



GREATER PEORIA MASS TRANSIT DISTRICT

Peoria, Illinois



Comprehensive Annual Financial Report

Fiscal Year 2018 and 2017

July 1, 2017 to June 30, 2018
and July 1, 2016 to June 30, 2017

GREATER PEORIA MASS TRANSIT DISTRICT

SERVING:

PEORIA, PEORIA HEIGHTS, WEST PEORIA, EAST PEORIA AND PEKIN, ILLINOIS

COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR)

July 1, 2017 to June 30, 2018
and July 1, 2016 to June 30, 2017

Prepared by: Finance Department

Mission Statement

Greater Peoria Mass Transit District provides economic, social, and environmental benefits to the community through progressive, customer focused, transportation service by combining state of the art equipment and facilities with professional, well-trained staff.

GREATER PEORIA MASS TRANSIT DISTRICT

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Year Ended June 30, 2018 and 2017

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GREATER PEORIA MASS TRANSIT DISTRICT

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Year Ended June 30, 2018 and 2017

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GREATER PEORIA MASS TRANSIT DISTRICT

COMPREHENSIVE ANNUAL FINANCIAL REPORT

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GREATER PEORIA MASS TRANSIT DISTRICT

Introductory Section

The Introductory Section Includes:

- Letter of Transmittal
- Board of Trustees
- Organizational Chart
- General Information
- Service Area Map



Transit Center – Passenger Transfer

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~Greater Peoria Mass Transit District ~2105 NE Jefferson Street ~Peoria, IL 61603

Phone: 309-676-4040 Fax: 676-8373 website: www.ridecitylink.org

October 23, 2018

To the Board of Trustees
Greater Peoria Mass Transit District

We are pleased to respectfully submit the Greater Peoria Mass Transit District (GPMTD or CityLink) Comprehensive Annual Financial Report (CAFR) for fiscal year ending June 30, 2018 to the GPMTD Board of Trustees, the citizens of this area and all others interested in its financial condition. GPMTD is a public agency providing economical public transit services to its surrounding communities which include the Peoria, Peoria Heights, West Peoria, East Peoria, and Pekin.

GPMTD is responsible for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, supporting schedules and statistical tables. Management is confident that the data, as presented and detailed, is accurate in all material respects; that it is presented in a manner designated to fairly set forth the financial position and results of GPMTD as measured by its financial activity; and that all disclosures necessary to enable the reader to gain an understanding of the GPMTD financial position have been included. GPMTD management has established a comprehensive internal control framework that is designed to protect the agency's assets from loss, theft or misuse and has compiled sufficient reliable information for the preparation of GPMTD's financial statements in accordance with accounting principles generally accepted in the United States of America (GAAP) for local governments as prescribed by the Governmental Accounting Standards Board (GASB) and the American Institute of Public Accountants(AICPA). Because the cost of internal controls should not outweigh their benefit, GPMTD's framework of internal control has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement.

GPMTD's independent auditors Baker Tilly Virchow Krause, LLP, a firm of licensed and Certified Public Accountants, have audited GPMTD's financial statements. The goal of the independent audit is to provide reasonable assurance that GPMTD's financial statements for the fiscal years ended June 30, 2018

Board of Trustees

Maxine Wortham
Chair

Joan Krupa
Vice Chair

Art Bell
Treasurer

Sharon McBride
Secretary

Jennifer Lee
Trustee

Doug Roelfs, General Manager

and 2017 are free from material misstatement. The independent audit involves examining, on a test basis, evidence supporting the amounts and disclosure in the financial statement, assessing the accounting principles used and any significant estimates made by management, and evaluating the overall financial statement presentation. The independent auditor concluded, based on their audit, that there was reasonable basis for rendering an unmodified opinion that GPMTD's financial statements for the years ended June 30, 2018 and 2017 are presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

GAAP requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of the Management's Discussion and Analysis (MD&A). This Letter of Transmittal is designed to complement the MD&A and should be read in conjunction with it. GPMTD MD&A can be found in the financial section of this report immediately following the report of the independent auditors.



A Brief History of the Greater Peoria Mass Transit District

1970 –

- On May 4, residents of the City of Peoria, Village of Peoria Heights and West Peoria Township voted to form the Greater Peoria Mass Transit District (GPMTD). The federal government gave Peoria a grant to purchase new buses (33 to start). GPMTD provided 667,142 passenger rides during the first year.
- GPMTD contracted with First Transit to manage the daily operations of the District, and First Transit has been the sole management provider for GPMTD since then.

1987 – GPMTD began the Stuff-A-Bus food drive to benefit the community by filling a GP Transit bus with food donations that were donated to a local non-profit organization that provided a food pantry to those in need.

1990 - The Americans with Disabilities Act (ADA) was passed by Congress. GPMTD began to provide ADA Paratransit transportation for passengers with disabilities.

1991 - As part of the national ethanol project, the Greater Peoria community was the first transit system in the country to run ethanol-fueled buses in its fleet. GPMTD's ethanol project was the largest mass transit test fleet in the nation.

2000 - The moniker GP Transit changed to CityLink to more efficiently advertise GPMTD. The colors of the buses changed from orange and white to maroon and gray with gold striping.

2001 - GPMTD entered into a contract with MV Transportation to offer paratransit service, which previously had been provided by a private company. The Board also approved naming the new service CityLift.

2002 - On December 2, night service was added to the schedule, providing service to passengers from 6:00 a.m. to 1:00 a.m. on designated routes. This enabled night workers and travelers to have extended transportation opportunities.

2003 -

- A modern, off-street Transit Center located in the 400 block of SW Adams was completed.
- The YWCA partnered with CityLink by opening a day care center within the Transit Center. The arrangement was the first in the nation to provide this combination of onsite childcare and transportation. The current occupant of the daycare center is Myah's Just 4 Kids Learning Center.

2005 -

- Twelve new buses were added to the fleet replacing older buses. Seven were 40-foot, low-floor buses and five were 35-foot, low-floor buses. These buses made it easier for passengers to enter and leave at curb level.
- CityLink buses helped to relieve traffic congestion during the six-month closing of the I-74 Bridge over the Illinois River.
- Security cameras were added to the interiors of the buses to aid with the safety of passengers and CityLink employees.

2008 - CityLink began celebrating Passenger Appreciation Day on April 20, 2008. This day is in honor of former CityLink General Manager Jerome Lilly, who passed away unexpectedly in 2007. April 20 was chosen as the date for Passenger Appreciation Day because it was Lilly's birthday.

2009 -

- A record-breaking 3,026,541 passenger rides were provided during the 2009 Fiscal Year.

2010 - CityLink began the process to order 46 new 35-foot, low-floor transit coaches.

2011 - Twenty-six 35-foot, low-floor transit coaches were delivered.

2012 -

- Five 35-foot, low-floor transit coaches were delivered.
- GPMTD began to offer half-fares for eligible US military veterans.

2013 -

- The 15 remaining 35-foot, low-floor transit coaches arrived in January.
- CityLink launched a mobile website for the convenience of passengers, putting schedule and route information at their fingertips.

2014 -

- GPMTD purchased six supervisor vans and two light duty vans. Both types of vehicles are compliant with the Americans with Disabilities Act (ADA).
- On June 8, for the first time in its 40-plus year history, the GPMTD offered Sunday service, with 2,696 riders taking advantage of the new service. Since the inception of this service, the average ridership on Sundays has consistently remained at just under 3,000 rides each week.
- As a result of conversations with Bike Peoria, a group of citizens and cycling enthusiasts advocating for a more bike-friendly city and region, CityLink added “Bikes and CityLink” information to the website and the Rider’s Guide. This provides cyclists with information on how to use transit as part of their cycling experience.

2015 -

- The installation of new solar powered bus shelters was initiated. The shelters have solar power LED lighting which provides added safety and security for passengers and allows better visibility for CityLink operators.
- CityLink renewed its contract with MV Transportation to offer paratransit service. In addition, due to a change in the urbanized area, CityLink entered into an intergovernmental agreement with Peoria County to oversee rural transportation service provider, CountyLink. The addition of AVL technology and new routing software has provided better data and revenue tracking, and improved customer service.
- CityLink experienced record ridership of 3,420,705 for the 2015 Fiscal Year period of July 1, 2014 through June 30, 2015. The previous record fiscal year ridership of 3,408,232 was set in 2013.
- The \$3 Day Pass, which provides unlimited rides for one service day, and the \$40 30-Day Pass, which offers unlimited rides for 30 consecutive service days. Both passes can be activated for the first time at any time during a month.
- A Genfare self-service ticket vending machine was installed in the Transit Center lobby. It provides convenience and flexibility for passengers who wish to buy bus tickets in advance. It issues the \$3 Day Pass and the \$40 30-Day Pass.
- CityLink expanded its online presence by joining the social media sites Facebook and Twitter.



Ticket Vending Machine

2016 –

- CityLink eliminated several bus pass options and made changes to its bus fare system. The biggest of these changes was the elimination of the transfer. Passengers now pay a fare for each ride. Seniors aged 65 and older also pay \$0.50 per ride.
- Continued the installation program of new solar powered bus shelters. Thirty-eight new shelters were installed in 2016.
- GPMTD received a Paratransit Vehicles Grant from the Federal Transit Authority (FTA) through the Buses and Bus Facilities Grants Program – 5339 to replace its fleet of aging paratransit (CityLift) vehicles.
- CityLink received two 40-foot, New Flyer Xcelsior® diesel-electric hybrid buses. Diesel-electric hybrid buses reduce emissions by up to 90% when compared to conventional diesel-fueled buses and reduce vehicle noise throughout their entire operating range.
- GPMTD began offering advertising opportunities on its paratransit (CityLift and CountyLink) vehicles through a new partnership with Heller Outdoor Group, Inc.
- CityLink route and schedule information became available in Google Maps in late 2016.

