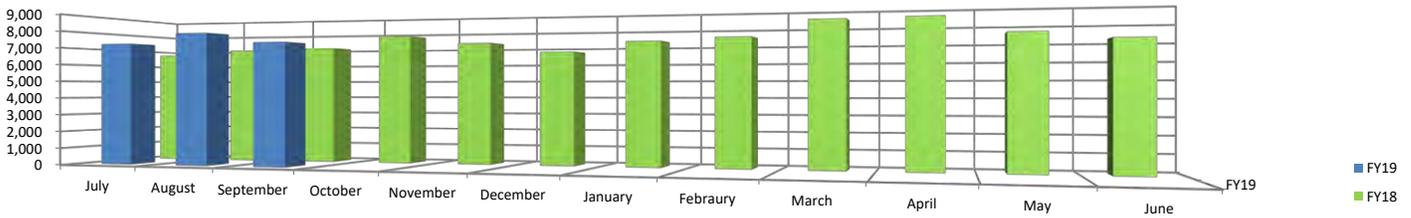
Fixed Route Monthly Ridership



	July	August	September	October	November	December	January	February	March	April	May	June
FY19	146,890	214,444	239,618									
FY18	138,075	206,628	226,611	236,084	197,725	160,336	164,598	193,452	192,440	213,790	166,792	143,765

Notes: Fixed route trips increased 5.7% or 13,007 in September 2018 and 5.2% YTD (July-September). National peer agency ridership increased 2.82% and regional transit agency ridership has increased 3.45% July-August.

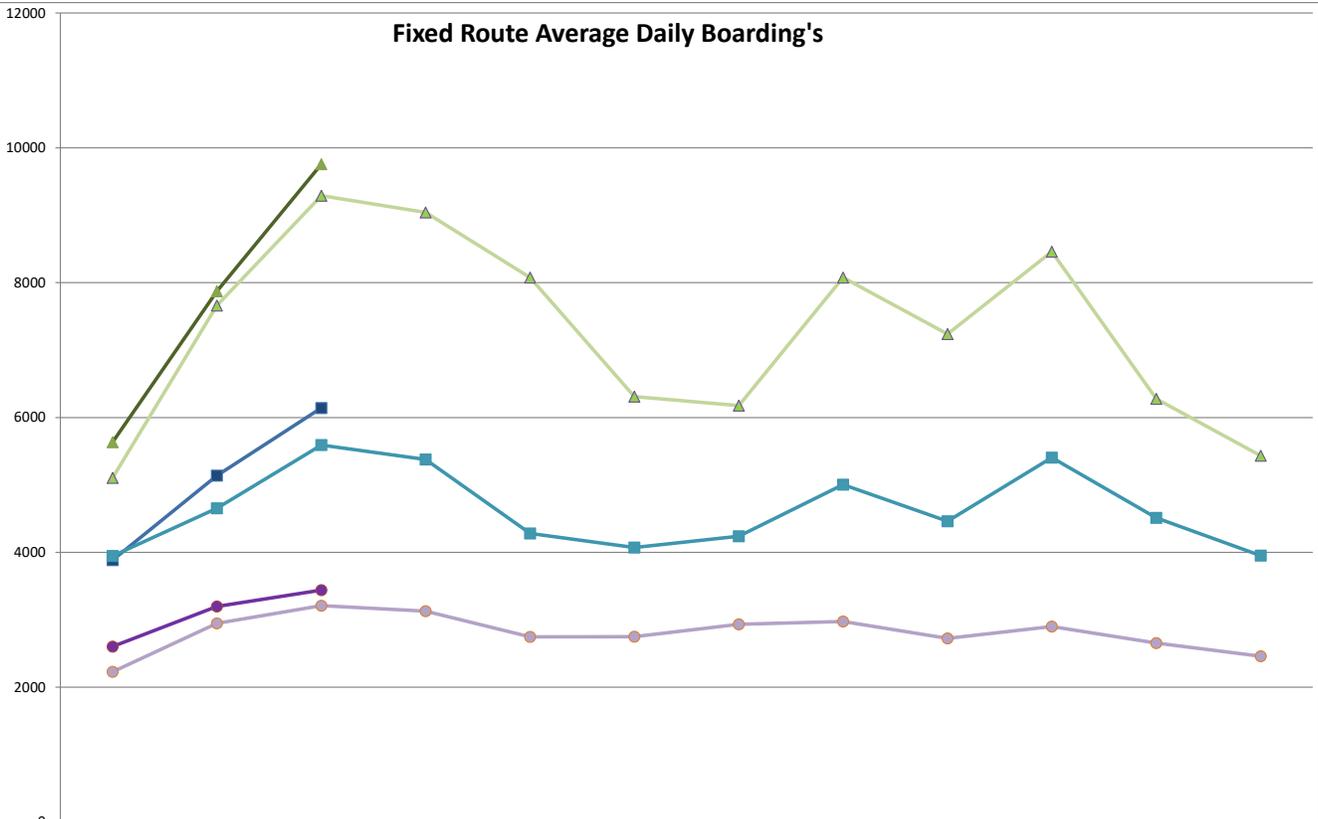
Connect Mobility Monthly Ridership



	July	August	September	October	November	December	January	February	March	April	May	June
FY19	7,253	7,842	7,253									
FY18	6,694	6,987	7,073	7,751	7,291	6,723	7,300	7,486	8,421	8,493	7,586	7,217

Notes:

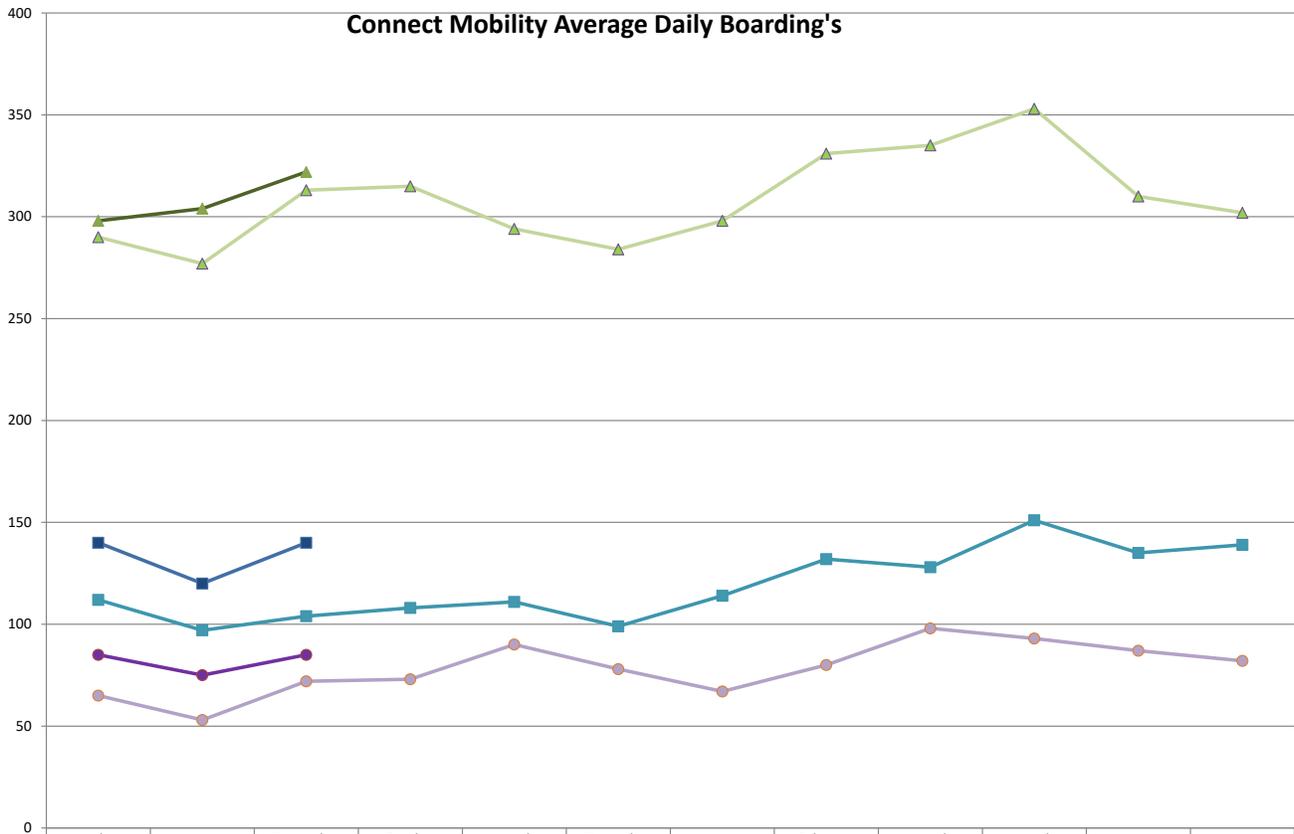
Fixed Route Average Daily Boarding's



	July	August	September	October	November	December	January	February	March	April	May	June
Sunday FY18	2603	3198	3440									
Sunday FY17	2228	2947	3210	3128	2746	2748	2934	2975	2724	2900	2655	2461
Saturday FY18	3885	5138	6142									
Saturday FY17	3946	4653	5591	5377	4281	4073	4240	5005	4461	5405	4512	3951
Weekday FY18	5635	7872	9757									
Weekday FY17	5105	7662	9291	9043	8077	6312	6177	8077	7238	8460	6278	5434

Notes: Average weekday boardings in September 2018 increased 4.7%, Saturday and Sunday average boardings increased 8.9% and 6.7% respectively over September 2017. Sunday average boardings continue to increase year-over-year. Sunday average boardings have increased 9.2% YTD in FY2018 over FY2017.

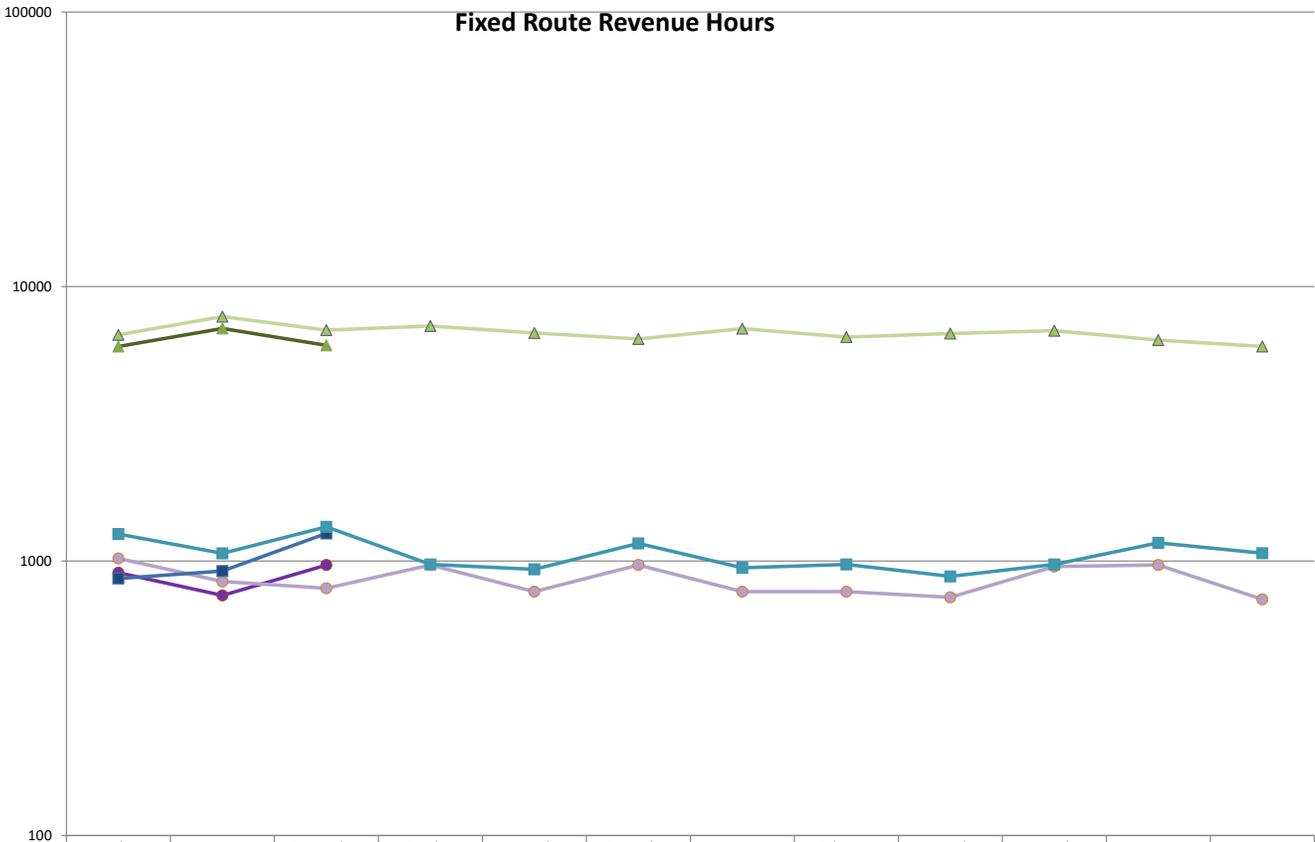
Connect Mobility Average Daily Boarding's



	July	August	September	October	November	December	January	February	March	April	May	June
● Sunday FY18	85	75	85									
● Sunday FY17	65	53	72	73	90	78	67	80	98	93	87	82
■ Saturday FY18	140	120	140									
■ Saturday FY17	112	97	104	108	111	99	114	132	128	151	135	139
▲ Weekday FY18	298	304	322									
▲ Weekday FY17	290	277	313	315	294	284	298	331	335	353	310	302

Notes: Average weekday boarding in September 2018 increased 8.8%, Saturday and Sunday average boarding increased 19% and 29% respectively over August 2017.