2017 –

- GPMTD welcomed Doug Roelfs as General Manager and Jennifer Lee to the Board of Trustees.
- CityLink received two additional 40' New Flyer Xcelsior® diesel-electric hybrid buses. The new buses are identical to the hybrid buses CityLink received in late 2016.
- GPMTD received thirty-two new paratransit vehicles. Thirty-one of these vehicles are being used by the District's demand response paratransit service (CityLift), and one of the vehicles is being used by the CityLink Operations Department as a supervisor vehicle. They have the capacity to accommodate up to 14 passengers and numerous wheelchairs.
- The Peoria Public Library and CityLink collaborated to offer a Little Free Library at the Transit Center. This Little Free Library box was purchased by and is sponsored by the Friends of the Peoria Public Library.
- CityLink expanded on its partnership with the Peoria Rivermen by offering a discount for tickets to Friday and Sunday home games for the 2017-2018 season. Fans could receive up to four lower bowl tickets for \$10 each when they presented a CityLink bus pass at the Rivermen box office.

- Continued the installation program of new solar powered bus shelters. Twenty new shelters were installed in 2017.
- CityLink celebrated the 30th Anniversary of the Stuff-A-Bus food drive to benefit the Peoria Friendship House of Christian Service in 2017. More than 10 tons of donations were collected during the 30th Anniversary Celebration.



Picture of 2017 New Flyer Hybrid 40-ft Bus design

2018 –

- CityLink donated a 35-foot Gillig diesel bus to the Diesel Powered Equipment Technology (DPET) program at Illinois Central College for educational purposes.
- CityLink continued its partnership with the Peoria Chiefs to offer a discount for Chiefs tickets on Monday through Thursday game days all season long. Fans that presented a bus pass at the box office at Dozer Park are able to receive up to 4 tickets at \$5 each all season long.
- New bus camera surveillance equipment was installed to update the camera surveillance system to high definition cameras for increased passenger and operator safety.
- Art Bell was named Chair of the GPMTD Board of Trustees for a one-year term in May 2018.
- CityLink offered free rides to passengers traveling with a bicycle on fixed route buses for the first time to celebrate National Bike to Work Week on May 14, 2018 - May 18, 2018. This celebration was in conjunction with CityLink's continued support of the local non-profit bicycle advocacy organization, Bike Peoria.
- Remodeling began at the Transit Center, including updates to the public restrooms; updates to the drivers' breakroom and restrooms; updates to the lobby, such as painting; new flooring, modified seating and the installation of new digital signage in the lobby area; reconfiguration of the CityLink and Burlington Trailways offices located at the Transit Center.
- GPMTD received \$3.6 Million Grant from the FTA for the construction of a new operations and maintenance facility.
 - One of 139 projects selected nationwide that will be funded by the FTA's Buses and Bus Facilities Infrastructure Investment Program.
- A new bus shelter was installed on Sterling Avenue near the new Portillo's restaurant.
- Received three sets of new mobile bus lifts that allows maintenance staff to raise buses inside or outside of the garage to facilitate repairs underneath the vehicles.
- GPMTD applied for Low-No grant money from the U.S. Department of Transportation to assist in the purchase of six new all-electric battery powered buses.

- Launched a newly redesigned website with a modern, user-friendly and innovative design that includes the use of Google Maps interactive features for a more user-focused experience on the schedules and routes page. It also features a trip planner on the homepage that utilizes Google Maps.

The Future

- Plans to implement new technology on the buses including:
 - Automatic Vehicle Location (AVL) Software – provides the customer with real-time information on the location of vehicles so they will be able to see when they will be arriving at their intended stop;
 - Automatic Voice Annunciation (AVA) Software – verbally and digitally announces the next stop and offers a rolling digital sign telling the upcoming stop;
 - Automatic Passenger Counters (APC) Software – has the ability to improve the accuracy and reliability of tracking transit ridership.
- GPMTD will receive assistance from IDOT through the Statewide Planning & Research Program for a Comprehensive Operational Analysis.
 - Program development to encourage the implementation of the Statewide Long Range Transportation Plan, Asset Management, and Performance Based Program Development.
- Continued evaluation of a site for the addition of a Northside Transfer Zone that will increase access to public transit in North and Northwest region of the GPMTD service area and improve efficiencies in routes and schedules.
- Continual updating of routes and service is a top priority to make CityLink synonymous with meeting regional bus transportation needs.

COMMITMENT TO THE COMMUNITY

- Under the oversight of the GPMTD Board of Trustees, the CityLink ADA committee is composed of private citizens and representatives of agencies who provide services to individuals with disabilities. The committee seeks to provide solutions for transportation issues and concerns that impact the disabled community.
- Since 2009, GPMTD has joined with local Peoria schools, nearby colleges and private donors in a nationally recognized program called the Peoria Promise program. Peoria Promise is a donor-supported program that offers higher education scholarships to local students who meet attendance and grade standards.
- In addition, GPMTD donates up to \$5,000 in bus passes per year to churches and non-profit agencies who provide social and employment services to residents in CityLink service area.
- GPMTD actively participates and engages with local government and transportation agencies to develop comprehensive transportation planning.
- GPMTD partners with schools and agencies to provide transportation training to individuals with disabilities.

- Through the annual Stuff-A-Bus food drive, GPMTD partners with local businesses and media organizations to collect food to benefit the Peoria Friendship House of Christian Service. The food drive was initiated 28 years ago. Since 1999 GPMTD has collected more than 223,000 pounds of food to feed hungry families in Peoria. (Picture below)



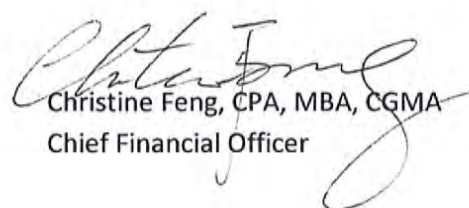
Picture of Stuff-A-Bus

ACKNOWLEDGEMENTS

The preparation of the Comprehensive Annual Financial Report could not have been accomplished without the dedicated services of the GPMTD's Financial Staff. We want to express our appreciation to all the staff members who assisted and contributed to the preparation of this report. In addition, credit must be given to the Board of Trustees for its continued support for maintaining the highest standards of professionalism in the management of GPMTD's finances.

Respectfully submitted,


Doug Roelfs
General Manager


Christine Feng, CPA, MBA, CGMA
Chief Financial Officer



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Greater Peoria Mass Transit District
Illinois**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2017

Christopher P. Morrill

Executive Director/CEO

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GREATER PEORIA MASS TRANSIT DISTRICT

BOARD OF TRUSTEES

GPMTD is currently governed by a five-member board. Each board member serves a four-year term with staggered expiration dates. The first Board of Directors formed the Greater Peoria Mass Transit District (GPMTD) on May 4, 1970. The District consists of the Village of Peoria Heights, West Peoria Township and the City of Peoria.

Mayors of each of the three jurisdictions making up the District (the City of Peoria, the City of West Peoria and the Village of Peoria Heights) are entitled to appoint one District Board member for each 100,000 citizens (or portion thereof) residing in their area.



Arthur Bell

Chair

Representing
City of Peoria
7/11/2005



Jennifer Lee

Vice Chair

Representing
Village of Peoria
2/14/2017



Maxine Wortham

Treasurer

Representing
City of Peoria
2/7/2006



Sharon McBride

Secretary

Representing
West Peoria Township
5/5/1997



Joan Krupa

Trustee

Representing
Peoria Heights
2/3/2015

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GENERAL INFORMATION

Who We Serve...

People who work, take classes, go to church, need a doctor, want to shop, enjoy recreation and socializing, like to read, want to carpool and hate finding a place to park...kids to senior...those with vehicles and those without.

What We Do...

Take people where they want and need to go, pick them up and drop them off at designated places and times, offer interaction with friendly drivers and passengers and provide a link from one community to another.

Where We Go...

More than 25 shopping centers, 2 airports, 75 plus schools, 4 hospitals, multiple walk-in medical clinics, over 25 nursing homes and retirement centers, over 50 apartment complexes, 8 golf courses, public swimming pools, theaters, museums, and parks in 8 communities...just to name a few.

Mission Statement

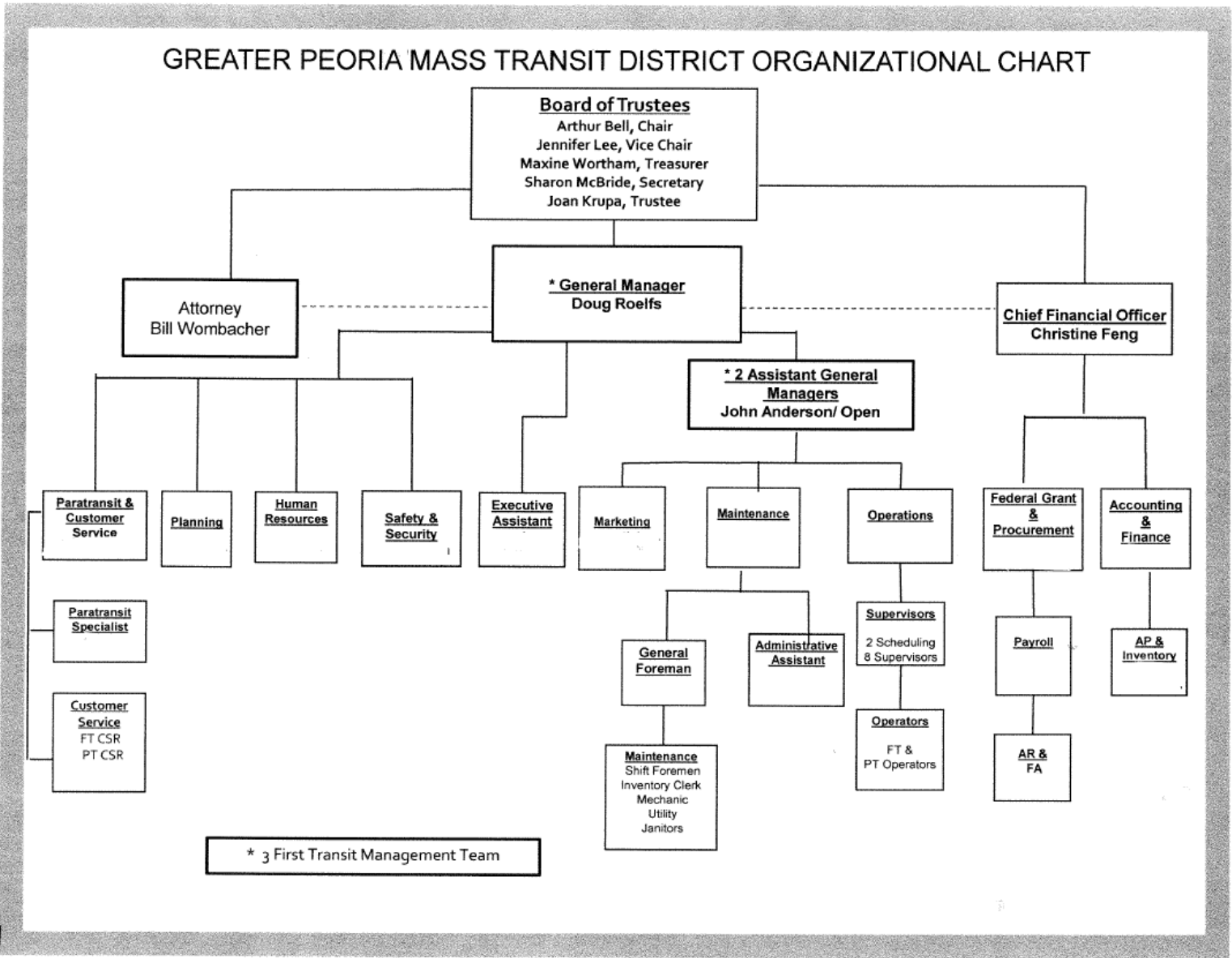
Greater Peoria Mass Transit District provides economic, social, and environmental benefits to the community through progressive, customer focused, transportation service by combining state of the art equipment and facilities with professional, well-trained staff.

Vision Statement

Greater Peoria Mass Transit District is a regional leader in the movement of people focused on providing a safe environment and reliable transportation. We are proactive leaders in providing creative solutions by a dedicated, committed, highly motivated team, who produces delighted customers.

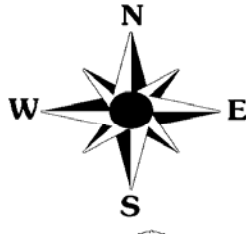
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GREATER PEORIA MASS TRANSIT DISTRICT ORGANIZATIONAL CHART



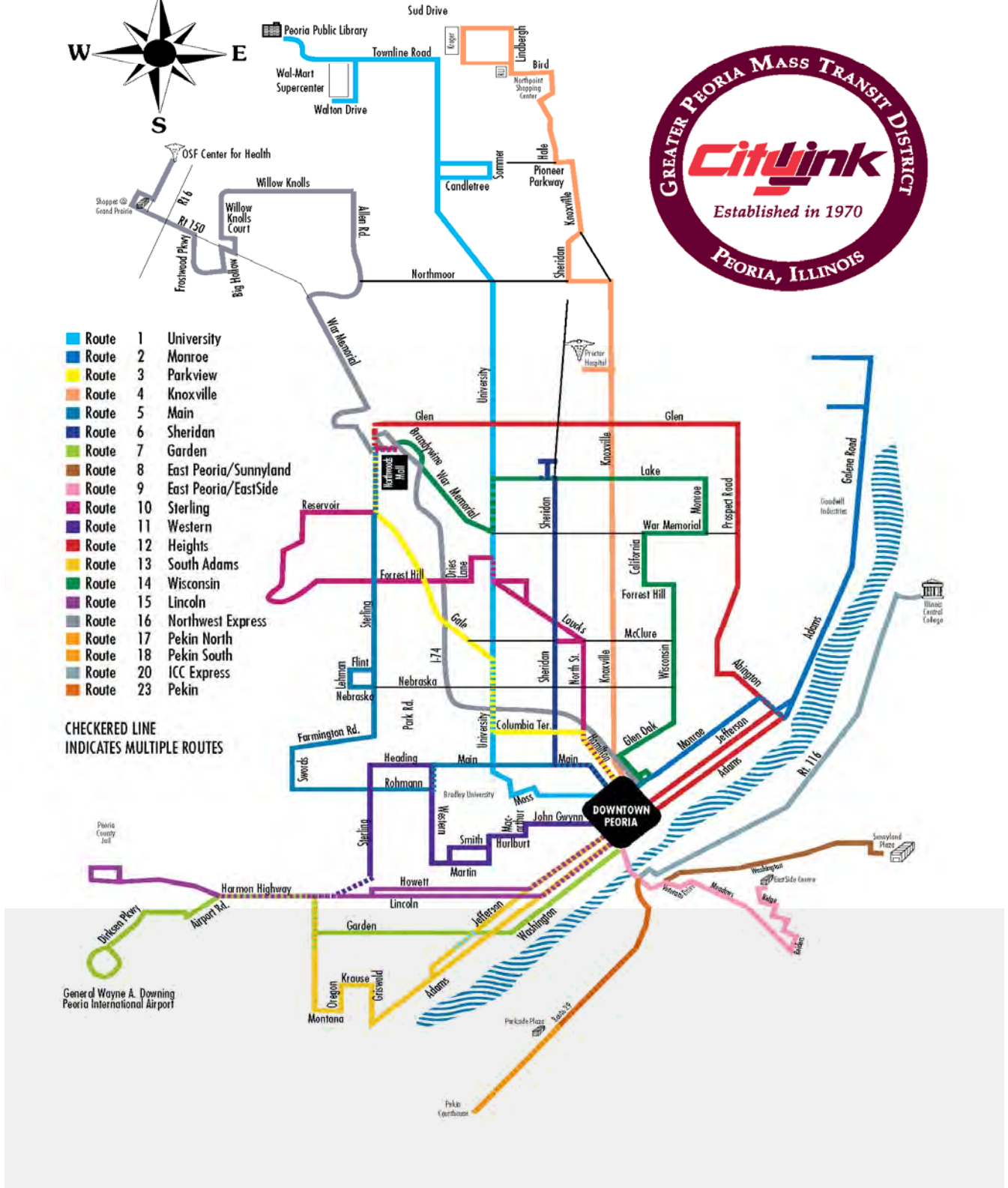
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GREATER PEORIA MASS TRANSIT DISTRICT (CityLink) Service Area

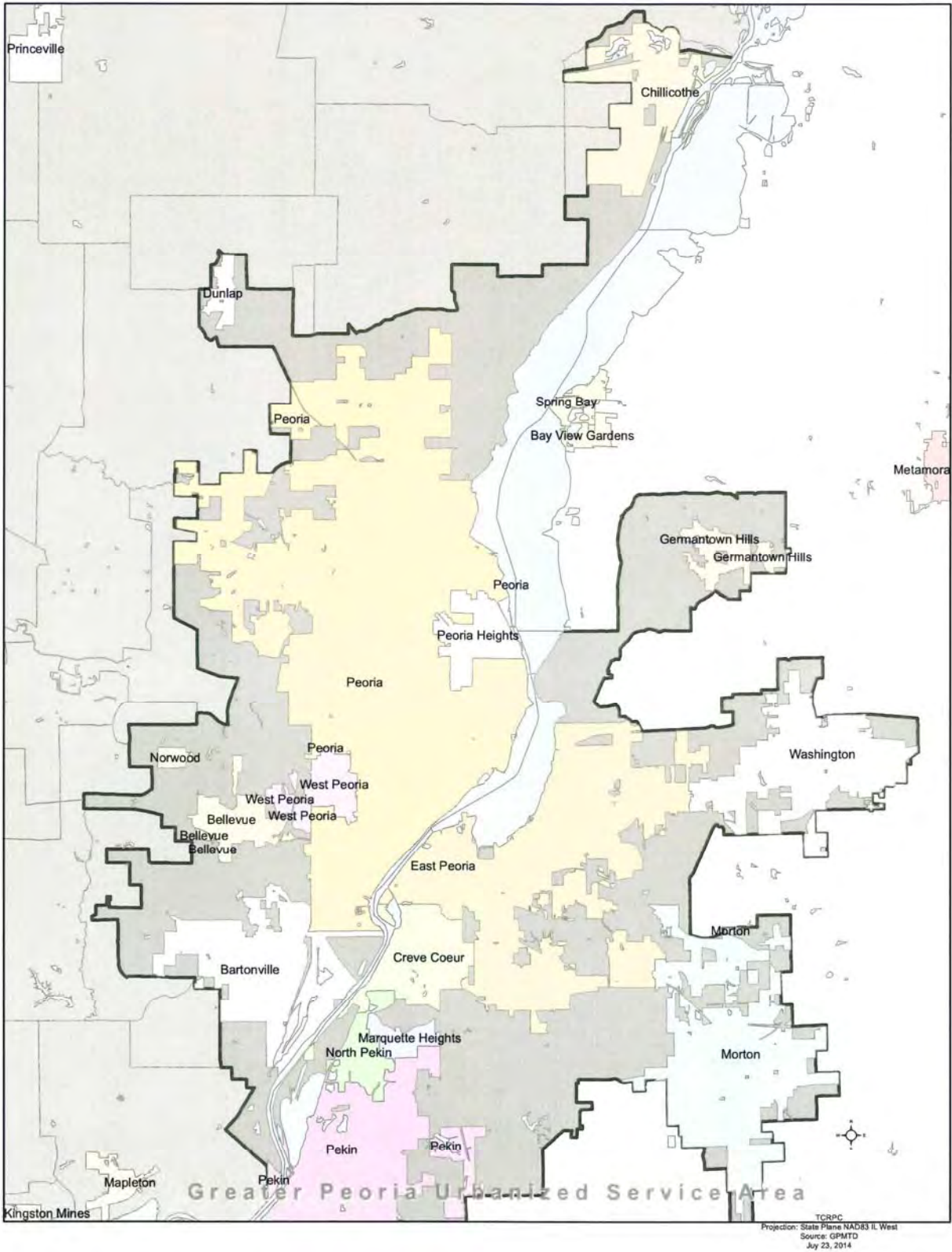


- Route 1 University
- Route 2 Monroe
- Route 3 Parkview
- Route 4 Knoxville
- Route 5 Main
- Route 6 Sheridan
- Route 7 Garden
- Route 8 East Peoria/Sunnyland
- Route 9 East Peoria/EastSide
- Route 10 Sterling
- Route 11 Western
- Route 12 Heights
- Route 13 South Adams
- Route 14 Wisconsin
- Route 15 Lincoln
- Route 16 Northwest Express
- Route 17 Pekin North
- Route 18 Pekin South
- Route 20 ICC Express
- Route 23 Pekin

CHECKERED LINE
INDICATES MULTIPLE ROUTES



Greater Peoria Urbanized Service Area



GPMTD signed an Intergovernmental Agreement to provide Urban Service to Bartonville, Dunlap and Chillicothe.