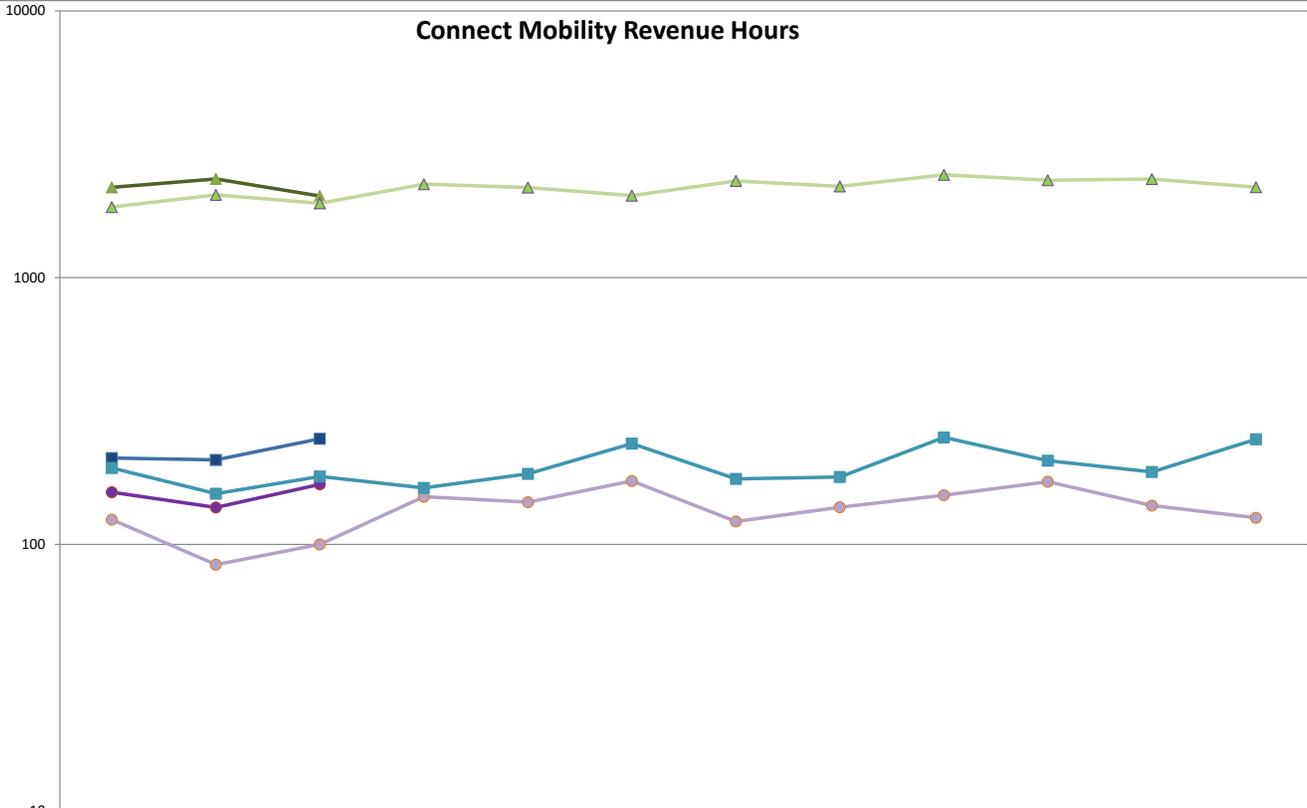
Fixed Route Revenue Hours



	July	August	September	October	November	December	January	February	March	April	May	June
● Sunday FY18	907	750	967									
● Sunday FY17	1023	842	796	967	774	967	774	774	738	955	967	726
■ Saturday FY18	864	920	1261									
■ Saturday FY17	1255	1066	1333	973	933	1160	945	973	880	972	1165	1068
▲ Weekday FY18	6050	7034	6108									
▲ Weekday FY17	6665	7774	6934	7178	6772	6440	7027	6547	6745	6905	6380	6050

Notes:

Connect Mobility Revenue Hours

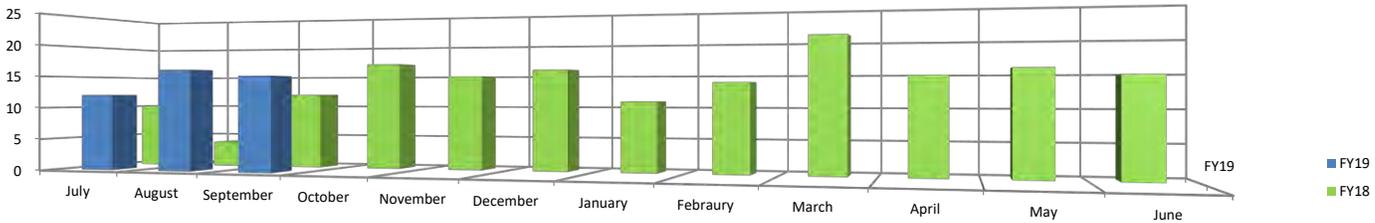


	July	August	September	October	November	December	January	February	March	April	May	June
Sunday FY18	157	138	168									
Sunday FY17	124	84	100	151	144	173	122	138	153	172	140	126
Saturday FY18	211	208	249									
Saturday FY17	194	155	180	163	184	239	176	179	252	206	187	248
Weekday FY18	2181	2346	2024									
Weekday FY17	1841	2046	1900	2244	2178	2031	2305	2201	2431	2322	2343	2184

Notes:

Safety Reports

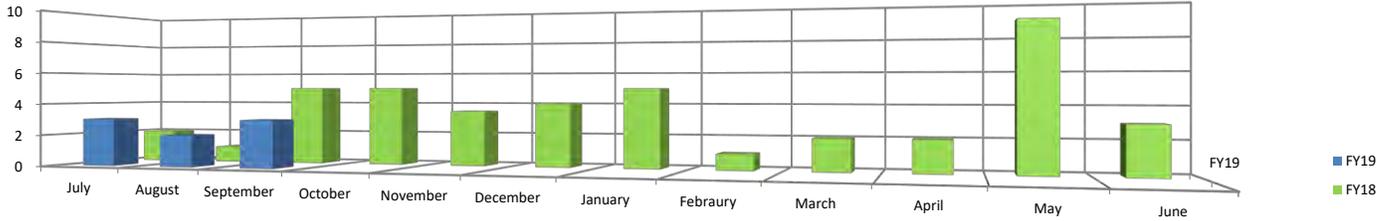
Safety Related Incidents Per 100,000 Miles



	July	August	September	October	November	December	January	February	March	April	May	June
FY19	12	16	15									
FY18	10	4	12	17	15	16	11	14	21	15	16	15

Notes: The numbers in this category show the *total number of reports received* for the calendar month. This number does not indicate whether an incident or accident was determined to be "Preventable". All submitted reports are reviewed and categorized by the Safety and Training Director.

Preventable Accidents Per 100,000 Miles

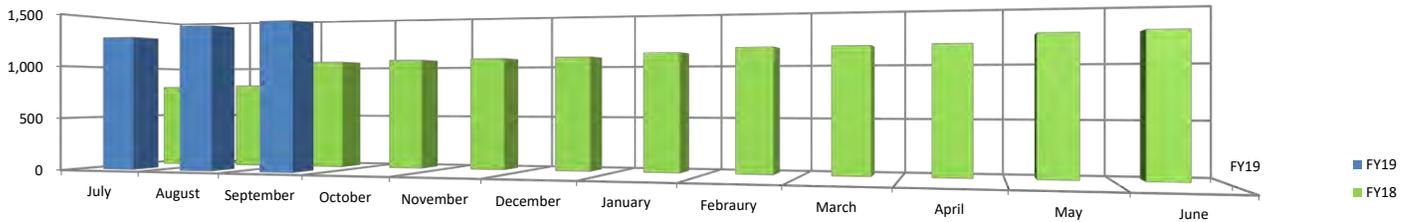


	July	August	September	October	November	December	January	February	March	April	May	June
FY19	3	2	3									
FY18	2	1	5	5	4	4	5	1	2	2	9	3

Notes: **Accident:** An unplanned event that may or may not have resulted in personal injury or property damage, but in which the employee failed to exercise reasonable precautions to prevent the event. This consists of events such as a collision with another vehicle, a collision with a fixed object, closing a vehicle entry/exit door on a customer, etc.

Social Media Reports

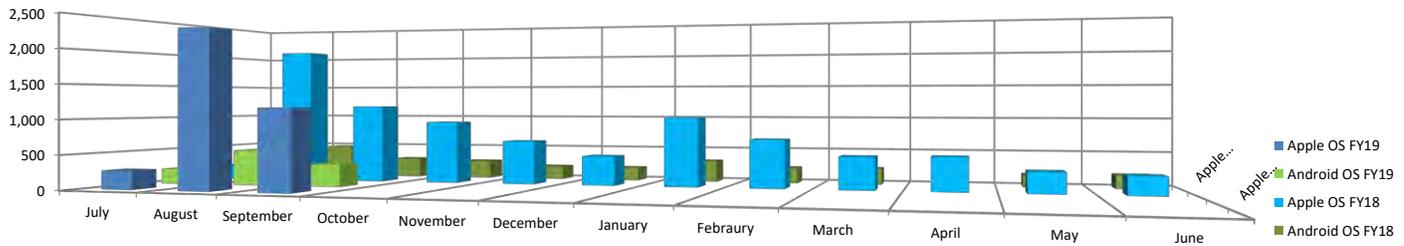
Facebook



	July	August	September	October	November	December	January	February	March	April	May	June
FY19	1,282	1,382	1,416									
FY18	799	814	1,051	1,065	1,074	1,084	1,118	1,161	1,165	1,175	1,258	1,275

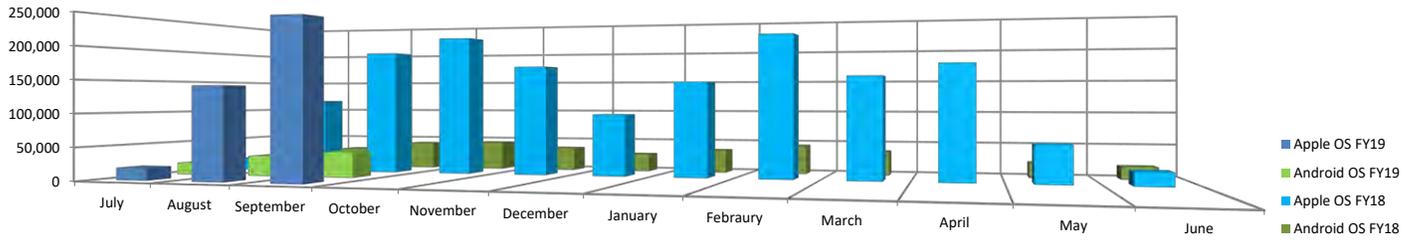
Notes:

App Downloads



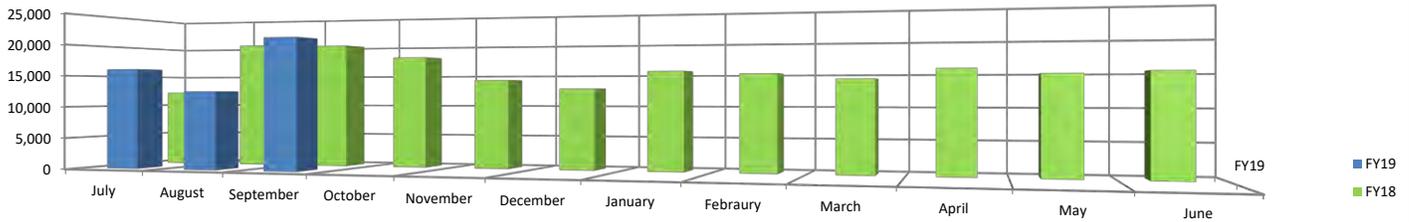
	July	August	September	October	November	December	January	February	March	April	May	June
Apple OS FY19	267	2281	1,167									
Android OS FY19	222	517	325									
Apple OS FY18	205	2,024	1,171	930	646	432	1,013	704	473	485	301	263
Android OS FY18	159	480	291	267	198	194	317	229	235	217	181	193

App Sessions



	July	August	September	October	November	December	January	February	March	April	May	June
Apple OS FY19	18,444	141,402	242,104									
Android OS FY19	18,293	31,203	38,928									
Apple OS FY18	17,548	117,128	196,292	219,581	172,574	96,626	147,747	219,690	156,082	174,054	56,785	20,318
Android OS FY18	17,064	30,925	42,162	44,588	36,593	27,651	35,903	44,877	37,116	37,209	22,902	18,834

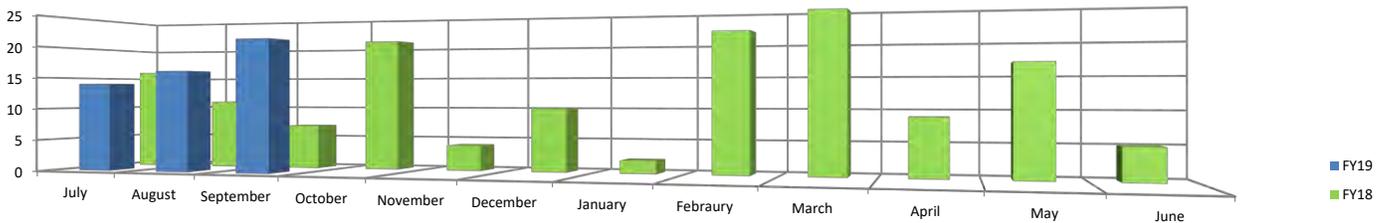
Website Traffic



	July	August	September	October	November	December	January	February	March	April	May	June
FY19	16,048	12,457	20,916									
FY18	12,200	20,312	20,122	18,048	14,288	12,909	15,634	15,208	14,380	15,877	15,075	15,429

Notes:

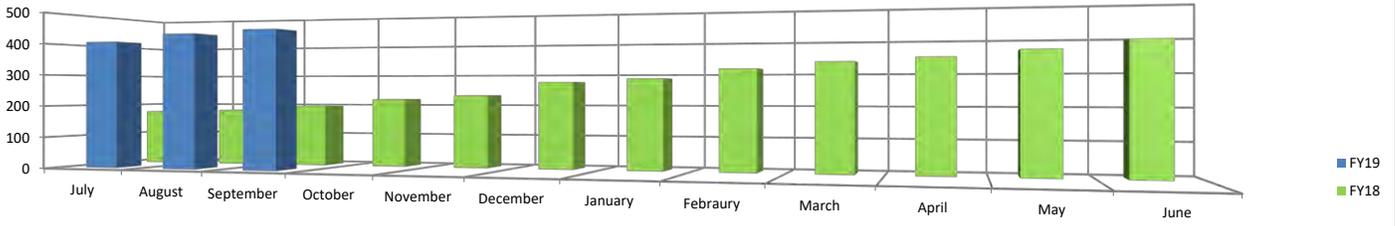
Twitter



	July	August	September	October	November	December	January	February	March	April	May	June
FY19	14	16	21									
FY18	16	11	7	21	4	10	2	22	25	9	17	5

Notes:

Instagram



	July	August	September	October	November	December	January	February	March	April	May	June
FY19	407	430	441									
FY18	176	182	197	220	233	276	287	316	336	348	368	394

Notes:



Statistics	Sep 18				Sep 17				% Change			
	Customers	Revenue Miles	Revenue Hours	Boardings per Revenue Hour	Customers	Revenue Miles	Revenue Hours	Boardings per Revenue Hour	Customers	Revenue Miles	Revenue Hours	Boardings per Revenue Hour
Connect Transit												
Green	26,750	8,089	794	33.71	23,717	8,665	789	30.08	12.8%	-6.7%	0.6%	12.1%
Red	32,097	14,156	1,317	24.37	29,084	13,513	1,254	23.19	10.4%	4.8%	5.0%	5.1%
Lime	31,195	16,627	1,355	23.03	27,705	14,502	1,288	21.51	12.6%	14.7%	5.2%	7.1%
Teal	-	-	-	-	2,429	2,770	230	10.56	-100.0%	-100.0%	-100.0%	-
Aqua	8,134	2,687	189	43.00	6,663	2,696	244	27.32	22.1%	-0.4%	-22.4%	57.4%
Orange	4,997	4,690	356	14.04	5,133	4,612	360	14.26	-2.6%	1.7%	-1.1%	-1.6%
Gold	6,374	4,624	380	16.77	5,645	4,727	404	13.97	12.9%	-2.2%	-5.9%	20.0%
Purple	10,314	10,484	718	14.36	12,106	12,792	1,023	11.83	-14.8%	-18.0%	-29.8%	21.4%
Blue	5,599	4,339	369	15.19	4,654	4,320	375	12.41	20.3%	0.4%	-1.7%	22.4%
Brown	4,753	3,967	346	13.74	5,694	5,000	440	12.94	-16.5%	-20.7%	-21.4%	6.2%
Tan	5,559	5,757	467	11.91	6,752	7,880	647	10.44	-17.7%	-26.9%	-27.9%	14.1%
Pink	7,336	4,187	366	20.04	6,646	3,703	384	17.31	10.4%	13.1%	-4.7%	15.8%
Yellow	19,591	8,422	588	33.33	20,363	8,149	550	37.06	-3.8%	3.4%	7.0%	-10.1%
Olive	4,113	4,196	415	9.91	3,649	4,257	402	9.09	12.7%	-1.4%	3.4%	9.0%
Redbird	65,080	7,283	677	96.09	63,179	6,924	685	92.23	3.0%	5.2%	-1.1%	4.2%
Ntripper	-	-	-	-	-	-	-	-	-	-	-	-
Btripper	-	-	-	-	-	-	-	-	-	-	-	-
Silver	7726	7010.28	550.5	14.03	3192	3458.92	273	11.69230769	142.0%	102.7%	101.6%	20.0%
Eastview	-	-	-	-	-	-	-	-	-	-	-	-
Total Fixed Route	239,618	106,517	8,886	26.97	226,611	107,970	9,347	24.24	5.7%	-1.3%	-4.9%	11.2%
Demand Response												
Connect Mobility	7,253	30,303	2,441	2.97	7,073	27,994	2,187	3.23	2.5%	8.2%	11.6%	-8.1%
Connect Late Night												
Total Demand Response	7,253	30,303	2,441	2.97	7,073	27,994	2,187	3.23	2.5%	8.2%	11.6%	-8.1%
SYSTEM TOTALS	246,871	136,820	11,327	21.79	233,684	135,964	11,534	20.26	5.6%	0.6%	-1.8%	7.6%



Metrics		Month: Sep 18		
		FY2019	FY2018	% Change
Effectiveness	Total Boardings per Revenue Hour	21.8	20.3	7.6%
	Total Boardings per Revenue Mile	1.8	1.7	5.0%
Safety	Total Preventable Accidents (Fixed Route and Demand Response)	-	-	
	Preventable Accidents per 100,000 Miles	-	-	
Efficiency	Average Fare	\$ -	\$ -	
	Cost per Revenue Hour	\$ -	\$ -	
	Cost per Customer	\$ -	\$ -	
	Operating Assistance Investment per Customer	\$ -	\$ -	
Base Statistics for Calculations	Total Customers	246,871	233,684	5.6%
	Total Revenue Hours	11,327	11,534	-1.8%
	Total Revenue Miles	136,820	135,964	0.6%
	Total Operating Expense	\$ -	\$ -	
	Total Operating Revenue (includes all directly-generated revenue such as Universal Access)	\$ -	\$ -	
On Time Performance	Fixed Route			
	Demand Response			
VOMS	Fixed Route			
	Demand Response			

Analysis & Interpretation



Statistics	YTD 19				YTD 18				% Change			
	Customers	Revenue Miles	Revenue Hours	Boardings per Revenue Hour	Customers	Revenue Miles	Revenue Hours	Boardings per Revenue Hour	Customers	Revenue Miles	Revenue Hours	Boardings per Revenue Hour
Connect Transit												
Green	71,240	23,611	2,373	30.02	64,096	27,633	2,343	27.35	11.1%	-14.6%	1.3%	9.8%
Red	89,785	42,878	3,990	22.50	82,976	41,456	3,891	21.33	8.2%	3.4%	2.5%	5.5%
Lime	92,125	50,369	4,109	22.42	75,627	45,052	4,019	18.82	21.8%	11.8%	2.2%	19.2%
Teal	-	-	-	#DIV/0!	10,461	12,792	1,178	8.88	-100.0%	-100.0%	-100.0%	#DIV/0!
Aqua	25,654	8,407	598	42.90	21,671	8,423	864	25.07	18.4%	-0.2%	-30.8%	71.1%
Orange	14,684	14,767	1,124	13.06	16,208	14,129	1,118	14.50	-9.4%	4.5%	0.5%	-9.9%
Gold	20,190	14,632	1,204	16.77	18,987	15,446	1,283	14.80	6.3%	-5.3%	-6.2%	13.3%
Purple	37,206	33,176	2,273	16.37	42,636	44,030	3,777	11.29	-12.7%	-24.7%	-39.8%	45.0%
Blue	14,843	13,463	1,166	12.73	13,883	13,520	1,168	11.89	6.9%	-0.4%	-0.1%	7.0%
Brown	15,708	14,166	1,235	12.72	17,318	15,470	1,370	12.64	-9.3%	-8.4%	-9.8%	0.6%
Tan	17,327	21,513	1,744	9.94	19,784	24,583	2,034	9.73	-12.4%	-12.5%	-14.3%	2.2%
Pink	20,952	13,119	1,148	18.25	19,349	11,514	1,209	16.00	8.3%	13.9%	-5.0%	14.0%
Yellow	45,448	22,235	1,552	29.28	49,372	20,593	1,408	35.07	-7.9%	8.0%	10.2%	-16.5%
Olive	12,516	13,092	1,295	9.66	12,292	13,056	1,222	10.06	1.8%	0.3%	6.0%	-3.9%
Redbird	98,952	11,272	1,049	94.31	102,571	10,749	1,091	94.02	-3.5%	4.9%	-3.8%	0.3%
Ntripper	-	-	-	#DIV/0!	270	557	32	8.50	-100.0%	-100.0%	-100.0%	#DIV/0!
Btripper	-	-	-	#DIV/0!	621	1,087	64	9.78	-100.0%	-100.0%	-100.0%	#DIV/0!
Silver	24260	22025.4	1742.5	13.92	3192	3458.92	273					
Eastview	216	501	48	4.50								
Total Fixed Route	601,106	319,226	26,650	22.56	571,314	323,548	28,342	20.16	5.2%	-1.3%	-6.0%	11.9%
Demand Response												
Connect Mobility	22,348	93,759	7,738	2.89	20,754	84,010	6,631	3.13	7.7%	11.6%	16.7%	-7.7%
Connect Late Night	-	-	-	#DIV/0!	-	-	-	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Total Demand Response	22,348	93,759	7,738	2.89	20,754	84,010	6,631	3.13	7.7%	11.6%	16.7%	-7.7%
SYSTEM TOTALS	623,454	412,985	34,388	18.13	592,068	407,558	34,973	16.93	5.3%	1.3%	-1.7%	7.1%

Premium Service Overview from Sept 2017 to Sept 2018.

Completed Trips	Individuals	Direct Miles	Direct Hours	Fare Collected
5981	87	31,841	1293.9	\$19,138

Premium Service Overview from September 2018.

Completed Trips	Individuals	Direct Miles	Direct Hours	Fare Collected
550	31	3,040	123.4	\$1,764

Cash Only Revenue

Route	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18
Green	\$3,185.53	\$3,903.19	\$3,511.67									
Red	\$5,917.16	\$6,268.70	\$5,724.69									
Purple	\$3,125.41	\$3,555.53	\$2,949.66									
Pink	\$1,104.72	\$1,271.36	\$1,099.52									
Blue	\$940.85	\$982.13	\$955.93									
Brown	\$1,038.63	\$931.47	\$784.59									
Yellow	\$1,563.66	\$1,823.31	\$1,603.41									
Orange	\$1,121.05	\$1,178.74	\$1,048.92									
Lime	\$5,056.84	\$5,430.91	\$4,522.13									
Teal*	\$0.00	\$0.00	\$0.00									
Aqua	\$1,744.76	\$2,157.49	\$1,697.30									
Gold	\$1,008.19	\$1,100.81	\$1,038.10									
Olive	\$998.34	\$1,118.56	\$1,116.95									
Redbird	\$0.00	\$139.25	\$306.10									
Tan	\$916.31	\$893.36	\$802.91									
Blm tripper**	\$0.00	\$0.00	\$0.00									
Nrm tripper**	\$0.00	\$0.00	\$0.00									
Silver	\$1,804.38	\$1,787.09	\$1,772.02									
Total	\$29,525.83	\$32,541.90	\$28,933.90	\$0.00								

* Eliminated September 2017

** Eliminated August 2017

Board of Trustees
Bloomington-Normal Public Transit System
Normal, Illinois

We have audited the financial statements of the Bloomington-Normal Public Transit System as of and for the year ended June 30, 2018, and have issued our report thereon dated October 12, 2018. We have previously communicated to you information about our responsibilities under auditing standards generally accepted in the United States of America, *Government Auditing Standards*, and Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), as well as certain information related to the planned scope and timing of our audit. Professional standards also require that we communicate to you the following information related to our audit.

Significant audit findings

Qualitative aspects of accounting practices

Accounting policies

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Bloomington-Normal Public Transit System are described in Note 1 to the financial statements.

No new accounting policies were adopted and the application of existing policies was not changed during the fiscal year 2018.

We noted no transactions entered into by the entity during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. There were no accounting estimates affecting the financial statements which were particularly sensitive or required substantial judgments by management.

Financial statement disclosures

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. There were no particularly sensitive financial statement disclosures.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties encountered in performing the audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Uncorrected misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management did not identify and we did not notify them of any uncorrected financial statement misstatements.

Corrected misstatements

The attached schedule summarizes all misstatements detected as a result of audit procedures that were corrected by management.

Disagreements with management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. No such disagreements arose during our audit.

Management representations

We have requested certain representations from management that are included in the management representation letter dated October 12, 2018.

Management consultations with other independent accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the entity's financial statements or a determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Significant issues discussed with management prior to engagement

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to engagement as the entity's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our engagement.

Other information in documents containing audited financial statements

With respect to the required supplementary information (RSI) accompanying the financial statements, we made certain inquiries of management about the methods of preparing the RSI, including whether the RSI has been measured and presented in accordance with prescribed guidelines, whether the methods of measurement and preparation have been changed from the prior period and the reasons for any such changes, and whether there were any significant assumptions or interpretations underlying the measurement or presentation of the RSI. We compared the RSI for consistency with management's responses to the foregoing inquiries, the basic financial statements, and other knowledge obtained during the audit of the basic financial statements. Because these limited procedures do not provide sufficient evidence, we did not express an opinion or provide any assurance on the RSI.

With respect to the schedule of expenditures of federal awards (SEFA) accompanying the financial statements, on which we were engaged to report in relation to the financial statements as a whole, we made certain inquiries of management and evaluated the form, content, and methods of preparing the SEFA to determine that the SEFA complies with the requirements of the Uniform Guidance, the method of preparing it has not changed from the prior period or the reasons for such changes, and the SEFA is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the SEFA to the underlying accounting records used to prepare the financial statements or to the financial statements themselves. We have issued our report thereon dated October 12, 2018.

With respect to the Schedule of Computation of Federal Operating Assistance Grant, Schedule of Revenue and Expenses under Downstate Operating Assistance Grant OP-18-07-IL, and Schedule of Computation of Amount Due Illinois State University (supplementary information) accompanying the financial statements, on which we were engaged to report in relation to the financial statements as a whole, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period or the reasons for such changes, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves. We have issued our report thereon dated October 12, 2018.

The introductory and statistical sections accompanying the financial statements, which are the responsibility of management, was prepared for purposes of additional analysis and is not a required part of the financial statements. Such information was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we did not express an opinion or provide any assurance on it.

Our auditors' opinion, the audited financial statements, and the notes to financial statements should only be used in their entirety. Inclusion of the audited financial statements in a document you prepare, such as an annual report, should be done only with our prior approval and review of the document.

* * *

This communication is intended solely for the information and use of the Board of Trustees and management of Bloomington-Normal Public Transit System and is not intended to be, and should not be, used by anyone other than these specified parties.



CliftonLarsonAllen LLP

Champaign, Illinois
October 12, 2018

Client: **004-00435800 - Bloomington-Normal Public Transit System**
 Engagement: **AUD 2018 - Bloomington-Normal Public Transit System**
 Period Ending: **6/30/2018**
 Trial Balance: **0900 - TB**
 Workpaper: **0921.00 - Adjusting Journal Entries Report**

Account	Description	W/P Ref	Debit	Credit
Adjusting Journal Entries JE # 3				
To adjust depreciation and accumulated depreciation to actual				
513.400	513.400 Depreciation Expense	1700s	64,147.00	
150.500	150.500 Accumulated Depreciation			64,147.00
Total			64,147.00	64,147.00



**Bloomington-Normal Public Transit System
Normal, Illinois**

**Comprehensive Annual Financial Report
For the Fiscal Year
July 1, 2017 to June 30, 2018**



Bloomington Normal Public Transit System
Normal, Illinois
Comprehensive Annual Financial Report
For the Fiscal Year
July 1, 2017 to June 30, 2018

Prepared by:
Bloomington Normal Public Transit System
Finance Department
www.connect-transit.com

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October 12, 2018

Members of the Board of Trustees
Bloomington-Normal Public Transit System
Normal, Illinois

The Comprehensive Annual Financial Report (CAFR) of the Bloomington-Normal Public Transit System (Connect Transit) for the fiscal years ending June 30, 2018 and 2017, is submitted herewith. This report provides a broad view of Connect Transit's financial activities for the 2018 and 2017 fiscal years and its financial position at June 30, 2018 and 2017. This report was prepared by Connect Transit's Finance Department. Responsibility for the accuracy of the presented data and the fairness of the presentation, including all disclosures, rest with Connect Transit. The organization and content of this report follows the standards for annual financial reporting under the Governmental Accounting Standards Board (GASB). We believe the data as presented is accurate in all material respects, that it is presented in a manner designed to fairly set forth Connect Transit's financial position and results of operations as measured by financial activity, and that all disclosures necessary to enable the reader to gain the maximum understanding of Connect Transit's financial condition have been included contained.