GREATER PEORIA MASS TRANSIT DISTRICT

Financial Section

The Financial Section Includes:

- Independent Auditor's Report
- Management's Discussion and Analysis
- Statement of Net Position
- Statement of Revenue, Expenses and Changes in Net Position
- Statement of Cash Flows
- Notes to the Financial Statements
- Required Supplementary Information
- Supplemental Information



Entrance to Administrative Building

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INDEPENDENT AUDITORS' REPORT

To the Board of Trustees
Greater Peoria Mass Transit District
Peoria, Illinois

Report on the Financial Statements

We have audited the accompanying financial statements of Greater Peoria Mass Transit District (the District), as of and for the years ended June 30, 2018 and 2017, and the related notes to the financial statements, which collectively comprise the the District'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 audits. We conducted our audits 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 over financial reporting relevant to the District'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 District'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 District 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.

Emphasis of Matter

As discussed in Note 10 to the financial statements, the District has adopted the provisions of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, effective July 1, 2017. Our opinion is unmodified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Defined Pension Benefit Plan Schedules, and Other Post-Employment Benefit Plan Schedules as listed in the table of contents 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.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedule of Expenditures of Federal Awards and the Schedule of Revenue and Expense Under Downstate Operating Assistance Grant OP-17-02-IL as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and is also not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the 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 Schedule of Expenditures of Federal Awards and the Schedule of Revenue and Expense Under Downstate Operating Assistance Grant OP-17-02-IL are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Information

Our audit was conducted for the purpose of forming an opinion on the basic financial statements as a whole. The introductory and statistical information as identified in the table of contents are presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we express no opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have issued our report dated October 23, 2018 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the 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 District's internal control over financial reporting and compliance.

Baker Tilly Virchow Krause, LLP

Madison, Wisconsin
October 23, 2018

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MANAGEMENT'S DISCUSSION AND ANALYSIS

GREATER PEORIA MASS TRANSIT DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS As of and for the Years Ended June 30, 2018 and 2017 UNAUDITED

The management of the Greater Peoria Mass Transit District (District) offers all persons interested in the financial position of the District this narrative overview and analysis of the District's financial performance during the fiscal years ending June 30, 2018 and 2017. You are invited to read this narrative in conjunction with the District's financial statements.

OVERVIEW OF THE FINANCIAL STATEMENTS

Greater Peoria Mass Transit District provides economic, social, and environmental benefits to the community through progressive, customer-focused transportation service by combining state of the art equipment and facilities with professional, well trained staff.

The District provides bus service to several communities in the Greater Peoria area with a current active fleet of 53 transit buses. Passengers are provided access to a state of the art transit center in downtown Peoria that features both daycare services and intercity bus connections. The District also provides paratransit services through a purchase of service contract with the contractor using and maintaining the District's fleet of 36 paratransit vans.

This annual report consists of two parts: Management's Discussion and Analysis (this section) and the basic financial statements. Management's Discussion and Analysis serves as an introduction to the District's basic financial statements. The District's financial statements are prepared using proprietary fund (enterprise fund) accounting that uses the same basis of accounting as private-sector business enterprises. Under this method of accounting, an economic resources measurement focus and an accrual basis of accounting is used. Revenue is recorded when earned and expenses are recorded when incurred.

The basic financial statements are comprised of four components: Statements of Net Position; Statements of Revenues, Expenses and Changes in Net Position; Statements of Cash Flows; and Notes to the Financial Statements.

DISTRICT FINANCIAL HIGHLIGHTS

As of June 30, 2018 and 2017, total assets plus deferred outflows of the District exceeded total liabilities plus deferred inflows \$6,244,396 and \$24,828,551, respectively. The amount of unrestricted net position as of June 30, 2018 was (\$13,462,732) compared to \$5,106,205 in 2017.

The District's net position at June 30, 2018, decreased \$18,584,155 from \$24,828,551 to \$6,244,396 or (74.85%) from previous year. The decrease is due to the first year GASB 75 implementation for the adjustment of GPMTD's total OPEB obligation.

The District's property tax and replacement tax revenue increased \$209,882 (9.62%) in FY 2018 from previous year.

In FY 2018, total operating expenses exceeded total operating revenues resulting in a loss before non-operating revenue and expenses and depreciation expense of \$23,527,963 compared to a loss of \$22,993,585 in FY 2017. The District anticipates operating losses, as these losses are subsidized by non-operating property tax, state operating grant and Federal grant revenues.

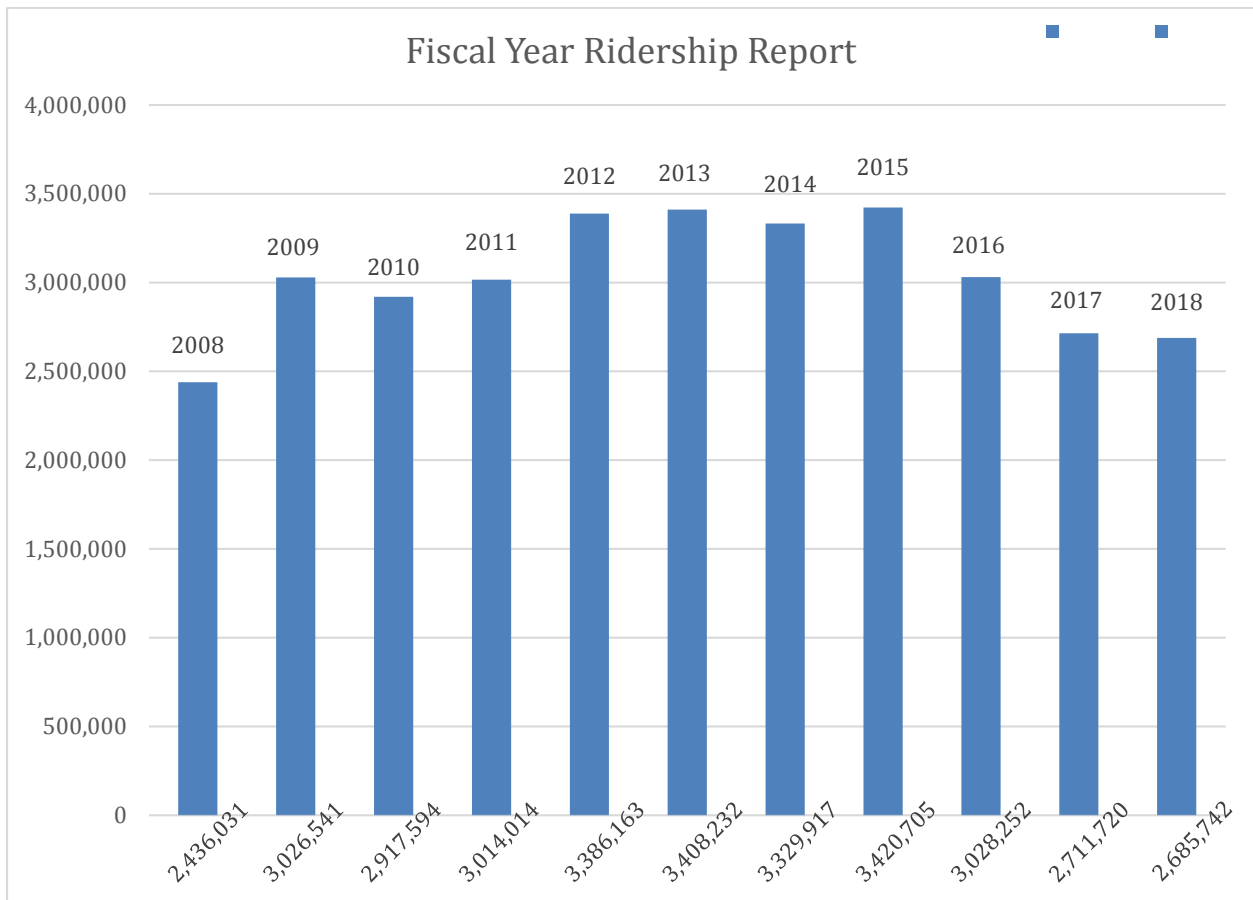
GREATER PEORIA MASS TRANSIT DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS
As of and for the Years Ended June 30, 2018 and 2017
UNAUDITED

FINANCIAL HIGHLIGHTS (cont.)

The FY 2018 ended with 2,685,742 rides, down .96% from 2,711,720 in FY 2017. Chart 1 shows the District's yearly ridership over the past 11 years.

Chart 1



GREATER PEORIA MASS TRANSIT DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS
As of and for the Years Ended June 30, 2018 and 2017
UNAUDITED

FINANCIAL ANALYSIS

The Statements of Net Position include all of the District's assets, deferred outflows of resources, and liabilities and provides information about the nature and amount of investments in resources and the obligations to creditors. This statement provides the basis for evaluating the capital structure and assessing the liquidity and financial flexibility of the District.

A summary of the District's Statements of Net Position is presented in Table 1 - A.

Table 1 - A
Condensed Statements of Net Position

	FY2018	FY2017	FY 2016
Current and Other Assets	\$ 36,925,522	\$ 32,158,040	\$ 34,897,866
Restricted Assets	5,498,804	5,509,847	5,420,719
Capital Assets	18,690,807	19,207,257	17,111,018
Total Assets	\$ 61,115,133	\$ 56,875,144	\$ 57,429,603
Pension Deferred Outflows	1,589,583	3,327,189	4,087,858
Current Liabilities	\$ 3,717,603	\$ 1,942,732	\$ 7,373,661
Liabilities Payable from Restricted Assets	4,482,484	4,994,310	5,381,875
Noncurrent Liabilities	44,423,097	27,100,002	25,685,512
Total Liabilities	\$ 55,876,874	\$ 34,027,044	\$ 38,441,048
Pension Deferred Inflow	3,837,136	1,336,289	555,678
Invested in Capital Assets	\$ 18,690,807	\$ 19,207,257	\$ 17,111,018
Restricted	1,016,321	515,089	38,844
Unrestricted	(13,462,732)	5,106,205	5,370,873
Total Net Position	\$ 6,244,396	\$ 24,828,551	\$ 22,520,735

The District's total assets increased from \$56.9 million in FY 2017 to \$61.1 million in FY 2018. The District's total liabilities increased from \$34 million in FY 2017 to \$55.9 million in FY 2018.

Current and Other assets increased \$4.7 million (14.62%) from \$37.7 million in FY 2017 to \$42.4 million in FY 2018 primarily due to the increase of cash and cash equivalents.

Capital assets, net of accumulated depreciation decreased \$0.5 million (2.69%) from \$19.2 million in FY 2017 to \$18.7 million in FY 2018.

The District's net position decreased \$18.6 million (74.85%) in FY 2018 due to the first year GASB 75 implementation's adjustment.

GREATER PEORIA MASS TRANSIT DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS
As of and for the Years Ended June 30, 2018 and 2017
UNAUDITED

FINANCIAL ANALYSIS (cont.)

The Statements of Revenues, Expenses, and Changes in Net Position provide an indication of the District's financial health.

A summary of the District's Statements of Revenues, Expenses and Changes in Net Position is presented in Table 2 - A.

Table 2 - A
Condensed Statements of Revenues, Expenses and Changes in Net Position

	FY 2018	FY 2017	FY 2016
Operating Revenues	\$ 3,587,274	\$ 3,310,764	\$ 3,245,599
Non-Operating Revenues	24,593,261	23,899,348	22,940,899
Total Revenues	\$ 28,180,535	\$ 27,210,112	\$ 26,186,498
Depreciation Expense	\$ 2,866,015	\$ 2,493,158	\$ 2,391,281
Operation and Maintenance Expenses	27,115,237	26,304,349	25,454,450
Total Expenses	\$ 29,981,252	\$ 28,797,507	\$ 27,845,731
Net Income Before Contributions	(1,800,717)	(1,587,395)	(1,659,233)
Capital Contributions	\$ 2,021,042	\$ 3,895,211	\$ 485,459
Changes in Net Position	\$ 220,325	\$ 2,307,816	\$ (1,173,774)
First Year of GASB 75 Implementation	(18,804,480)	-	-
Beginning Net Position	\$ 24,828,551	\$ 22,520,735	\$ 23,694,509
Net Position End of Year	\$ 6,244,396	\$ 24,828,551	\$ 22,520,735

Operating Revenue remained relatively similar in FY 2018, when compared to FY 2017. Non-operating revenue increased \$0.69 million in FY 2018 and increased \$0.96 million in FY 2017.

The District's operation and maintenance expenses increased by \$0.81 million (3.1%) in FY 2018 from FY 2017. During FY 2017 the District's operation and maintenance expenses increased \$0.85 million (3.3%) from FY 2016.

The information contained in the condensed information table is used as the basis for the revenue and expense discussion presented below; surrounding the District's activities for the fiscal years ended June 30, 2018, 2017, and 2016.

GREATER PEORIA MASS TRANSIT DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS
As of and for the Years Ended June 30, 2018 and 2017
UNAUDITED

FINANCIAL ANALYSIS (cont.)

**Table 3 - A
Detailed Revenues and Expenses**

	FY 2018	FY 2017	FY 2016
Passenger Fares	1,907,592	1,866,225	1,995,170
East Peoria and Pekin Mass Transit	1,341,214	1,230,942	1,042,511
Advertising	241,072	134,517	126,197
Other	97,396	79,080	81,721
Total Operating Revenues	\$ 3,587,274	\$ 3,310,764	\$ 3,245,599
Federal	\$ 1,888,838	\$ 1,879,289	\$ 1,662,903
State	17,027,700	16,596,667	16,183,484
Potentially uncollectible grants	-	-	-
Property and Replacement Taxes	5,552,955	5,350,856	5,037,610
Other	123,768	72,536	56,902
Total Non-Operating Revenue	\$ 24,593,261	\$ 23,899,348	\$ 22,940,899
Total Revenues	\$ 28,180,535	\$ 27,210,112	\$ 26,186,498
Salaries	\$ 8,195,945	\$ 8,166,603	\$ 8,063,616
Fringes	9,605,141	9,396,715	8,246,488
Professional Services	5,691,732	5,382,418	5,427,072
Materials and Supplies	2,555,493	2,286,106	2,680,486
Casualty and Liability	506,948	527,781	494,630
Other	559,978	544,726	542,158
Total Operation and Maintenance Expenses	\$ 27,115,237	\$ 26,304,349	\$ 25,454,450

REVENUES

Passenger fares provided 53.18% and 56.37% of the District's total operating revenues in FY 2018 and 2017, respectively. Farebox receipts, Day pass, 30day pass, Agency pass revenue, and special service fares are included in passenger fares. Passenger fares increased by \$41,366 in FY 2018 compared to a decrease of \$128,945 in FY 2017.

GREATER PEORIA MASS TRANSIT DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS
As of and for the Years Ended June 30, 2018 and 2017
UNAUDITED

FINANCIAL ANALYSIS (cont.)

REVENUES (cont.)

Advertising income includes revenues from advertisements primarily on the inside of the District's buses and external wraps on outside of vehicles. Advertising revenue increased \$106,555 in FY 2018 compared to a \$8,320 increase in FY2017.

Property tax and replacement tax provided 22.6% (\$5,552,955) and 22.4% (\$5,350,856) of the District's total non-operating revenues in FY 2018 and FY 2017 respectively.

State Grant operating assistance increased \$431,033 in FY 2018 compared to an increase of \$413,183 in FY 2017.

EXPENSES

Salary/wage and benefit expense are the two largest expense categories accounting for 65.6% and 66.8% of the total District expenses in FY 2018 and FY 2017 respectively. Salary and wage expenses increased by \$29,431 (0.36%) in FY2018 compared to an increase \$102,987 (1.28%) in FY 2017. The slightly increase in salary and wages is due to organizational restructure.

Fringe benefits increased by \$208,426 (2.22%) in FY 2018 compared to an increase \$1,150,227 (13.95%) in FY 2017. The increase in FY 2018 fringe benefit costs is related to an increase of actual insurance cost and the result of OPEB (Other Postemployment Benefit) actuarial study.

The materials and supplies expense category accounted for 9.4% and 8.69% of the total District expenses in FY 2018 and FY 2017, respectively. Materials and supplies expenses increased \$269,387 (11.78%) in FY 2018 and decreased \$394,380 (-14.71%) in FY 2017.

Professional service expense category accounted for 21% and 20.4% of the total District expenses in FY 2018 and FY 2017, respectively. Professional service expense increased \$309,314 (5.75%) in FY2018 compared to a decrease of \$40,654 (-0.82%) in FY2017. Major factors related to the increase include purchased transportation cost increase of \$693,135 in FY 2018 due to negotiated contract increases and an increase in the service hours provided by contractor.

GREATER PEORIA MASS TRANSIT DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS
As of and for the Years Ended June 30, 2018 and 2017
UNAUDITED

FINANCIAL ANALYSIS (cont.)

The Statements of Cash Flows report the cash provided and used by operating activities, as well as other cash sources such as investment income and cash payments for capital additions.

A summary of the District's Statements of Cash Flows is presented in Table 4 – A

Table 4 - A
Condensed Statements of Cash Flows

	FY 2018	FY 2017	FY 2016
Cash received for transit fares and other revenues	\$ 3,437,135	\$ 3,237,876	\$ 3,054,732
Payments to suppliers for goods and services	(9,203,048)	(9,191,220)	(9,085,516)
Payments for salaries and benefits	(15,044,018)	(14,607,548)	(14,298,804)
Cash Flows from Operating Activities	(20,809,931)	(20,560,892)	(20,329,588)
State operating aids	21,137,463	8,690,406	17,442,081
Federal operating aids	1,303,349	1,963,136	1,519,403
Property and income taxes received	5,297,570	5,105,120	4,802,427
Cash Flows from Noncapital Financing Activities	27,738,382	15,758,662	23,763,911
Capital grants received	2,621,467	3,439,806	476,336
Purchase of capital assets	(2,349,565)	(4,589,397)	(605,578)
Proceeds from sale of capital assets	64,282	22,505	105
Cash Flows from Capital and Related Financing Activities	336,184	(1,127,086)	(129,137)
Cash Flows from Investing Activities	46,448	37,091	42,214
Net Change in Cash and Cash Equivalent:	7,311,083	(5,892,225)	3,327,400
 CASH AND CASH EQUIVALENTS			
- Beginning of Year	21,719,557	27,611,782	24,284,382
 CASH AND CASH EQUIVALENTS			
- END OF YEAR -	\$ 29,030,640	\$ 21,719,557	\$ 27,611,782

GREATER PEORIA MASS TRANSIT DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS
As of and for the Years Ended June 30, 2018 and 2017
UNAUDITED

CAPITAL ASSET ANALYSIS

A summary of the District's Condensed Statement of Capital Assets is presented in Table 5 - A.

Table 5 - A
Condensed Statement of Capital Assets

	FY 2018	FY 2017	% Change	FY 2016
Land	\$ 1,855,709	\$ 1,861,749	-0.32%	\$ 1,855,709
Building	11,801,164	11,786,576	0.12%	11,786,576
Building and Improvements	1,873,532	1,669,232	12.24%	1,116,191
Revenue Vehicles	22,849,157	25,467,358	-10.28%	23,956,532
Service Vehicles	682,765	609,396	12.04%	672,585
Shop & Garage Equipment	807,441	807,441	0.00%	504,171
Furniture & Office	264,817	264,817	0.00%	448,734
Communication Equipment	1,073,303	1,030,713	4.13%	682,335
Miscellaneous	1,207,171	1,204,549	0.22%	880,096
	<u>42,415,061</u>	<u>44,701,832</u>	<u>-5.39%</u>	<u>41,902,929</u>
Less: Accumulated Depreciation	<u>23,724,253</u>	<u>25,494,575</u>	-6.94%	<u>24,791,911</u>
Total Net Capital Assets	<u>\$ 18,690,808</u>	<u>\$ 19,207,257</u>	-2.76%	<u>\$ 17,111,018</u>

Capital Assets consist of land, buildings, vehicles, office and shop supplies, and miscellaneous equipment, net of accumulated depreciation. As of June 30, 2018, the District had invested \$42.4 million in capital assets (\$44.7 million at June 30, 2017). Accumulated depreciation at June 30, 2018 was \$23.7 million (\$25.5 million at June 30, 2017). In FY2018 District has bus shelter installations, installed Boiler system at Transit Center, purchased support vehicles, installed surveillance system, purchased 31 Medium Duty Paratransit vehicles.