Connect Transit financial statements have been audited by CliftonLarsonAllen, LLP, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of Connect Transit for the fiscal years ended June 30, 2018 and 2017, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that Connect Transit's financial statements for the fiscal years ended June 30, 2018 and 2017, are fairly presented in conformity with Generally Accepted Accounting Principles (GAAP). The independent auditors' report is presented as the first component of the financial section of this report.

As a recipient of various federal funding, Connect Transit is required under the Federal Single Audit Act, to have an annual audit, when applicable, of certain major federal grant programs performed. The audit contains information concerning whether grant activity is presented fairly in general purpose financial statements, whether internal controls are sufficient to provide reasonable assurance that the funds are managed properly, and whether material grant compliance requirements have been met. The auditor's reports relative to the Federal Single Audit Act are included in this report.

Generally Accepted Accounting Principles (GAAP) require that management provide a narrative introduction, overview, and analysis of the basic financial statements in the

Bloomington-Normal Public Transit System
Letter of Transmittal

form of a Management's Discussion and Analysis (MD&A). This letter of transmittal should be read in conjunction with the MD&A. Connect Transit's MD&A can be found immediately following the report of the independent auditors. Connect Transit's operation is accounted for under a single enterprise fund, which uses the same accrual accounting method as private enterprise. Under revenue recognition and matching principles of the accrual accounting method, revenues are recorded when earned, and expenses are recorded when incurred. Note 1 to the financial statements provides further details of Connect Transit's accounting policies.

PROFILE OF THE AGENCY

In 1972, the City of Bloomington and Town of Normal, by intergovernmental agreement, established an intergovernmental agency known as the Bloomington Normal Public Transit System after the privately owned National City bus company left the Bloomington-Normal market. The transit system operates as an independent agency governed by a board appointed by both the City of Bloomington and Town of Normal. In 2012, the transit system rebranded as Connect Transit.

Connect Transit provides fixed route, and demand response services in a 46 square mile area located in the City of Bloomington and the Town of Normal with a combined population of approximately 133,000 residents. In FY 2018, combined ridership for all modes of service totaled 2,330,123. Connect Transit is governed by a Board of Directors. Four members appointed by the City of Bloomington, three members appointed by the Town of Normal, and two Ex officio members (the City Manager for the City of Bloomington and the Town Manager for the Town of Normal). The Board appoints a General Manager to implement policies authorized by the Board and oversee Connect Transit's daily operations as well as its approximately 135 employees. Connect Transit operates up to 27 buses on 15 fixed routes. Connect Transit, under the name of Connect Mobility, provides demand – response service to all paratransit eligible riders within the American with Disabilities Act guidelines.

Connect Transit maintains a fleet of 39 buses for its 15 fixed routes. Included in this fleet are (10) 2018 New Flyer 40' buses, (7) 2016 New Flyer 40' buses, (5) 2015 New Flyer 40' buses, (4) 2011 Gillig 35' buses, (1) 2010 Gillig 35' bus, (2) 2008 Gillig 30' buses, and (10) 2003 New Flyer 40' buses. Connect Mobility's paratransit fleet includes (4) 2017 Ford vans, (8) 2013 Chevy Senator vans, (3) 2011 Ford vans, and (2) 2010 Ford vans.

In FY 2018, fixed route services carried 2,240,810 passengers. Connect Transit's demand response services total ridership was 89,313.

Bloomington-Normal Public Transit System
Letter of Transmittal

ECONOMIC IMPACT

The economic condition of Connect Transit is dependent on available state and federal funding. The City of Bloomington, Town of Normal, and advertising income support Connect Transit operations as well. New buses, improved routes, greater frequency and new bus shelters will have a significant impact on making public transportation a more attractive option for our riders.

LONG-TERM FINANCIAL and CAPITAL PLANNING APPROACH

Connect Transit's management has established a system of internal controls that is designed to help assure that the assets of Connect Transit are safeguarded against loss, theft, or misuse. The system of internal controls also helps assure that the accounting system compiles reliable financial data for the preparation of Connect Transit's financial statements. Internal accounting controls are designed to provide reasonable, but not absolute, assurance that these objectives will be met. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived and that evaluation of the costs and benefits require estimates and judgments by management. In addition, Connect Transit maintains budgetary controls. Budgetary control is maintained by periodic review of year-to-date, actual vs. budgeted expenditures. Connect Transit's long-term planning processes are managed under a unified planning structure. This includes monitoring contracts and external agreements in a timely fashion, meeting required reporting deadlines to Connect Transit's funding sources, and establishing and enforcing best practices.

MAJOR INITIATIVES

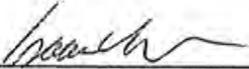
The initiatives for FY 2018 were planned in accordance with Connect Transit's strategic goals; each initiative and/or project was carefully reviewed before implementation to ensure adherence to Connect Transit's strategic goals. Planned initiatives and capital projects for FY 2018 included:

- Acquired 10 new New Flyer buses as replacement vehicles
- Acquired 4 new Ford propane mobility buses as replacement vehicles
- Implemented route adjustments
- Continued installation of new bus shelters and improving bus stops

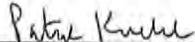
Bloomington-Normal Public Transit System
Letter of Transmittal

ACKNOWLEDGEMENTS

We would like to thank all members of Connect Transit who assisted and contributed to the preparation of this report, as well as members of the Connect Transit Board for their interest and continued support in the ongoing efforts of the agency. We are very excited about the role that we will play as transit initiatives move forward, and we will continue to rely on our resources and strengths to be successful.



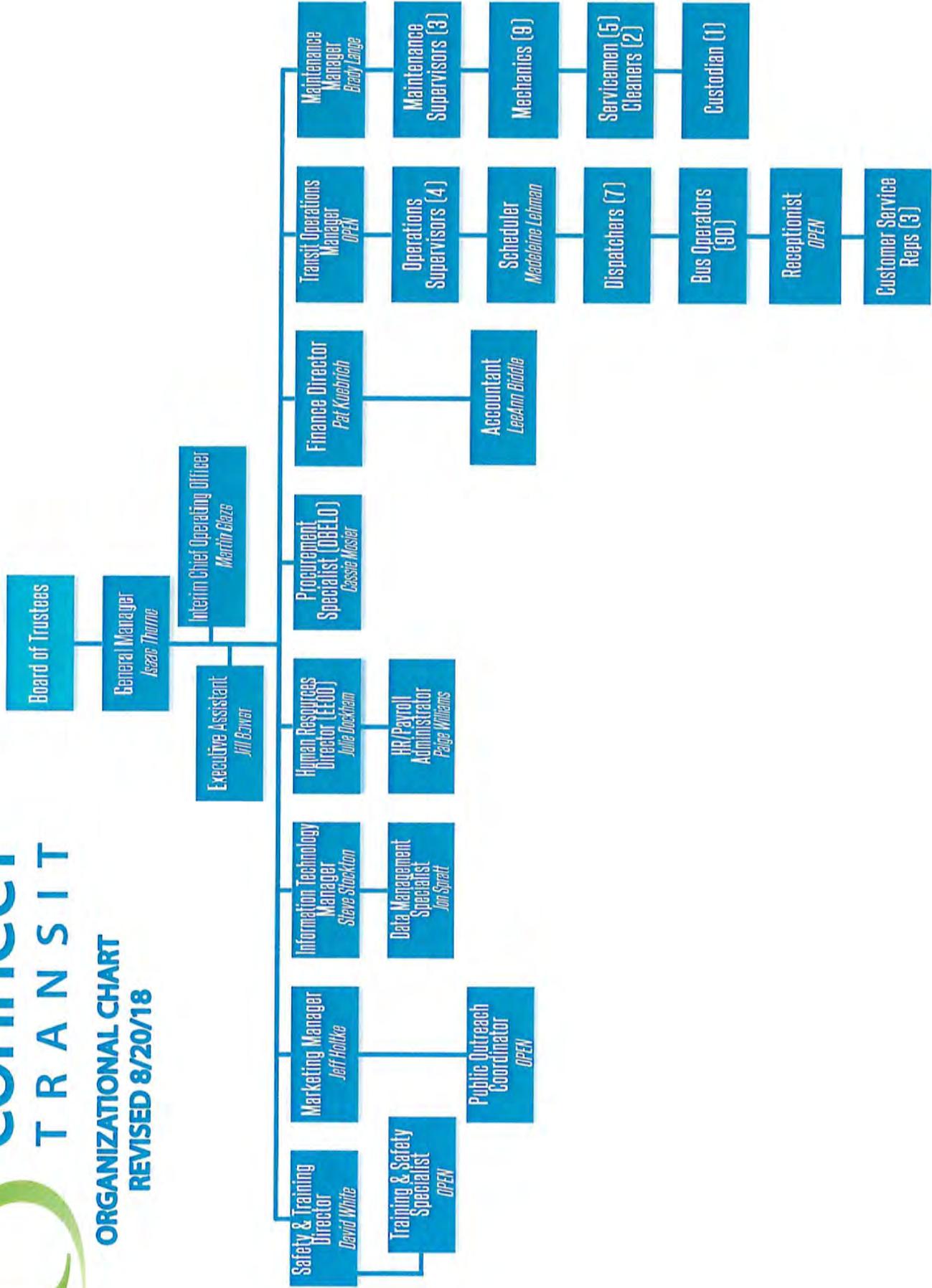
Isaac Thorne
General Manager



Patrick Kuebrich
Finance Director



**ORGANIZATIONAL CHART
REVISED 8/20/18**



Bloomington-Normal Public Transit System
Board of Trustees
For the Years Ended June 30, 2018 and 2017

<u>Name</u>	<u>Position</u>	<u>Appointed By</u>
Mike McCurdy	Chairman	City of Bloomington
Ryan Whitehouse	Vice Chairman	Town of Normal
John Bowman	Secretary	City of Bloomington
John Thomas	Trustee	Town of Normal
Judy Buchanan	Trustee	City of Bloomington
Monica Bullington	Trustee	City of Bloomington
Julie Hile	Trustee	Town of Normal
Pam Reese	Ex Officio	Town of Normal
Tim Gleason	Ex Officio	City of Bloomington



Government Finance Officers Association

**Certificate of
Achievement
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Reporting**

Presented to

**Bloomington-Normal
Public Transit System, Illinois**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2017

Christopher P. Morill

Executive Director/CEO

INDEPENDENT AUDITORS' REPORT

Board of Trustees
Bloomington-Normal Public Transit System
Normal, Illinois

Report on the Financial Statements

We have audited the accompanying financial statements of the Bloomington-Normal Public Transit System, as of and for the years ended June 30, 2018 and 2017, and the related notes to the financial statements, which collectively comprise the entity's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Bloomington-Normal Public Transit System as of June 30, 2018 and 2017, and the respective changes in financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board 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 audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Bloomington-Normal Public Transit System's basic financial statements. The introductory section, Schedule of Computation of Federal Operating Assistance Grant, Schedule of Computation of Amount Due Illinois State University, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The Schedule of Revenue and Expenses Under Downstate Operating Assistance Grant OP-18-07-IL is presented for purposes of additional analysis, as required by the Illinois Department of Transportation and is not a required part of the basic financial statements. The Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance), is also presented for purposes of additional analysis and is not a required part of the basic financial statements.

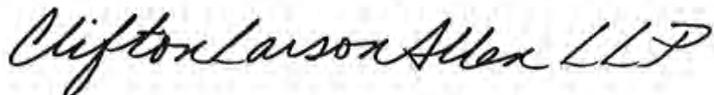
The Schedule of Computation of Federal Operating Assistance Grant, Schedule of Revenue and Expenses Under Downstate Operating Assistance Grant OP-18-07-IL, Schedule of Computation of Amount Due Illinois State University, and the Schedule of Expenditures of Federal Awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Board of Trustees
Bloomington-Normal Public Transit System

The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated REPORT DATE, on our consideration of the Bloomington-Normal Public Transit System'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 result of that testing, and not to provide an opinion on the effectiveness of the Bloomington-Normal Public Transit System'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 the Bloomington-Normal Public Transit System's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

CliftonLarsonAllen LLP

Champaign, Illinois
October 12, 2018

MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's Discussion and Analysis (MD&A) is an introduction to the basic financial statements and supplementary information of the Bloomington-Normal Public Transit System (System). The MD&A should be read in conjunction with the basic financial statements, notes to financial statements, supplementary information, and the statistical section. The MD&A provides management's perspective on the performance of the System in the current year and its financial condition at year-end.

Questions concerning any of the information provided in this report or requests for additional information should be addressed to General Manager, Bloomington-Normal Public Transit System, 351 Wylie Drive, Normal, Illinois 61761.

Financial Highlights – Fiscal Year 2018

- State operating assistance increased in fiscal year 2018 to \$7,719,588 from \$7,681,950 in fiscal year 2017.
- Federal operating assistance increased in fiscal year 2018 to \$1,742,929 from \$1,739,100 in fiscal year 2017.
- The assets of the System exceeded its liabilities at the close of the most recent fiscal year by \$26,860,780 (net position).
- The System operated in fiscal year 2018 without incurring long-term debt.

Financial Highlights – Fiscal Year 2017

- State operating assistance increased in fiscal year 2017 to \$7,681,950 from \$7,064,354 in fiscal year 2016.
- Federal operating assistance decreased in fiscal year 2017 to \$1,739,100 from \$2,131,109 in fiscal year 2016.
- The assets of the System exceeded its liabilities at the close of the most recent fiscal year by \$22,878,645 (net position).
- The System operated in fiscal year 2017 without incurring long-term debt.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Overview of the Financial Statements

The basic financial statements are the statements of net position, statements of revenues, expenses, and changes in net position, and the statements of cash flows. These financial statements were prepared using the full accrual accounting method used by businesses in the private sector.

The statements of net position present the financial position of the System on a full accrual historical cost basis. The statements of net position provide information on all the assets and liabilities of the System, with the difference between the two being the System's net position. Increases or decreases in net position are one indicator of whether the System's financial position is improving or deteriorating.

The statements of revenues, expenses, and changes in net position provide the performance of the System over its fiscal year, which is the twelve-month period ended June 30. These statements present the detail of how the net position presented on the statements of net position changed over the fiscal years. All activities that increase or decrease net position are reflected on these statements when they occur rather than when the related cash flow occurs.

The cash flow statements present the increase or decrease in cash and cash equivalents during the fiscal years resulting from the operating, financing, and investing activities of the System. These statements simply present the increases and decreases in cash and cash equivalents without regard to related revenues/receivables and expenses/liabilities.

The notes to financial statements provide further information on the items reported in the basic financial statements. This information is essential for the reader of this report to acquire a full understanding of the amounts in the financial statements and other commitments and events not reflected in the financial statements. The supplementary information also provides further detail on operating expenses, the state-operating grant of the System, the System's federal grants, and amounts owed to organizations with which the System has transportation contracts.

The System as a Whole

The System's net position increased from the prior year – increasing from \$22.88 million to \$26.86 million. Our analysis below focuses on the net position (Table 1) and changes in net position (Table 2) of the System.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Table 1
Net Position

	2018	2017	2016
Current and Other Assets	\$ 9,699,963	\$ 7,006,293	\$ 7,565,134
Asset Held for Sale	425,536	425,536	425,536
Capital Assets	20,527,618	16,852,424	14,239,686
Total Assets	<u>30,653,117</u>	<u>24,284,253</u>	<u>22,230,356</u>
Current and Other Liabilities	3,258,495	926,663	1,090,096
Noncurrent Liabilities	533,842	478,945	412,378
Total Liabilities	<u>3,792,337</u>	<u>1,405,608</u>	<u>1,502,474</u>
Net Position:			
Net Investment in Capital Assets	20,494,613	16,819,419	14,665,222
Unrestricted	6,366,167	6,059,226	6,062,660
Total Net Position	<u>\$ 26,860,780</u>	<u>\$ 22,878,645</u>	<u>\$ 20,727,882</u>

Fiscal Year 2018 – The System’s net position increased by 17.4 percent (\$26.86 million compared to \$22.88 million) during fiscal year 2018.

Capital assets increased by \$3,675,194 during fiscal year 2018 due to the addition of new buses. Unrestricted net position, the part of net position that can be used to finance day-to-day operations without constraints established by enabling legislation or other legal requirements, increased by \$306,941 (\$6.366 million compared to \$6.059 million). This increase in unrestricted net position is due to the increase in the fund balance of local capital contributions. This fund is accumulating local contributions from the City of Bloomington and Town of Normal to fund the local share of current and future capital projects.

Fiscal Year 2017 – The System’s net position increased by 10.4 percent (\$22.88 million compared to \$20.73 million) during fiscal year 2017.

Capital assets increased by \$2,612,738 during fiscal year 2017 due to the addition of new buses. Unrestricted net position, the part of net position that can be used to finance day-to-day operations without constraints established by enabling legislation or other legal requirements, decreased by \$3,434 (\$6.059 million compared to \$6.063 million). This decrease in unrestricted net position is due to an increase in capital projects from local contributions from the City of Bloomington and Town of Normal.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Table 2
Changes in Net Position

	2018	2017	2016
Operating Revenues:			
Revenues from Transportation Services	\$ 1,303,139	\$ 1,251,585	\$ 1,413,686
Other Operating Revenues	86,392	121,139	151,208
Total Operating Revenues	1,389,531	1,372,724	1,564,894
Operating Expenses:			
Transportation Services	13,806,137	13,413,346	11,992,189
Operating Loss	(12,416,606)	(12,040,622)	(10,427,295)
Non-Operating Revenues:			
Operating Grants	9,462,517	9,421,050	9,195,463
Local Subsidies	2,041,055	2,165,624	1,205,110
Interest Income	1,590	2,057	4,157
Total Non-Operating Revenues	11,505,162	11,588,731	10,404,730
Income/Loss Before			
Other Revenues	(911,444)	(451,891)	(22,565)
Other Revenues:			
Capital Grants	4,893,579	2,602,654	2,332,683
Change in Net Position	3,982,135	2,150,763	2,310,118
Net Position, Beginning of Year	22,878,645	20,727,882	18,417,764
Net Position, End of Year	\$ 26,860,780	\$ 22,878,645	\$ 20,727,882

Fiscal Year 2018 – The System’s operating revenues increased by \$16,807 or 1.2 percent in 2018 (\$1,389,531) compared to 2017 (\$1,372,724). Operating expenses increased 2.9 percent (\$392,791).

Factors that led to the increases included:

- Increase in passenger fares
- Increased property insurance expense due to increase in new buses
- Increased professional fees due to use of lobbyist
- Increased other operating expenses due to demolition of Oakland Avenue building

MANAGEMENT'S DISCUSSION AND ANALYSIS

Fiscal Year 2017 – The System's operating revenues decreased by \$192,170 or 12.3 percent in 2017 (\$1,372,724) compared to 2016 (\$1,564,894). Operating expenses increased 11.9 percent (\$1,421,157).

Factors that led to the changes included:

- Decrease in passenger fares
- Stopped leasing the Oakland Avenue property
- Increased salaries and wages expense due to the addition of Sunday service and route restructure
- Increased employee health insurance due to increase in employees and insurance rates
- Increased payroll taxes and retirement plan due to increase in employees

Budgetary Highlights

Fiscal Year 2018 – The Board of Trustees approved the System's General Operating Fund budget for fiscal year 2018 on May 30, 2017. The budget included operating expenses of \$13,548,637 excluding depreciation.

- Operating revenue of \$1,389,531 was \$143,319 under budget.
- Operating expenses, less depreciation, totaled \$12,163,570 was \$1,385,067 under budget.

Fiscal Year 2017 – The Board of Trustees approved the System's General Operating Fund budget for fiscal year 2017 on May 3, 2016. The budget included operating expenses of \$13,808,000 excluding depreciation.

- Operating revenue of \$1,372,724 was \$282,108 under budget.
- Operating expenses, less depreciation, totaled \$11,842,478 was \$1,965,522 under budget.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Capital Asset Administration

At the end of fiscal year 2018, the System had \$20.5 million invested in a broad range of capital assets (see Table 3 below). This amount represents a net increase (including additions and deductions) of \$3,675,194 or 21.8% percent more than last year, due mainly to the addition of new revenue vehicles.

Table 3
Capital Assets at Year-End

	2018	2017	2016
Land and Improvements	\$ 1,220,018	\$ 1,220,018	\$ 1,220,018
Construction in Process	-	73,962	320,783
Facilities	9,207,221	9,178,021	8,819,832
Revenue Vehicles	18,869,246	15,714,503	12,954,145
Other Equipment	1,825,408	1,752,022	1,174,438
Less: Accumulated Depreciation	(10,594,275)	(11,086,102)	(10,249,530)
Totals	<u>\$ 20,527,618</u>	<u>\$ 16,852,424</u>	<u>\$ 14,239,686</u>

This year's major additions included:

Building Improvement	\$ 29,200
Revenue Vehicles	5,239,566
Other Equipment	141,815
	<u>\$ 5,410,581</u>

Fiscal Year 2017 Major Additions Include:

Construction in Process	\$ 73,962
Building Improvement	358,189
Revenue Vehicles	3,507,773
Other Equipment	577,584
	<u>\$ 4,517,508</u>

The System's fiscal year 2019 capital budget calls for \$1.50 million for capital expenditures. Some of the more significant fiscal year 2019 capital projects include:

Bus Stop Infrastructure Improvements	\$ 300,000
Maintenance Rehab	1,200,000
	<u>\$ 1,500,000</u>

More detailed information about the System's capital assets is presented in Note 5 to the financial statements.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Economic Factors and Next Year's Budget

- For fiscal year 2019, operating assistance from IDOT will again be 65 percent of allowable operating expenses. Because the State of Illinois has passed a budget, there should not be a delay in IDOT making quarterly payments.
- The General Operating Fund budget contained a total of \$13,181,000 for operating expenses in fiscal year 2019.

**BLOOMINGTON-NORMAL PUBLIC TRANSIT SYSTEM
STATEMENTS OF NET POSITION
JUNE 30, 2018 AND 2017**

ASSETS	2018	2017
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 3,975,137	\$ 4,057,094
Receivables	5,183,910	2,499,541
Inventory	179,895	229,375
Prepaid Expenses	361,021	220,283
Total Current Assets	9,699,963	7,006,293
ASSET HELD FOR SALE	425,536	425,536
CAPITAL ASSETS		
Land, Construction in Process, not Being Depreciated	1,220,018	1,293,980
Other Property and Equipment, Net of Depreciation	19,307,600	15,558,444
Total Capital Assets, Net	20,527,618	16,852,424
Total Assets	\$ 30,653,117	\$ 24,284,253
LIABILITIES AND NET POSITION		
CURRENT LIABILITIES		
Accounts Payable, Including \$33,005 Retainage Payable For 2018 and 2017	\$ 2,535,038	\$ 265,593
Accrued Expenses	296,673	258,901
Unearned Revenue	126,784	102,169
Compensated Absences	300,000	300,000
Total Current Liabilities	3,258,495	926,663
NONCURRENT LIABILITIES		
Compensated Absences, Net of Current Portion	533,842	478,945
Total Liabilities	3,792,337	1,405,608
NET POSITION		
Net Investment in Capital Assets Unrestricted	20,494,613	16,819,419
Total Net Position	6,366,167	6,059,226
Total Liabilities and Net Position	\$ 30,653,117	\$ 24,284,253

See accompanying Notes to Basic Financial Statements.

BLOOMINGTON-NORMAL PUBLIC TRANSIT SYSTEM
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
YEARS ENDED JUNE 30, 2018 AND 2017

	<u>2018</u>	<u>2017</u>
OPERATING REVENUES		
Passenger Fares	\$ 767,329	\$ 718,845
Contract Fares	535,810	532,740
Miscellaneous Income	86,392	121,139
Total Operating Revenues	<u>1,389,531</u>	<u>1,372,724</u>
OPERATING EXPENSES		
Salaries and Wages	7,311,970	7,260,197
Depreciation	1,642,567	1,570,868
Fuel and Lubricants	762,045	699,424
Bus Repair and Maintenance	618,548	609,181
Group Insurance	1,044,893	1,198,596
Insurance	577,853	454,432
Payroll Taxes	540,498	536,482
Retirement Plan	294,981	260,335
Professional Fees	282,257	212,904
Supplies	153,899	150,810
Utilities and Telephone	105,077	117,286
Other Operating Expenses	471,549	342,831
Total Operating Expenses	<u>13,806,137</u>	<u>13,413,346</u>
OPERATING LOSS	(12,416,606)	(12,040,622)
NONOPERATING REVENUES		
State of Illinois Operating Assistance Grant	7,719,588	7,681,950
Federal Operating Assistance Grant	1,742,929	1,739,100
Local Subsidies	2,041,055	2,165,624
Interest Income	1,590	2,057
Total Nonoperating Revenues	<u>11,505,162</u>	<u>11,588,731</u>
LOSS BEFORE OTHER REVENUES	(911,444)	(451,891)
OTHER REVENUES		
State of Illinois Capital Grants	3,360,000	-
Federal Capital Grants	1,533,579	2,602,654
Total Other Revenues	<u>4,893,579</u>	<u>2,602,654</u>
CHANGE IN NET POSITION	3,982,135	2,150,763
Net Position – Beginning of Year	<u>22,878,645</u>	<u>20,727,882</u>
NET POSITION – END OF YEAR	<u>\$ 26,860,780</u>	<u>\$ 22,878,645</u>

See accompanying Notes to Basic Financial Statements.

**BLOOMINGTON-NORMAL PUBLIC TRANSIT SYSTEM
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2018 AND 2017**

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from Customers	\$ 1,520,997	\$ 1,385,742
Payments to Vendors	(4,976,034)	(4,816,777)
Payments to Employees	(7,219,301)	(7,161,659)
Net Cash Used by Operating Activities	(10,674,338)	(10,592,694)
CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES		
State Operating Assistance Grant Proceeds Received	6,303,448	6,086,320
Federal Operating Assistance Grant Proceeds Received	701,182	2,167,522
Net Cash Provided by Noncapital and Related Financing Activities	7,004,630	8,253,842
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
State Capital Grant Proceeds Received	3,360,000	-
Federal Capital Grant Proceeds Received	1,200,246	2,602,654
Local Subsidies Received	2,041,055	2,165,624
Purchases of Capital Assets	(3,015,140)	(4,183,606)
Net Cash Provided by Capital and Related Financing Activities	3,586,161	584,672
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest Received	1,590	2,057
DECREASE IN CASH AND CASH EQUIVALENTS	(81,957)	(1,752,123)
Cash and Cash Equivalents – Beginning of Year	4,057,094	5,809,217
CASH AND CASH EQUIVALENTS – END OF YEAR	\$ 3,975,137	\$ 4,057,094
NONCASH ACTIVITIES		
Capital Asset Additions Included in Accounts Payable	\$ 2,302,621	\$ -

See accompanying Notes to Basic Financial Statements.

**BLOOMINGTON-NORMAL PUBLIC TRANSIT SYSTEM
STATEMENTS OF CASH FLOWS (CONTINUED)
YEARS ENDED JUNE 30, 2018 AND 2017**

	2018	2017
RECONCILIATION OF OPERATING LOSS TO NET CASH USED IN OPERATING ACTIVITIES		
Operating Loss	\$ (12,416,606)	\$ (12,040,622)
Adjustments to Reconcile Operating Loss to Net Cash Used in Operating Activities:		
Depreciation	1,642,567	1,570,868
Effects of Changes in Operating Assets and Liabilities:		
Receivables	106,851	1,638
Inventory	49,480	606
Prepaid Expenses	(140,738)	(28,318)
Accounts Payable	(33,176)	(206,784)
Accrued Expenses	37,772	31,971
Compensated Absences	54,897	66,567
Unearned Revenue	24,615	11,380
	<u>\$ (10,674,338)</u>	<u>\$ (10,592,694)</u>
Net Cash Used in Operating Activities	<u>\$ (10,674,338)</u>	<u>\$ (10,592,694)</u>

See accompanying Notes to Basic Financial Statements.

**BLOOMINGTON-NORMAL PUBLIC TRANSIT SYSTEM
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018 AND 2017**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

The Bloomington-Normal Public Transit System (the System) was formed as an agency of the City of Bloomington (Bloomington) and the Town of Normal (Normal) in 1972. The purpose of the System is to provide transportation services within the City of Bloomington and the Town of Normal. The System is governed by a Board of Trustees appointed by the city and town councils of Bloomington and Normal, respectively. The System operates as an enterprise fund, which accounts for operation in a manner similar to private business enterprises – where the intent of the governing body (the Board of Trustees) is that the costs (expenses, including depreciation) of providing services to the general public on a continuing basis be financed or recovered primarily through user charges. Funding is provided primarily by annual grants from the Federal Transit Administration (FTA) (18% of 2018 revenues and 28% of 2017 revenues), the Illinois Department of Transportation (IDOT) (62% of 2018 revenues and 49% of 2017 revenues), and subsidies from Bloomington and Normal (11% of 2018 revenues and 14% of 2017 revenues).