The District's management team has identified numerous contracts for supplies and professional services that we feel should be established or continued as long-term agreements. Starting in FY 2014 and continuing into this fiscal year we plan to award five to ten year contracts for the following:

- Camera services
- Two way radio services
- Telephone, internet, communication supply and services
- Computer supply and services
- Legal Services
- Banking Services
- Fuel, oil and grease supplier
- Sweeper equipment
- ADA paratransit services
- Security services
- Safety, risk management services
- Maintenance Garage Project
- Transit Center Remodel

For further details regarding capital assets, please see Note 4 to the financial statements.

GREATER PEORIA MASS TRANSIT DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS
As of and for the Years Ended June 30, 2018 and 2017
UNAUDITED

CURRENT KNOWN ECONOMIC CONDITIONS AND FACTS

The District's two most significant financial partners face some uncertainty regarding their willingness and/or ability to maintain financial commitments at existing levels.

The State of Illinois "Transit Downstate Operating Assistance Program" has traditionally reimbursed 65% of eligible operating assistance.

The District has adopted the policy of assuming that future federal and state funding levels will remain constant until advised otherwise. The District has taken steps to improve operating efficiencies, closely examine options to filling existing and future positions and reduce non-essential spending. Other options including seeking additional revenues from operations and further cost savings options are currently under review depending on the future of federal and state programs.

Short-term and Long-term Financial Planning

The District's short-term and long-term plans include a staggered vehicle replacement schedule to avoid major financial impacts in any given year and incremental facility upgrades and minor capital item replacements or improvements. Long-range goals are development of a north side transit satellite facility and ultimate replacement of maintenance facilities.

Highlights of the Long-term budget plan include the replacement of additional 25 35-ft buses (estimated cost: \$10 million), additional of north side transit center construction (estimated cost: \$5 million) and possible replacement of maintenance garage (estimated cost: \$30 million).

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our interested parties with a general overview of the District's finances and to demonstrate District's accountability for the fund it receives. If you have questions about this report, or need additional financial information, an inquiry should be addressed, in writing to: General Manager or Chief Financial Officer, Greater Peoria Mass Transit District, 2105 NE Jefferson Avenue, Peoria, IL 61603.

GREATER PEORIA MASS TRANSIT DISTRICT

STATEMENTS OF NET POSITION
As of June 30, 2018 and 2017

ASSETS		
	<u>2018</u>	<u>2017</u>
CURRENT ASSETS		
Cash and cash equivalents	\$ 27,095,198	\$ 19,721,305
Restricted Assets		
Cash and repurchase agreement	1,935,442	1,998,252
Certificates of deposit	419,432	417,839
Property taxes receivable	3,080,650	3,035,147
Prepaid expenses	63,280	58,609
Accounts Receivable		
Property and replacement taxes receivable	2,390,741	2,180,859
Federal grants receivable	1,826,527	1,841,463
State grants receivable	316,280	2,493,946
State capital grants receivable	-	191,522
Due from other governments	665,941	613,229
Other receivables	166,166	57,294
Due from restricted funds	3,907,591	4,556,272
Materials and supplies inventories	<u>557,078</u>	<u>502,150</u>
Total Current Assets	<u>42,424,326</u>	<u>37,667,887</u>
CAPITAL ASSETS		
Capital assets, not being depreciated	1,855,709	1,861,749
Property and equipment	40,559,351	42,840,083
Less: Accumulated depreciation	<u>(23,724,253)</u>	<u>(25,494,575)</u>
Total Capital Assets	<u>18,690,807</u>	<u>19,207,257</u>
Total Assets	<u>61,115,133</u>	<u>56,875,144</u>
DEFERRED OUTFLOWS OF RESOURCES		
Pension deferred outflows	<u>1,589,583</u>	<u>3,327,189</u>
LIABILITIES AND NET POSITION		
CURRENT LIABILITIES		
Accounts payable	861,408	841,635
Payable to State of Illinois	1,740,575	-
Accrued payroll and compensated absences	1,040,769	1,013,699
Estimated payable for claims and losses - employee health insurance	74,851	87,399
Payable from Restricted Assets		
Estimated payable from claims and losses - workers' compensation	471,134	336,676
Other accrued expenses	103,759	101,810
Due to unrestricted funds	<u>3,907,591</u>	<u>4,556,272</u>
Total Current Liabilities	<u>8,200,087</u>	<u>6,937,491</u>
NONCURRENT LIABILITIES		
OPEB liability/obligation	42,427,394	21,078,390
Net pension liability	<u>1,995,703</u>	<u>6,021,612</u>
Total Noncurrent Liabilities	<u>44,423,097</u>	<u>27,100,002</u>
Total Liabilities	<u>52,623,184</u>	<u>34,037,493</u>
DEFERRED INFLOWS OF RESOURCES		
Pension deferred inflows	<u>3,837,136</u>	<u>1,336,289</u>
NET POSITION		
Net investment in capital assets	18,690,807	19,207,257
Restricted for self-insurance	1,016,321	515,089
Unrestricted	<u>(13,462,732)</u>	<u>5,106,205</u>
Total Net Position	<u>6,244,396</u>	<u>24,828,551</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 62,704,716</u>	<u>\$ 60,202,333</u>

See accompanying notes to financial statements.

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GREATER PEORIA MASS TRANSIT DISTRICT

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION For the Years Ended June 30, 2018 and 2017

	2018	2017
OPERATING REVENUES		
Passenger fares	\$ 1,621,219	\$ 1,582,189
Special transit services	286,373	284,036
East Peoria, Pekin, and Peoria County fares	1,341,214	1,230,942
Advertising	241,072	134,517
Other	97,396	79,080
Total Operating Revenues	3,587,274	3,310,764
OPERATING EXPENSES		
Salaries and fringe benefits	17,801,086	17,563,318
Purchased services	1,537,050	1,920,871
Fuel and lubricants	1,240,554	981,979
Materials and supplies	1,211,866	1,182,708
Utilities	200,748	231,309
Casualty and liability costs	506,948	527,781
Tires and tubes	103,073	121,419
Travel expenses	102,920	64,492
Dues and subscriptions	49,545	47,705
Purchased transportation	4,154,682	3,461,547
Other	206,765	201,220
Total Operation and Maintenance Expenses	27,115,237	26,304,349
Operating Loss Before Depreciation	(23,527,963)	(22,993,585)
DEPRECIATION	2,866,015	2,493,158
Loss From Operations	(26,393,978)	(25,486,743)
NONOPERATING REVENUES (EXPENSES)		
Sales commissions	11,445	12,722
State of Illinois		
Downstate Public Transportation Assistance Program		
Operating assistance	17,027,700	16,596,667
Federal Transit Administration		
Maintenance assistance	1,273,556	1,303,349
Feasibility operating assistance	615,282	523,136
Intergovernmental revenues	-	52,804
Investment income	48,041	37,309
Property and replacement taxes	5,552,955	5,350,856
Gain on disposal of capital assets	64,282	22,505
Total Nonoperating Revenues	24,593,261	23,899,348
Net Income (Loss) Before Contributions	(1,800,717)	(1,587,395)
CAPITAL CONTRIBUTIONS	2,021,042	3,895,211
CHANGE IN NET POSITION	220,325	2,307,816
NET POSITION - Beginning of Year	24,828,551	22,520,735
Cumulative effect of a change in accounting principle	(18,804,480)	-0-
NET POSITION - END OF YEAR	\$ 6,244,396	\$ 24,828,551

See accompanying notes to financial statements.

GREATER PEORIA MASS TRANSIT DISTRICT

STATEMENTS OF CASH FLOWS
For the Years Ended June 30, 2018 and 2017

	<u>2018</u>	<u>2017</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received for transit fares and other revenues	\$ 3,437,135	\$ 3,237,876
Payments for salaries and benefits	(15,044,018)	(14,607,548)
Payments to suppliers for goods and services	<u>(9,203,048)</u>	<u>(9,191,220)</u>
Net Cash Flows From Operating Activities	<u>(20,809,931)</u>	<u>(20,560,892)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
State operating aids	21,137,463	8,690,406
Federal operating aids	1,303,349	1,963,136
Property and income taxes received	<u>5,297,570</u>	<u>5,105,120</u>
Net Cash Flows From Noncapital Financing Activities	<u>27,738,382</u>	<u>15,758,662</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Capital grants received	2,621,467	3,439,806
Purchase of capital assets	(2,349,565)	(4,589,397)
Proceeds from sale of capital assets	<u>64,282</u>	<u>22,505</u>
Net Cash Flows From Capital and Related Financing Activities	<u>336,184</u>	<u>(1,127,086)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Sale of certificates of deposit	417,839	417,621
Purchase of certificates of deposit	(419,432)	(417,839)
Interest received	<u>48,041</u>	<u>37,309</u>
Net Cash Flows From Investing Activities	<u>46,448</u>	<u>37,091</u>
Net Change in Cash and Cash Equivalents	7,311,083	(5,892,225)
CASH AND CASH EQUIVALENTS – Beginning of Year	<u>21,719,557</u>	<u>27,611,782</u>
	-	
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 29,030,640</u>	<u>\$ 21,719,557</u>

	2018	2017
RECONCILIATION OF OPERATING LOSS TO NET CASH FLOWS FROM OPERATING ACTIVITIES		
Operating loss	\$ (26,393,978)	\$ (25,486,743)
Nonoperating revenue		
Sales commissions	11,445	12,722
Noncash items included in operating loss		
Depreciation	2,866,015	2,493,158
Changes in Assets and Liabilities		
Due from other governments and other receivables	(161,584)	(85,610)
Materials and supplies inventory	(54,928)	(21,275)
Prepaid expenses	(4,671)	15,458
Accounts payable	19,773	(32,594)
Post retirement obligations	2,757,068	2,955,770
Accrued wages and benefits	27,070	(137,228)
Other accrued expenses	(10,599)	(24,892)
Estimated payable for claims and losses	134,458	(249,658)
	<u>134,458</u>	<u>(249,658)</u>
NET CASH FLOWS FROM OPERATING ACTIVITIES	<u>\$ (20,809,931)</u>	<u>\$ (20,560,892)</u>
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO STATEMENT OF NET POSITION ACCOUNTS		
Cash and cash equivalents	\$ 27,095,198	\$ 19,721,305
Restricted cash and repurchase agreement	1,935,442	1,998,252
Certificates of deposit	<u>419,432</u>	<u>417,839</u>
Total Cash and Investments	29,450,072	22,137,396
Less: Noncash equivalents	<u>(419,432)</u>	<u>(417,839)</u>
CASH AND CASH EQUIVALENTS	<u>\$ 29,030,640</u>	<u>\$ 21,719,557</u>

See accompanying notes to financial statements.