In evaluating how to define the government, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in the Codification of Governmental Accounting and Financial Reporting Standards, Section 2100. The financial reporting entity consists of (a) the primary government, the System, which has a separately appointed governing body, is legally separate and fiscally independent of other state and local governments, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The System is an independent special purpose government in that it has the authority to determine its budget, set rates or levy taxes, and issue bonded debt without approval by another government.

There are no component units of the System nor is the System dependent on any other entity.

The financial statements of the System are prepared in accordance with accounting principles generally accepted in the United States of America (GAAP).

For the purposes of preparing the statement of cash flows, cash equivalents include demand deposits and funds held in money market accounts.

Receivables are reported at the estimated net realized amounts from third-party payers and others for services rendered. Receivables are stated at the amount management expects to collect or the outstanding balance. The allowance for doubtful receivables was \$-0- at June 30, 2018 and 2017.

Prepaid expenses, such as for insurance, are expensed over the term in which the services were received.

Inventories are stated at cost. Inventory consists of the value of on hand bus tokens, outstanding bus tokens, and replacement parts for bus repair.

BLOOMINGTON-NORMAL PUBLIC TRANSIT SYSTEM
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018 AND 2017

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Purchased capital assets are valued at actual or estimated historical cost, while donated capital assets are valued at their acquisition value at the time of donation. Assets are capitalized if they are valued at more than \$10,000 and have a useful life of more than one year. Depreciation is calculated on all capital assets other than land, works of art, and assets that appreciate in value using the straight-line method and the following useful lives:

Vehicles	3 – 12 Years
Furniture and Equipment	3 – 15 Years
Buildings and Improvements	10 – 50 Years

It is the System's policy to allow employees to accumulate unused compensated absences. The System calculates the liability for unused sick leave included in compensated absences using the vesting method. The cost of these benefits is recorded on the financial statements in the fiscal year earned by the employees.

The System reports decreases in net position that relate to future periods as deferred outflows of resources in a separate section of its statements of net position. No deferred outflows of resources are reported in these financial statements.

The System's statements of net position report a separate section for deferred inflows of resources. This separate financial statement element reflects an increase in net position that applies to a future period. The System will not recognize the related revenue until a future event occurs. No deferred inflows of resources are reported in these financial statements.

Operating revenues include all revenues from the provision of a service by the System. These services consist of the provision of public transportation. All other revenues are considered nonoperating or other revenues.

Operating grant revenue is recognized as it is earned. Capital grant revenue is recorded as capital grant expenditures are incurred. Receivables result principally from amounts due from FTA and IDOT.

The System's policy is to apply restricted resources first when an expense is incurred for a purpose for which both restricted and unrestricted net position are available.

A budget is adopted annually by the Board of Trustees, as required by ordinances enacted by Bloomington and Normal.

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. Accordingly, actual results could differ from those estimates.

**BLOOMINGTON-NORMAL PUBLIC TRANSIT SYSTEM
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018 AND 2017**

NOTE 2 DEPOSITS AND INVESTMENTS

State statutes authorize the System to invest in: direct obligations of federally insured banks and savings and loan associations; insured obligations of Illinois credit unions; securities issued or guaranteed by the U.S. Government; money market mutual funds investing only in U.S. Government based securities; commercial paper of U.S. corporations with assets over \$500 million; short-term obligations of the Federal National Mortgage Association; repurchase agreements; and the investment pools managed by the State Treasurer of Illinois.

The System currently deposits all funds in Commerce Bank.

Custodial Credit Risk – Bank Deposits

Custodial credit risk is the risk that in the event of a bank failure, the System's deposits may not be returned to it. At June 30, 2018 and 2017, the System's \$3,983,945 and \$4,211,836 bank balance, respectively, was fully insured or collateralized.

Interest Rate and Credit Risk

The System's investment policy addresses interest rate risk by (a) structuring investment maturities to meet operating cash needs and (b) investing operating funds primarily in short-term securities, money market mutual funds, or similar investment pools with average maturities consistent with the policy. The System's investment policy addresses credit risk by (a) limiting the types of investments allowed, (b) prequalifying financial institutions, brokers, and advisors, and (c) diversifying its portfolio.

NOTE 3 RECEIVABLES

Receivables were as follows at June 30:

	2018	2017
Federal Operating Assistance Grant	\$ 1,703,092	\$ 328,012
State of Illinois Operating Assistance Grant	3,446,328	2,030,188
Other	34,490	141,341
Totals	<u>\$ 5,183,910</u>	<u>\$ 2,499,541</u>

Operating Assistance Grants

The final estimated operating grant amounts from FTA and IDOT are subject to review and approval of the eligible expenses by IDOT. The receivable amounts above are based on eligible expenses as calculated by management and management is not aware of any potential changes to the eligible expenses as of the date of the auditors' report.

**BLOOMINGTON-NORMAL PUBLIC TRANSIT SYSTEM
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018 AND 2017**

NOTE 4 ASSETS HELD FOR SALE

During fiscal year 2011, the System adopted a plan to dispose of the land, building, and office furniture located at 104 East Oakland Avenue in Bloomington, Illinois. The assets were considered held for sale as the System closed the building upon the completion of construction of new facilities. The capital assets held for sale were deemed not to be impaired and were carried at net book value at the time of closure. During fiscal year 2015, the System began leasing this property. In fiscal year 2016, the lease was terminated. During fiscal year 2018, the building was demolished and office furniture disposed of. The remaining asset is classified as an investment (assets held for sale) and is carried at net book value as of June 30, 2018, which is lower of cost or net realizable value.

NOTE 5 CAPITAL ASSETS, NET

The changes in capital assets for fiscal year 2018 were as follows:

	June 30, 2017	Additions	Disposals	June 30, 2018
Not Being Depreciated:				
Land	\$ 1,220,018	\$ -	\$ -	\$ 1,220,018
Construction in Process	73,962	-	(73,962)	-
Total Capital Assets, not Being Depreciated	<u>1,293,980</u>	-	<u>(73,962)</u>	<u>1,220,018</u>
Being Depreciated:				
Buildings and Improvements	9,178,021	29,200	-	9,207,221
Vehicles	15,714,503	5,239,566	(2,084,823)	18,869,246
Furniture and Equipment	1,752,022	141,815	(68,429)	1,825,408
Total Capital Assets, Being Depreciated	<u>26,644,546</u>	<u>5,410,581</u>	<u>(2,153,252)</u>	<u>29,901,875</u>
Less: Accumulated Depreciation				
Buildings and Improvements	(1,503,762)	(238,089)	-	(1,741,851)
Vehicles	(8,117,932)	(1,062,259)	2,065,965	(7,114,226)
Furniture and Equipment	(1,464,408)	(342,219)	68,429	(1,738,198)
Total Accumulated Depreciation	<u>(11,086,102)</u>	<u>(1,642,567)</u>	<u>2,134,394</u>	<u>(10,594,275)</u>
Capital Assets, Net	<u>\$ 16,852,424</u>	<u>\$ 3,768,014</u>	<u>\$ (92,820)</u>	<u>\$ 20,527,618</u>

**BLOOMINGTON-NORMAL PUBLIC TRANSIT SYSTEM
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018 AND 2017**

NOTE 5 CAPITAL ASSETS, NET (CONTINUED)

The changes in capital assets for fiscal year 2017 were as follows:

	June 30, 2016	Additions	Disposals	June 30, 2017
Not Being Depreciated:				
Land	\$ 1,220,018	\$ -	\$ -	\$ 1,220,018
Construction in Process	320,783	73,962	(320,783)	73,962
Total Capital Assets, not Being Depreciated	1,540,801	73,962	(320,783)	1,293,980
Being Depreciated:				
Buildings and Improvements	8,819,832	358,189	-	9,178,021
Vehicles	12,954,145	3,507,773	(747,415)	15,714,503
Furniture and Equipment	1,174,438	577,584	-	1,752,022
Total Capital Assets, Being Depreciated	22,948,415	4,443,546	(747,415)	26,644,546
Less: Accumulated Depreciation				
Buildings and Improvements	(1,269,785)	(233,977)	-	(1,503,762)
Vehicles	(7,898,109)	(954,119)	734,296	(8,117,932)
Furniture and Equipment	(1,081,636)	(382,772)	-	(1,464,408)
Total Accumulated Depreciation	(10,249,530)	(1,570,868)	734,296	(11,086,102)
Capital Assets, Net	<u>\$ 14,239,686</u>	<u>\$ 2,946,640</u>	<u>\$ (333,902)</u>	<u>\$ 16,852,424</u>

Depreciation for transit operations for the years ended June 30, 2018 and 2017 was \$1,642,567 and \$1,570,868, respectively.

NOTE 6 NONCURRENT LIABILITIES

The following is a summary of changes in noncurrent liabilities for the years ended June 30:

	June 30, 2017	Issued	Retired	June 30, 2018	Due Within One Year
Accrued Compensated Absences	<u>\$ 778,945</u>	<u>\$ 809,956</u>	<u>\$ (755,059)</u>	<u>\$ 833,842</u>	<u>\$ 300,000</u>
	June 30, 2016	Issued	Retired	June 30, 2017	Due Within One Year
Accrued Compensated Absences	<u>\$ 712,378</u>	<u>\$ 749,760</u>	<u>\$ (683,193)</u>	<u>\$ 778,945</u>	<u>\$ 300,000</u>

BLOOMINGTON-NORMAL PUBLIC TRANSIT SYSTEM
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018 AND 2017

NOTE 7 DEFERRED COMPENSATION PLAN

The System offers its employees a deferred compensation plan (Plan) in accordance with Internal Revenue Code Section 457, administered by the ICMA Retirement Corporation. Each participant has an individual account with ICMA into which all contributions flow. The participants are offered various investment options through the Plan and are allowed to invest funds in their account at their own discretion among the options. The System may amend, modify, or terminate the Plan provided it transmits such an amendment at least 30 days prior to the effective date of the amendment. The Plan is available to all employees who have completed twelve months of service. Deferred compensation is not available to employees until termination, death, or unusual emergency. A participant may contribute the lesser of \$7,500 adjusted annually for inflation or 33.33% of their includible compensation. The System contributes 5% of the participants' includible compensation in each year less an amount equal to the annual premium necessary to fund the primary death benefit for each employee (active employees only). Contributions to the Plan for the year ended June 30, 2018 totaled \$682,122, which consisted of \$387,141 contributed by the employees and \$294,981 contributed by the System. Contributions to the Plan for the year ended June 30, 2017 totaled \$605,489, which consisted of \$345,154 contributed by the employees and \$260,335 contributed by the System.

The assets of the Plan are held in a trust for the exclusive benefit of the Plan participants. Since the System does not hold the assets in a trustee capacity, nor does it have fiduciary accountability for the Plan assets, the Plan assets are not included in the financial statements.

NOTE 8 INSURANCE COVERAGE

The System is exposed to various risks related to torts, theft or damage of capital assets, error or omissions and natural disasters for which the System carries insurance. There was no significant reduction in insurance coverage from the prior year. The System self-insures for physical damage to vehicles not covered by another party's insurance. There have been no settlement amounts that have exceeded insurance coverage in the past three years.

NOTE 9 RELATED PARTY TRANSACTIONS

As described in Note 1, the System receives annual subsidies from the City of Bloomington and Town of Normal to provide for the operational expense and purchase of capital assets not funded by federal and state capital grants. For the year ended June 30, 2018, payments received from the City of Bloomington and Town of Normal totaled \$1,183,792 and \$857,263, respectively. For the year ended June 30, 2017, payments received from the City of Bloomington and Town of Normal totaled \$1,179,050 and \$986,574, respectively.

**BLOOMINGTON-NORMAL PUBLIC TRANSIT SYSTEM
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018 AND 2017**

NOTE 10 COMMITMENTS AND CONTINGENCIES

In April 2016, the System entered into a commitment to lease tires for its revenue vehicles. The contract goes through March 2019 and covers the three major tire sizes utilized by the System. The lease amount is variable and is based upon the number of miles driven with fixed amounts based on tire tread wear measurements. The approximate per fiscal year cost related to this contract is estimated at \$100,000. The actual expense for fiscal years 2018 and 2017 was \$80,866 and \$92,884, respectively.

As of year-end, the System has entered into several contracts totaling \$2,366,062, for which the amount paid or accrued at year-end related to these contracts was \$1,341,264. The remaining balance on these contracts is \$1,024,798 at June 30, 2018. These contracts were for ADA paratransit eligibility services, automatic ticketing system, tire lease, oils, lubricants, fuel, lease of electronic cars, on board surveys and radio services.

SUPPLEMENTARY INFORMATION

**BLOOMINGTON-NORMAL PUBLIC TRANSIT SYSTEM
SCHEDULE OF COMPUTATION OF FEDERAL OPERATING ASSISTANCE GRANT
YEAR ENDED JUNE 30, 2018**

Operating Expenses, Excluding Depreciation	\$ 12,163,566
Less: Ineligible Expenses:	
APTA and IPTA Dues	(3,730)
Miscellaneous Revenue	(871)
Advertising Expenses	(67,206)
Demolition Expense	(158,700)
Lobbying Expense	(72,000)
Miscellaneous Expense	(51,976)
Total Eligible Operating Expenses	<u>11,809,083</u>
Less: Offsets to Total Eligible Operating Expenses:	
Passenger Fares	(1,303,139)
Interest Income	(1,590)
City of Bloomington and Town of Normal Support	(1,000,000)
Miscellaneous Income	(85,521)
Federal Project Cost, Net	<u>9,418,833</u>
Federal Participation Rate Limit	0.5
Federal Participation Limit	<u>\$ 4,709,417</u>
Actual Federal Participation:	
Federal Project Cost, Net	\$ 9,418,833
State Operating Assistance	(7,719,588)
State Operating Assistance Applied to Costs Ineligible for Federal Operating Assistance	<u>43,684</u>
Calculated Federal Operating Assistance	<u>1,742,929</u>
Maximum Federal Operating Assistance	1,742,929
Actual Federal Operating Assistance – Lessor of Calculated and Maximum Federal Operating Assistance	1,742,929
Payments Received from FTA as of June 30, 2018	39,837
Due from FTA as of June 30, 2018	<u>\$ 1,703,092</u>

**BLOOMINGTON-NORMAL PUBLIC TRANSIT SYSTEM
SCHEDULE OF REVENUE AND EXPENSES UNDER DOWNSTATE
OPERATING ASSISTANCE GRANT OP-18-07-IL
YEAR ENDED JUNE 30, 2018**

OPERATING REVENUES AND INCOME		
401	Passenger Fares for Transit Services	\$ 661,694
402	Special Transit Fares	641,445
406	Auxiliary Revenue	85,521
407	Nontransportation Revenue	1,590
409	Bloomington and Normal Operating Support Revenue Recorded in Fiscal Year 2018	<u>1,000,000</u>
	Total Operating Revenue and Income	2,390,250
OPERATING EXPENSES		
501	Labor	7,311,970
502	Fringe Benefits	1,669,851
503	Professional Services	342,864
504	Materials and Supplies Consumed	1,493,592
505	Utilities	106,114
506	Casualty and Liability	249,678
507	Vehicle Inspection & Registration	575,581
509	Miscellaneous Expense	413,916
	Total Operating Expenses	<u>12,163,566</u>
	Less: Ineligible Expenses:	
	Miscellaneous Revenue	871
	APTA and IPTA Dues	3,730
	Demolition Expense	158,700
	Lobbying Expense	72,000
	Miscellaneous Expense	51,976
	Total Ineligible Expenses	<u>287,277</u>
	Total Eligible Operating Expenses	<u>\$ 11,876,289</u>
	Total Eligible Operating Expenses	\$ 11,876,289
	Total Operating Revenue and Income	<u>2,390,250</u>
	Deficit	(9,486,039)
	65% of Eligible Expense	7,719,588
	Maximum Contract Amount	8,689,800
	Eligible Downstate Operating Assistance (Deficit, 65% of Eligible Expense, or Maximum Contract Amount, Whichever is Less)	7,719,588
	FY18 Downstate Operating Assistance Received (Through June 30, 2018)	7,401,786
	FY18 Downstate Operating Assistance Received (Subsequent to June 30, 2018)	<u>317,802</u>
	FY18 Downstate Operating Assistance Under Paid	<u>\$ -</u>

**BLOOMINGTON-NORMAL PUBLIC TRANSIT SYSTEM
SCHEDULE OF COMPUTATION OF AMOUNT DUE
ILLINOIS STATE UNIVERSITY
YEAR ENDED JUNE 30, 2018**

Universal Access Service Agreement	\$ 535,810
Balance Due from (to) ISU as of July 1, 2017	-
Service Payments Received from ISU During Fiscal Year 2018	<u>(535,810)</u>
Balance Due from (to) ISU as of June 30, 2018	<u><u>\$ -</u></u>

BLOOMINGTON-NORMAL PUBLIC TRANSIT SYSTEM

STATISTICAL SECTION

The following section of Bloomington-Normal Public Transit System's comprehensive annual financial report provides detailed statistical information as a context for understanding what the information in the financial statements, note disclosures, and supplementary information says about the system's overall health.

Contents	Page
Financial Trends	32-33
These schedules contain trend information to help the reader understand how the System's financial performance and well-being have changed over time.	
Revenue Capacity	34-35
These schedules contain information to help the reader assess the System's most significant revenue source.	
Demographic and Economic Information	36-37
These schedules offer demographic and economic indicators to help the reader understand the environment within which the System's financial activities take place.	
Operating Information	38-42
These schedules contain service and infrastructure data to help the reader understand how the information in the System's financial report relates to the services it provides and the activities it performs.	

Bloomington-Normal Public Transit System
 Net Position by Component, Last Ten Fiscal Years
 Unaudited

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Net Position										
Net investment in capital assets	20,494,613	16,819,419	14,665,222	12,014,623	12,391,162	13,485,312	13,365,024	12,800,910	11,016,204	4,548,275
Unrestricted	6,366,167	6,059,226	6,062,660	6,403,141	6,117,621	5,067,358	4,348,134	5,553,098	6,432,886	6,959,367
Total Net Position	26,860,780	22,878,645	20,727,882	18,417,764	18,508,783	18,552,670	17,713,158	18,354,008	17,449,090	11,507,642

Notes:

- 1) Data source - Audited Financial Statements

Bloomington-Normal Public Transit System
Changes in Net Position, Last Ten Fiscal Years
Unaudited

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Operating Revenues										
Passenger and Contract Fares	\$ 1,303,139	\$ 1,251,585	\$ 1,413,686	\$ 1,433,468	\$ 1,371,605	\$ 1,356,584	\$ 1,186,308	\$ 1,034,840	\$ 975,866	\$ 973,470
Other Operating Revenue	86,392	121,139	151,208	119,683	16,257	16,411	21,524	12,034	17,906	3,769
Total Operating Revenues	1,389,531	1,372,724	1,564,894	1,553,151	1,387,862	1,372,995	1,207,832	1,046,874	993,772	977,239
Operating Expenses										
Salaries and Wages	7,311,970	7,260,197	6,397,683	6,170,601	5,695,108	5,016,369	5,012,670	4,660,768	4,004,861	3,717,602
Fuel and Lubricants	762,045	699,424	861,354	1,126,709	1,154,578	1,217,346	1,125,364	1,010,569	785,621	746,998
Bus Repair and Maintenance	619,548	609,181	681,126	572,623	596,531	808,975	378,001	531,994	414,012	367,360
Group Insurance	1,044,893	1,198,596	708,477	717,808	643,651	536,483	472,227	398,651	393,068	344,505
Insurance	577,853	454,432	473,071	411,638	457,147	484,561	445,380	405,671	310,584	273,285
Payroll Taxes	540,498	536,482	471,485	452,265	419,941	387,083	375,219	359,984	308,569	284,347
Retirement Plan	294,981	260,335	229,349	211,207	195,183	185,759	188,335	153,953	160,322	130,307
Professional Fees	282,257	212,904	314,365	108,573	83,241	163,027	53,577	121,338	139,578	47,089
Supplies	153,899	150,810	163,364	92,560	146,152	148,762	-	-	-	-
Utilities and Telephone	105,077	117,286	104,102	128,635	127,004	115,000	105,660	106,561	45,342	41,719
Other Operating Expenses	471,549	342,831	366,041	393,152	320,478	224,294	216,559	413,304	289,610	205,650
Depreciation	1,642,567	1,570,868	1,194,661	1,121,471	1,327,202	1,348,075	1,079,311	803,769	637,378	619,601
Total Operating Expenses	13,806,137	13,413,346	11,992,189	11,480,131	11,166,216	10,635,734	9,452,303	8,965,562	7,488,945	6,778,463
Operating Loss	(12,416,606)	(12,040,622)	(10,427,295)	(9,926,980)	(9,778,354)	(9,262,739)	(8,244,471)	(7,919,688)	(6,495,173)	(5,801,224)
Non-Operating Revenues										
State Operating Grants	7,719,588	7,681,950	7,064,354	6,721,529	6,378,435	6,029,509	5,437,594	5,158,043	4,372,037	3,976,276
Federal Operating Grants	1,742,929	1,739,100	2,131,109	2,025,608	2,024,376	1,868,335	1,107,464	1,742,042	1,362,514	1,161,256
Local Subsidies	2,041,055	2,165,624	1,205,110	986,934	928,820	901,946	866,025	821,130	863,010	865,197
Interest Income	1,590	2,057	4,157	5,023	4,133	3,026	2,622	6,167	6,777	64,750
Capital Grants	4,893,579	2,602,654	2,332,683	96,867	398,703	1,299,435	189,916	1,097,224	5,871,131	82,227
Other	-	-	-	-	-	-	-	-	-	-
Total Non-Operating Revenues	16,398,741	14,191,385	12,737,413	9,835,961	9,734,467	10,102,251	7,603,621	8,824,606	12,475,469	6,149,706
Prior Period Adjustment	-	-	-	-	-	-	-	-	-	117,140
Changes in Net Position	\$ 3,982,135	\$ 2,150,763	\$ 2,310,118	\$ (91,019)	\$ (43,887)	\$ 839,512	\$ (640,850)	\$ 904,918	\$ 5,980,296	\$ 348,482

Notes:
1) Data source - Audited Financial Statements

Bloomington-Normal Public Transit System
 Revenue By Source, Last Ten Fiscal Years
 Unaudited

Fiscal Year Ended June 30	Federal and	Local	Passenger and	Interest	Other	Total
	State Grants	Subsidies	Contract Fares	Income	Operating Revenue	
2018	\$ 14,356,096	\$ 2,041,055	\$ 1,303,139	\$ 1,590	\$ 86,392	\$ 17,788,272
2017	12,023,704	2,165,624	1,251,585	2,057	121,139	15,564,109
2016	11,528,146	1,205,110	1,413,686	4,157	151,208	14,302,307
2015	8,843,704	986,934	1,433,468	5,023	119,683	11,388,812
2014	8,801,514	928,820	1,371,605	4,133	16,257	11,122,329
2013	9,197,279	901,946	1,356,584	3,026	16,411	11,475,246
2012	6,734,974	866,025	1,186,308	2,622	21,524	8,811,453
2011	7,997,309	821,130	1,034,840	6,167	12,034	9,871,480
2010	11,605,682	863,010	975,866	6,777	17,906	13,469,241
2009	5,219,759	865,197	973,470	64,750	3,769	7,126,945

Notes:

1) Data source - Audited Financial Statements

Bloomington-Normal Public Transit System
 Revenue Payers
 Current Year and Nine Years Ago
 Unaudited

	2018			2009		
	Total Revenue	Rank	Percentage of Total Revenue	Total Revenue	Rank	Percentage of Total Revenue
Illinois Department of Transportation	\$ 11,079,588	1	62.3%	\$ 3,976,276	1	55.6%
Federal Transit Administration	3,276,508	2	18.4%	1,243,483	2	17.4%
	\$ 14,356,096		80.7%	\$ 5,219,759		73.0%

Notes:

1) Data source - Audited Financial Statements

Bloomington-Normal Public Transit System
 Demographic and Economic Statistics
 Last Ten Fiscal Years
 Unaudited

Year	Population (1)	Per Capita Personal Income (2)	Personal Income (thousands)	Unemployment Rate (1)
2018	132,902	\$ 45,539	6,052,224,178	4.1%
2017	132,269	44,397	5,872,346,793	5.1%
2016	133,324	43,064	5,741,464,736	4.9%
2015	133,324	43,479	5,796,794,196	5.5%
2014	131,570	42,508	5,592,777,560	7.3%
2013	129,843	41,664	5,409,778,752	6.9%
2012	129,107	39,160	5,055,830,120	7.2%
2011	126,983	38,552	4,895,448,616	7.7%
2010	125,082	39,010	4,879,448,820	7.1%
2009	124,132	36,913	4,582,084,516	5.0%

Notes:

- 1) Data source - Bloomington-Normal Economic Development Council Demographic Profile
- 2) US Commerce Department - Bureau of Economic Analysis.

Bloomington-Normal Public Transit System
Principal Employers in the City of Bloomington and Town of Normal
Current Year and Nine Years Ago
Unaudited

Employer	2018			2009		
	Employees	Rank	Percentage of Total City and Town Employment	Employees	Rank	Percentage of Total City and Town Employment
State Farm Insurance	14,731	1	16.7%	15,509	1	16.9%
Illinois State University	3,281	2	3.7%	3,205	2	3.5%
Country Insurance and Financial Services	1,972	3	2.2%	2,178	3	2.4%
Unit 5 School District	1,761	4	2.0%	1,692	4	1.8%
Advocate BroMenn Medical Center	1,305	5	1.5%	1,591	5	1.7%
OSF - St. Joseph Medical Center	860	6	1.0%	1,122	7	1.2%
McLean County	835	7	0.9%	820	9	0.9%
Afni, Inc.	830	8	0.9%	883	8	1.0%
District 87 Schools	680	9	0.8%	680	10	0.7%
City of Bloomington	679	10	0.8%	645	11	0.7%
Mitsubishi Motor Manufacturing				1,418	6	1.5%
Total Principal Employees	26,934		30.5%	29,743		32.5%
Total Bloomington-Normal Labor Force	88,354			91,644		

Notes:

1) Data source - Bloomington-Normal Economic Development Council Demographic Profile

Bloomington-Normal Public Transit System
Full-Time Equivalent Employees by Function, Last Ten Fiscal Years
Unaudited

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Transit Operations	103.0	97.0	89.0	81.0	82.0	82.0	97.4	92.6	58.3	67.0
Maintenance	21.0	19.0	17.0	16.0	15.0	12.1	16.2	16.9	10.9	10.8
Administration	11.0	11.0	18.0	13.0	13.0	11.0	8.5	5.8	4.4	4.0
Total	135.0	127.0	124.0	110.0	110.0	105.1	122.1	115.3	73.6	81.8

Notes:

- 1) 2018 data source - Bloomington-Normal Public Transit System
- 2) 2017 and years prior - National Transit Database data

Bloomington-Normal Public Transit System
Selected Operating Information, Last Ten Fiscal Years
Unaudited

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Unlinked Passenger Trips										
A. Fixed Route	2,240,810	2,217,641	2,427,565	2,654,677	2,521,963	2,009,241	2,033,698	1,807,676	1,227,183	1,609,081
B. Demand Response	89,313	83,366	75,477	74,134	65,382	58,035	50,249	41,558	34,191	34,111
Total	2,330,123	2,301,007	2,503,042	2,728,811	2,587,345	2,067,276	2,083,947	1,849,234	1,261,374	1,643,192
Passenger Miles										
A. Fixed Route	6,725,658	6,737,597	7,354,690	7,436,845	7,767,646	6,228,647	6,304,134	5,595,838	3,424,263	4,424,809
B. Demand Response	497,119	486,869	428,145	398,609	372,205	342,753	250,107	250,102	198,414	192,727
Total	7,222,777	7,224,466	7,782,835	7,835,454	8,139,851	6,571,400	6,554,241	5,845,940	3,622,677	4,617,536
Total Actual Miles										
A. Fixed Route	1,375,623	1,430,661	1,334,158	1,310,106	1,312,781	1,347,599	1,363,483	1,325,070	1,401,989	1,329,670
B. Demand Response	422,061	419,883	408,808	385,865	353,422	291,905	319,696	299,418	219,119	201,854
Total	1,797,684	1,850,544	1,742,966	1,695,971	1,666,203	1,639,504	1,683,179	1,624,488	1,621,108	1,531,524
Total Actual Hours										
A. Fixed Route	115,140	119,722	94,575	93,933	93,148	93,566	93,478	93,238	96,336	89,837
B. Demand Response	33,853	31,475	30,643	30,266	28,953	21,795	21,470	21,462	17,556	15,731
Total	148,993	151,197	125,218	124,199	122,101	115,361	114,948	114,700	113,892	105,568

Notes:

- 1) 2018 data source - Bloomington-Normal Public Transit System
- 2) 2017 and years prior - National Transit Database data

Bloomington-Normal Public Transit System
Selected Operating Information (continued), Last Ten Fiscal Years
Unaudited