GREATER PEORIA MASS TRANSIT DISTRICT

NOTES TO FINANCIAL STATEMENTS As of and for the Years Ended June 30, 2018 and 2017

NOTE 1 –SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Greater Peoria Mass Transit District (“the District”) have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to enterprise funds of government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The significant accounting principles and policies utilized by the District are described below.

REPORTING ENTITY

The District was organized May 4, 1970 and approved by a subsequent voter referendum. The organization was formed in accordance with the state law entitled *Local Mass Transit District Act*. Revenues are substantially generated as a result of taxes assessed, charges for services performed, and governmental grants. Revenues are therefore dependent on the economy within the territorial boundaries of the District and nearby surrounding area and the appropriations of grant entitlements at the federal and state government level. Taxable industry within the area is primarily manufacturing and retail. The surrounding area has a substantial agricultural base. Additionally, there are large nonprofit employers such as hospitals and other local governments within the District.

The District does not meet the definition of a component unit of a primary government under the requirements of Government Accounting Standards board Statement No. 61, *The Financial Reporting Entity: an amendment of GASB Statements No. 14 and No. 34*. In addition, there are no organizations which are financially accountable to the District that would require consideration as component units of the District under the standards referred to above. Therefore, the District is considered a standalone government, fiscally independent of other units of government.

The governing Board of the District consists of five appointed trustees. Three trustees are appointed by one municipality and one trustee is appointed by each of two additional municipalities. However, none of the appointing municipalities has the ability to impose its will on the District after the appointment of the trustees, in that appointing municipalities cannot (1) remove appointed trustees at will, (2) modify or approve the budget of the District, (3) modify or approve rate or fee changes of the District, (4) veto, overrule, or modify the decisions of the District Board of Trustees, or (5) appoint, hire, reassign, or dismiss persons responsible for day-to-day operations (management) of the District. Therefore, the District is considered to be a special purpose government with the financial reporting properties of a primary government.

MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION

The accounts of the District are organized and maintained in a single fund, the enterprise fund (proprietary fund type). Periodic determination of revenues earned, expenses incurred, and net income (loss) is deemed appropriate for management accountability.

Basis of accounting defines when revenue and expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of their recognition. The financial statements have been prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as soon as all eligibility requirements imposed by the provider are met. Expenses are recorded at the time liabilities are incurred.

GREATER PEORIA MASS TRANSIT DISTRICT

NOTES TO FINANCIAL STATEMENTS As of and for the Years Ended June 30, 2018 and 2017

NOTE 1 –SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION (cont.)

The District distinguishes operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with the District's on-going operations. The principal operating revenues of the District are charges for services (fares) and contracts with other local governments for services provided. Operating expenses for the District include costs of sales and service, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

In June 2015, the GASB issued Statement No. 75 - Accounting and Financial Reporting for Postemployment Benefits Other than Pensions. This statement replaces the requirements of Statements No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions, as amended, and No. 57, OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans, for OPEB. This standard was implemented July 1, 2017.

ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION

Cash and Investments

Certificates of deposit and repurchase agreements are stated at fair value. (The repurchase agreements are overnight sweep accounts). Income is recognized on the accrual basis of accounting. The types of investments allowed are regulated by Illinois State laws and are listed in Note 3. For purposes of the statements of cash flows, all highly liquid investments (including restricted assets) with a maturity, at the date of purchase, of three months or less are considered to be cash equivalents. At June 30, 2018 and 2017, the certificates of deposit are not considered cash equivalents. However, all of the U.S. Government security overnight repurchase agreements are considered cash equivalents.

Property Taxes Receivable

Property taxes receivable represents amounts payable to the District as of year-end for fiscal 2018 and 2017 revenues.

Accounts Receivable

Substantially all District receivables are due from government units and are considered to be fully collectible. See Note 8 for a description of the allowance for potentially uncollectible grants.

GREATER PEORIA MASS TRANSIT DISTRICT

NOTES TO FINANCIAL STATEMENTS
As of and for the Years Ended June 30, 2018 and 2017

NOTE 1 –SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION (cont.)

Inventories

Material and supplies inventories consist of mechanical parts and supplies, and fuel and are reported at cost using the weighted-average cost method of inventory valuation.

Prepaid Expenses

This represents amounts paid for services or insurance coverage to be provided in future periods.

Capital Assets and Depreciation

Property and equipment are recorded at cost. Depreciation is computed using the straight-line method over the estimated useful lives three to forty years. The cost of maintenance and repairs is expensed as incurred; significant renewals and improvements are capitalized. The useful lives of capital assets are estimated as follows:

	YEARS
Building	40
Building Improvements	10-20
Service Vehicles	5-12
Major Movable Equipment/Machinery	5-10
Computers/Software	5
Furniture/Equipment	3-10

The District records all capital items, which are individually greater than \$5,000, with a useful life of at least one year, as capital assets.

Deferred Outflows of Resources

A deferred outflow of resources represents a consumption of new position that applies to a future period and will not be recognized as an outflow of resources (expense) until that future time. Deferred outflows related to the GASB Statement No. 68 pension liability. Details of the account are included in Note 5.

Other Post-employment Benefit Liability (Net OPEB Liability)

The District provides post- employment health insurance benefits to all eligible employees. The obligation for these benefits, as computed by an actuary, is recorded in accordance with the provisions of GASB Statement No. 75; see Note 6.

Net Pension Liability

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources to pensions, and pension expense, information about the fiduciary net position of the Illinois Municipal Retirement Fund (IMRF or the "Fund") and additions to /deductions from IMRF's fiduciary net position have been determined on the same basis as they are reported by IMRF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. Details are included in Note 5.

GREATER PEORIA MASS TRANSIT DISTRICT

NOTES TO FINANCIAL STATEMENTS As of and for the Years Ended June 30, 2018 and 2017

NOTE 1 –SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION (cont.)

Provision for Uninsured Claims

Claims for uninsured losses are reported in the financial statements based upon the requirements of GASB Statement No. 10, *Accounting and Financial Reporting for Risk Financing and Related Insurance Issues*, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. In addition, claims adjustment expenses expected to be incurred in connection with the settlement of unpaid claims are accrued at the time the liability for the underlying claim is recognized; see Note 7.

Compensated Absences

District personnel earn vacation and sick time in varying amounts depending on length of service with the District. Vested or accumulated vacation and sick leave is recorded as an expense and liability as the benefits accrue to employees.

Payable to State of Illinois

The District has recorded a payable to the State of Illinois for costs reimbursed by the Illinois Department of Transportation (IDOT) which were later deemed ineligible. At June 30, 2018 the payable is shown net of operating receivables from IDOT related to other fiscal years.

Deferred Inflows of Resources

A deferred inflow of resources represents an acquisition of net position that applies to a future period and will therefore not be recognized as an inflow of resources (revenue) until that future time. On an accrual basis, revenue from property taxes are recognized in the period they are intended to finance, which is the year after the taxes are levied. A deferred inflow of resources arises when assets are recognized before the period for revenue recognition has occurred. Pension deferred inflows relate to the GASB Statement No. 68 pension liability. Details of the account are included in Note 5. Deferred capital revenues relate to resources received prior to their use to acquire paratransit capital assets.

Net Position

GASB No. 34 requires the classification of net position into three components – net investment in capital assets, restricted, and unrestricted. These classifications are defined as follows:

- ***Net investment in capital assets*** – This component of net position consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds is not included in the calculation of invested in capital assets, net of related debt. Rather, that portion of the debt is included in the same net position component as the unspent proceeds. The District has no outstanding debt as of June 30, 2018 and 2017.

GREATER PEORIA MASS TRANSIT DISTRICT

NOTES TO FINANCIAL STATEMENTS June 30, 2018 and 2017

NOTE 1 –SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION (cont.)

Net Position (cont.)

- *Restricted* – This component of net position consists of constraints placed on net position use through external constraints imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislations.
- *Unrestricted* – The component of net position consists of net position that does not meet the definition of “restricted” or “net investment in capital assets.”

When both restricted and unrestricted resources are available for use, it is the District’s policy to use restricted resources first, then unrestricted resources as they are needed.

REVENUE AND EXPENSES

Property Taxes

The District’s property taxes are levied each year on all taxable real property located within the District on or before the last Tuesday in December. Property taxes attach an enforceable lien and are extended against the assessed valuation of the District on January 1. Normally, taxes are due and payable in two installments in June and September at the County Collector’s office. Sale of taxes on any uncollected amounts is prior to November 30 or shortly thereafter by the County Collector’s office. Final distribution to all taxing bodies is usually made no later than the first quarter of the next calendar year by the County Collector’s office. Property tax revenue recognized in fiscal year 2018 by the District represents the 2017 tax levy due and payable by the taxpayers in 2018, which was budgeted for fiscal year 2018.

Property taxes levied for specific restricted purposes are credited to restricted net assets.

Federal and State Grants

The Federal Transit Administration (FTA) and the Illinois Department of Transportation (IDOT) provide financial assistance through grants to the District for operations, planning, capital acquisitions, and maintenance.

Operating assistance, planning, maintenance, and capital grants are included in non-operating revenues as related eligible expenditures are incurred.

Passenger Fares

Passenger fares are recorded as revenue at the time such services are performed. Fare passes, when issued, are recorded as revenue.