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Vehicle Revenue Miles										
A. Fixed Route	1,297,165	1,306,691	1,287,354	1,266,037	1,266,588	1,303,831	1,319,705	1,282,627	1,371,209	1,302,772
B. Demand Response	364,377	365,955	352,242	341,637	292,029	252,160	272,245	249,544	188,256	175,544
Total	1,661,542	1,672,646	1,639,596	1,607,674	1,558,617	1,555,991	1,591,950	1,532,171	1,559,465	1,478,316
Vehicle Revenue Hours										
A. Fixed Route	111,187	113,325	92,315	91,253	90,579	90,913	91,302	90,826	92,860	87,403
B. Demand Response	30,022	27,753	26,479	26,078	24,591	19,486	19,834	19,230	16,737	14,914
Total	141,209	141,078	118,794	117,331	115,170	110,399	111,136	110,056	109,597	102,317
Total Operating Expenses										
A. Fixed Route	9,240,964	9,252,731	8,197,286	7,891,011	7,691,160	7,548,159	6,753,206	6,448,625	5,619,022	5,254,894
B. Demand Response	2,922,603	2,589,747	2,588,244	2,467,647	2,129,852	1,739,500	1,522,250	1,213,754	1,121,624	913,788
Total	12,163,567	11,842,478	10,785,530	10,358,658	9,821,012	9,287,659	8,275,456	7,662,379	6,740,646	6,168,682
Fare Revenue										
A. Fixed Route	1,169,718	1,127,929	1,280,909	1,303,049	1,252,642	1,248,514	1,079,540	944,518	922,362	911,634
B. Demand Response	133,421	123,656	132,776	130,418	118,962	108,070	105,768	90,314	56,504	61,838
Total	1,303,139	1,251,585	1,413,685	1,433,467	1,371,604	1,356,584	1,185,308	1,034,832	978,866	973,472

Notes:

- 1) 2018 data source - Bloomington-Normal Public Transit System
- 2) 2017 and years prior - National Transit Database data

Bloomington-Normal Public Transit System
Selected Operating Information (continued), Last Ten Fiscal Years
Unaudited

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Cost per Passenger Mile										
A. Fixed Route	1.37	1.37	1.11	1.06	0.99	1.21	1.07	1.15	1.64	1.19
B. Demand Response	5.88	5.32	6.05	6.19	5.72	5.08	6.09	4.85	5.65	4.74
Cost per Total Actual Mile										
A. Fixed Route	6.72	6.47	6.14	6.02	5.86	5.60	4.95	4.87	4.01	3.95
B. Demand Response	6.92	6.17	6.33	6.40	6.03	5.96	4.76	4.05	5.12	4.53
Cost per Unlinked Passenger Trip										
A. Fixed Route	4.12	4.17	3.38	2.97	3.05	3.76	3.32	3.57	4.58	3.27
B. Demand Response	32.72	31.06	34.29	33.29	32.58	29.97	30.29	29.21	32.80	26.79
Cost per Total Actual Hour										
A. Fixed Route	80.26	77.29	86.67	84.01	82.57	80.67	72.24	69.16	58.33	58.49
B. Demand Response	86.33	82.28	84.46	81.53	73.56	79.81	70.90	56.55	63.89	58.09
Fare Revenue per Passenger Trip										
A. Fixed Route	0.52	0.51	0.53	0.49	0.50	0.62	0.50	0.50	0.80	0.60
B. Demand Response	1.49	1.48	1.76	1.76	1.82	1.86	2.10	2.20	1.60	1.80

Notes:

- 1) 2018 data source - Bloomington-Normal Public Transit System
- 2) 2017 and years prior - National Transit Database data

Bloomington-Normal Public Transit System
Selected Operating Information (continued), Last Ten Fiscal Years
Unaudited

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Full-Time Equivalent Employees:										
A. Fixed Route	104.79	100.10	96.31	88.14	88.10	84.30	97.10	93.60	60.70	67.50
B. Demand Response	30.21	26.90	27.69	21.86	21.90	20.80	25.00	21.70	12.90	14.30
Total	135.00	127.00	124.00	110.00	110.00	105.10	122.10	115.30	73.60	81.80
Capital Assets - Revenue Vehicles:										
A. Fixed Route	37.00	42.00	40.00	35.00	35.00	29.00	29.00	32.00	32.00	31.00
B. Demand Response	17.00	13.00	16.00	21.00	21.00	21.00	13.00	13.00	8.00	6.00
Total	54.00	55.00	56.00	56.00	56.00	50.00	42.00	45.00	40.00	37.00

Notes:

- 1) 2018 data source - Bloomington-Normal Public Transit System
- 2) 2017 and years prior - National Transit Database data

SINGLE AUDIT SECTION

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

Board of Trustees
Bloomington-Normal Public Transit System
Normal, Illinois

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 the Bloomington-Normal Public Transit System (the System), as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the System's basic financial statements, and have issued our report thereon dated October 12, 2018.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the System's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the System's internal control. Accordingly, we do not express an opinion on the effectiveness of the System'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.

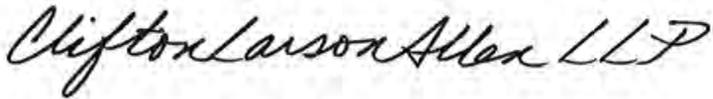
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the System'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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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



CliftonLarsonAllen LLP

Champaign, Illinois
October 12, 2018

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

Board of Trustees
Bloomington-Normal Public Transit System
Normal, Illinois

Report on Compliance for Each Major Federal Program

We have audited the Bloomington-Normal Public Transit System's (the System) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the System's major federal programs for the year ended June 30, 2018. The System's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditors' Responsibility

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

We believe that our audit provides a reasonable basis for our qualified and unmodified opinions on compliance for major federal programs. However, our audit does not provide a legal determination of the System's compliance.

Opinion on Each Major Federal Program

In our opinion, the System complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2018.

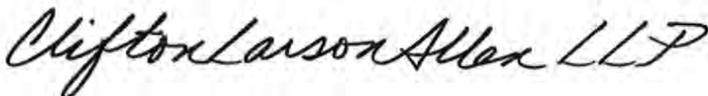
Report on Internal Control Over Compliance

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

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

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

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



CliftonLarsonAllen LLP

Champaign, Illinois
October 12, 2018

**BLOOMINGTON-NORMAL PUBLIC TRANSIT SYSTEM
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2018**

Federal Grantor/Pass-Through Grantor/ Program Title	CFDA Number	Grant Number	Total Awards Expended	Passed Through to Subrecipients
U.S. Department of Transportation -				
Federal Transit Administration Direct:				
Urbanized Area Formula Grants, Section 5307				
Used for Operations	20.507	* IL-2016-022-00	\$ 176,902	\$ -
	20.507	* IL-2018-010-00	1,391,193	-
Used for Capital Additions	20.507	* IL-90-X716-00	333,333	-
	20.507	* IL-90-X640-01	45,246	-
	20.507	* IL-2018-010-00	900,000	-
New Starts, Small Starts, and Core Capacity				
Used for Capital Additions	20.500	* IL-04-0087	<u>255,000</u>	<u>-</u>
Total Federal Transit Cluster			<u>\$ 3,101,674</u>	<u>\$ -</u>

* Denotes a Major Program

Notes to Schedule of Expenditures of Federal Awards:

Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the Bloomington-Normal Public Transit System's programs of the federal government for the year ended June 30, 2018. The information in this Schedule is presented in accordance with 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). Because the Schedule presents only a selected portion of the operations of the System, it is not intended to and does not present the financial position, changes in net position, or cash flows of the System.

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. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. The System has not elected to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

Nonmonetary Assistance

The System did not receive any federal awards in the form of noncash assistance for insurance in effect during the year, loans, or loan guarantees during the fiscal year ended June 30, 2018.

**BLOOMINGTON-NORMAL PUBLIC TRANSIT SYSTEM
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2018**

Section I – Summary of Auditors' Results

Financial Statements

1. Type of auditors' report issued: Unmodified
2. Internal control over financial reporting:
- Material weakness(es) identified? _____ yes x no
 - Significant deficiency(ies) identified? _____ yes x none reported
3. Noncompliance material to financial statements noted? _____ yes x no

Federal Awards

1. Internal control over major federal programs:
- Material weakness(es) identified? _____ yes x no
 - Significant deficiency(ies) identified? _____ yes x none reported
2. Type of auditors' report issued on compliance for major federal programs: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? _____ yes x no

Identification of Major Federal Programs

CFDA Number(s)	Name of Federal Program or Cluster
20.507/20.500	Federal Transit Cluster

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

**BLOOMINGTON-NORMAL PUBLIC TRANSIT SYSTEM
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2018**

Section II – Financial Statement Findings

NONE

**BLOOMINGTON-NORMAL PUBLIC TRANSIT SYSTEM
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2018**

Section III – Federal Award Findings and Questioned Costs

NONE

ITEM F2

RECOMMENDATION FOR AWARD OF SNOW PLOWING
CONTRACT

WILL BE RELEASED VIA ADDENDUM



October 23, 2018

TO: Board of Trustees

FROM: Patrick Kuebrich, Finance Director

Subject: Line of Credit with Commerce Bank

RECOMMENDATION: Authorize the General Manager to establish a Line of Credit with Commerce Bank.

BACKGROUND: The Illinois Downstate Operating Assistance Program (DOAP) allows Connect Transit to be reimbursed for sixty-five percent of eligible operating expenses. One of the eligible operating expenses is Debt Service expense. In order for Debt Service expenses to be eligible, Connect Transit must establish a Line of Credit to pay for certain capital expenses. Staff recommends that the Board authorize the General Manager to establish a Line of Credit with Commerce Bank.

DISCUSSION: Connect will establish a revolving Line of Credit with Commerce Bank. The Line of Credit will be scalable up to \$3,000,000.00. The Line of Credit will be secured with an investment in a Commerce Bank invested management account. The interest rate on the Line of Credit will be the 30 day Libor rate plus 2.5%, which would currently be 4.78%. Connect would earn approximately 2% on the money invested in the Commerce Bank invested management account.

FINANCIAL IMPACT: Connect Transit will have to pay for interest that is charged for the money borrowed through the Line of Credit and be reimbursed by Illinois Downstate Operating Assistance Program.



MEMO

October 23, 2018

TO: Board of Trustees

FROM: Isaac Thorne, General Manager

Subject: FY2019-FY2023 Capital Improvement Plan

RECOMMENDATION: That the board approve the FY2019-FY2023 Capital Improvement Plan. The Capital Improvement Plan is updated annually by staff and approved by the board.

BACKGROUND: Connect Transit was awarded \$7,450,000 over the last two years in Federal Transit Administration discretionary grant funds to replace 12 fixed route buses. This additional funding will allow Connect to improve bus stop locations by adding shelters and seating. Additionally, it will allow for the future construction of a Downtown Transfer facility that is included in the strategic plan.

FINANCIAL IMPACT: The financial impact is detailed in the Capital Improvement Plan (attached) and outlines how the funding will be utilized to acquire the needed capital items. Most of the capital improvements will be completed with Federal and State funding, while conserving local funds.

Connect Transit
Capital Improvement Plan
FY2019-FY2023

Budget for FY2019:					
Project	Description	Action/Comments	Funding Source		Cost
Bus Stop Infrastructure Improvements		Occur through 2019	Local	\$300,000	\$300,000
Maintenance Rehab	Install solar arrays and charging stations maintenance garage	Occur through 2019	FTA 5339	\$120,000	
			FTA 5307	\$300,000	
			IDOT	\$780,000	
			Local	\$0	\$1,200,000
			FTA 5307	\$300,000	
			FTA 5339	\$120,000	
			Local	\$300,000	
			IDOT	\$780,000	
Total Cost					\$1,500,000

Budget for FY2020:					
Project	Description	Action/Comments	Funding Source		Cost
Bus Stop Infrastructure Improvements		Occur through 2020	FTA 5339	\$87,500	
			IDOT	\$162,500	
			Local	\$0	\$250,000
HVAC Replacement	Replace HVAC	Replacement would take place in Spring 2020	FTA 5307	\$87,500	
			IDOT	\$162,500	
			Local	\$0	\$250,000
Replacement 40 ft. Electric Buses	Purchase (4) replacement buses	Delivery of buses will occur in February 2020	FTA 5339	\$1,400,000	
			IDOT	\$2,600,000	
			Local	\$0	\$4,000,000
Prox Doors Admin/Mainten	Admin and Mainten. Prox Doors	Occur through 2020	FTA 5339	\$0	
			IDOT Capital	\$18,500	
			Local	\$6,500	\$25,000
			FTA 5339	\$1,400,000	
			FTA 5307	\$87,500	
			IDOT	\$2,943,500	
			Local	\$6,500	
Total Cost					\$4,437,500

Budget for FY2021:					
Project	Description	Action/Comments	Funding Source		Cost
Bus Stop Infrastructure Improvements		Occur through 2021	FTA 5339	\$42,000	
			IDOT	\$78,000	
			Local	\$0	\$120,000
Replacement 40 ft. Electric Buses	Purchase (4) replacement buses	Delivery of buses will occur in February 2021	FTA 5339	\$1,400,000	
			IDOT	\$2,600,000	
			Local	\$0	\$4,000,000
Overhaul 40 ft. Diesel Buses	Overhaul (5) diesel buses	Occur through 2021	FTA 5307	\$105,000	
			IDOT	\$195,000	
			Local	\$0	\$300,000
			FTA 5307	\$105,000	
			FTA 5339	\$1,442,000	
			IDOT	\$2,873,000	
			Local	\$0	
Total Cost					\$4,420,000

Budget for FY2022:					
Project	Description	Action/Comments	Funding Source		Cost
Bus Stop Infrastructure Improvements		Occur through 2022	FTA 5307	\$42,000	
			IDOT	\$78,000	
			Local	\$0	\$120,000
Replacement 40 ft. Electric Buses	Purchase (4) replacement buses	Delivery of buses will occur in February 2022	FTA 5339	\$1,400,000	
			IDOT	\$2,600,000	
			Local	\$0	\$4,000,000
			FTA 5307	\$42,000	
			FTA 5339	\$1,400,000	
			IDOT	\$2,600,000	
			Local	\$78,000	
Total Cost					\$4,120,000

Budget for FY2023:					
Project	Description	Action/Comments	Funding Source		Cost
Build Downtown Transfer Center		Replaced throughout 2023	FTA 5307	\$3,000,000	
			FTA 5339	\$3,000,000	
			IDOT	\$4,000,000	
			Local	\$2,000,000	\$12,000,000
Bus Stop Infrastructure Improvements		Occur through 2023	FTA 5307	\$96,000	
			Local	\$24,000	\$120,000
Overhaul 40 ft. Diesel Buses	Overhaul (7) diesel buses	Occur through 2023	FTA 5307	\$336,000	
			Local	\$84,000	\$420,000
			FTA 5307	\$3,432,000	
			FTA 5339	\$3,000,000	
			IDOT	\$4,000,000	
			Local	\$2,108,000	
Total Cost					\$12,540,000