The District has service contracts with East Peoria Mass Transit District, the City of Pekin and Peoria County to provide mass transportation services within those service areas. The District collects revenues from each entity in an amount equal to the cost of operations for these routes.

GREATER PEORIA MASS TRANSIT DISTRICT

NOTES TO FINANCIAL STATEMENTS
June 30, 2018 and 2017

NOTE 1 –SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

EFFECT OF NEW ACCOUNTING STANDARDS ON CURRENT PERIOD FINANCIAL STATEMENTS

GASB has approved GASB Statement No. 80, *Blending Requirements for Certain Component Units*, an amendment of GASB Statement No. 14; Statement No. 81, *Irrevocable Split-Interest Agreements*; Statement No. 83, *Certain Asset Retirement Obligations*; Statement No. 84, *Fiduciary Activities*; Statement No. 85, *Omnibus*; Statement No. 86, *Certain Debt Extinguishment Issues*; Statement No. 87, *Leases*; Statement No. 88, *Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements*; and Statement No. 89, *Accounting for Interest Cost Incurred Before the end of a Construction Period*. When they become effective, application of these standards may restate portions of these financial statements

RECLASSIFICATION

Certain amounts in the prior year's financial statement may have been reclassified to conform to the current year presentation.

NOTE 2 – RESTRICTED ASSETS, LIABILITIES, AND RESTRICTED NET POSITION

The restricted assets, liabilities, and net position represent net proceeds from grants or tax levies for specific purposes. The District currently carries a Self-Insurance Reserve, a Social Security Reserve, an Illinois Municipal Retirement Reserve, and a State Unemployment Reserve. Funds within the Self-Insurance Reserve are used to purchase claims services and to pay costs incurred by the District under both normal operating-type claims and catastrophic claims. Funds within the Social Security Reserve, Illinois Municipal Retirement Reserve, and State Unemployment Reserve are used to pay employer contributions made to Social Security Administration, Illinois Municipal Retirement Fund, and State Unemployment Agency.

Restricted assets and liabilities at June 30, 2018 and 2017 are summarized as follows:

	June 30, 2018				
	Self-Insurance Reserve	Social Security Reserve	Illinois Municipal Retirement Reserve	State Unemployment Reserve	Total
Restricted assets (liabilities)					
Cash and repurchase agreement	\$ 1,935,442	\$ -	\$ -	\$ -	\$ 1,935,442
Certificate of deposit	419,432	-	-	-	419,432
Property taxes receivable	988,338	815,379	1,235,423	41,510	3,080,650
Prepaid expenses	63,280	-	-	-	63,280
Estimated payable for claims and losses	(471,134)	-	-	-	(471,134)
Accrued expenses	-	-	(99,141)	(4,617)	(103,758)
Due (to) from unrestricted funds	(1,919,037)	(815,379)	(1,136,282)	(36,893)	(3,907,591)
Restricted net position	\$ 1,016,321	\$ -	\$ -	\$ -	\$ 1,016,321

GREATER PEORIA MASS TRANSIT DISTRICT

NOTES TO FINANCIAL STATEMENTS

June 30, 2018 and 2017

NOTE 2 – RESTRICTED ASSETS, LIABILITIES, AND RESTRICTED NET POSITION (cont.)

	June 30, 2017				Total
	Self-Insurance Reserve	Social Security Reserve	Illinois Municipal Retirement Reserve	State Unemployment Reserve	
Restricted assets (liabilities)					
Cash and repurchase agreement	\$ 1,998,252	\$ -	\$ -	\$ -	\$ 1,998,252
Certificate of deposit	417,839	-	-	-	417,839
Property taxes receivable	991,554	718,877	1,289,020	35,696	3,035,147
Prepaid expenses	58,161	-	-	-	58,161
Estimated payable for claims and losses	(336,676)	-	-	-	(336,676)
Accrued expenses	-	-	(97,562)	(4,248)	(101,810)
Due (to) from unrestricted funds	(2,614,041)	(718,877)	(1,191,458)	(31,448)	(4,555,824)
Restricted net position	\$ 515,089	\$ -	\$ -	\$ -	\$ 515,089

NOTE 3 – CASH AND INVESTMENTS

The investment and deposit of the District monies is governed by the provisions of the Illinois Compiled Statutes and the District's investment policy. In accordance with these provisions, all District monies must be invested in one or more of the following:

- a. Interest-bearing savings accounts, interest-bearing certificates of deposit or interest-bearing time deposits constituting direct obligations of any bank as shall have been selected and designated under the terms of the Illinois Compiled Statutes and as shall have complied with the requirements thereof;
- b. Shares or other forms of securities legally issuable by savings and loan associations incorporated under the laws of this state or any other state or under the laws of the United States, provided such shares or securities are insured by the Federal Deposit Insurance Corporation;
- c. Bonds, notes, certificates of indebtedness, treasury bills or other securities now or hereafter issues, which are guaranteed by the full faith and credit of the United States of America as to principal and interest;
- d. Short-term discount obligations of the Federal National Mortgage Association.
- e. Short-term obligations of U.S. corporations with more than \$500 million in assets. The obligation must be rated with the three highest classifications by two standard rating services, must mature within 180 days of purchase, and such purchase cannot exceed 10 percent of the corporation's outstanding obligations.
- f. Repurchase agreements which are collateralized by full faith and credit U. S. Treasury securities.
- g. Insured accounts of credit unions whose principal office is in Illinois.
- h. Various tax-exempt securities.

GREATER PEORIA MASS TRANSIT DISTRICT

NOTES TO FINANCIAL STATEMENTS

June 30, 2018 and 2017

NOTE 3 – CASH AND INVESTMENTS (cont.)

Custodial Credit Risk

A reconciliation of cash and investments as shown on the Statements of Net Position follows:

	2018		2017	
	Bank Balance	Carrying Amount	Bank Balance	Carrying Amount
Petty cash	\$ -	\$ 4,638	\$ -	\$ 4,288
Demand deposits	121,006	124,245	111,018	116,130
Illinois Funds	123,050	123,050	200,852	200,852
U.S. Government security overnight repurchase agreements	29,309,274	28,778,707	22,002,876	21,398,287
Certificates of deposit	419,432	419,432	417,839	417,839
	\$ 29,972,762	\$ 29,450,072	\$ 22,732,585	\$ 22,137,396
Cash and repurchase agreement		\$ 27,095,198		\$ 19,721,305
Restricted:				
Cash and repurchase agreement		1,935,442		1,998,252
Certificates of deposit		419,432		417,839
		\$ 29,450,072		\$ 22,137,396

Custodial credit risk is the risk that in the event of a financial institution failure, the District's deposits may not be returned to the District. To guard against custodial credit risk for deposits with financial institutions, the District investment policy requires that deposits with financial institution in excess of FDIC be collateralized at 100% of the uninsured deposits. As of June 30, 2018 and 2017, none of the District's bank balance of \$540,438 and \$528,857 respectively, was exposed to custodial credit risk.

In addition, the District has entered into an agreement with the primary depository institution whereby excess funds are invested overnight in repurchase agreements for various U.S. Government securities. Under the agreement, the depository institution purchases fractionalized interests in obligations of the United States Government or any agency thereof on behalf of the District. The depository institution may substitute the underlying securities. At June 30, 2018 and 2017, the District had \$29,309,274 and \$22,002,876, respectively, invested in such agreements. Such amounts are subject to custodial credit risk.

Credit Risk, Concentration of Credit Risk and Interest Rate Risk

The District utilizes sweep investments, which are swept nightly into securities which are explicitly backed by the US Government. Credit risk is the risk counterparty to an investment will not fulfill its obligations. The District's investment policy addresses this risk by requiring issuers to be a US Corporation with more than \$500 million in assets with a rating within the three highest classifications by two standards rating services. The US Government Agency Securities were rated AAA by Moody's investment rating agency as of June 30, 2018 and 2017.

GREATER PEORIA MASS TRANSIT DISTRICT

NOTES TO FINANCIAL STATEMENTS

June 30, 2018 and 2017

NOTE 3 – CASH AND INVESTMENTS (cont.)

Credit Risk, Concentration of Credit Risk and Interest Rate Risk (cont.)

Concentration of credit risk is the risk of loss attributed to the magnitude of an entity's investment in a single user. The District's investment policy addresses this risk by requiring diversification of its investment portfolio. The District held 49% and 53% of its investments in US Government Agency Securities, issued by the Federal National Mortgage Association as of June 30, 2018 and 2017, respectively and 61% and 47% of its investments in US Government Agency Securities, issued by the Federal Home Loan Mortgage Corporation as of June 30, 2018 and 2017, respectively.

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Due to the highly liquid nature of the District's repurchase agreements, the exposure to interest rate risk is minimal.

The District's investment policy addresses this risk by limiting investment maturities to a maximum of 8 years, with various sub-limits depending on the anticipated use of the funds.

The Illinois Funds (the Fund) is an external investment pool authorized by the Illinois General Assembly. The Fund is exempt from registering with the Securities and Exchange Commission. The Fund is rated by Standard and Poors upon the request of the Fund's management. The most recent money market rating issued by Standard and Poors was AAA. The fair value of the position in the Illinois Funds Investment Pool is the same as the value of the pool shares. Illinois State Statute provides the Illinois State Treasurer with regulatory oversight over the Pool.

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The valuation method for the US Government securities held through repurchase agreements is at actual market prices that the securities were purchased for on June 30, 2018, which is a level 1 input.

GREATER PEORIA MASS TRANSIT DISTRICT

NOTES TO FINANCIAL STATEMENTS

June 30, 2018 and 2017

NOTE 4 – CHANGES IN CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2018 was as follows:

	Balance June 30, 2017	Increases	Decreases	Balance June 30, 2018
Capital assets not being depreciated:				
Land	\$ 1,861,749	\$ 46,676	\$ (52,716)	\$ 1,855,709
Capital assets being depreciated:				
Buildings and building improvements	13,455,808	218,888	-	13,674,696
Transit vehicles	26,076,754	2,091,505	(4,636,337)	23,531,922
Machinery, equipment and furniture	3,307,520	45,213	-	3,352,733
Total capital assets being depreciated	42,840,082	2,355,606	(4,636,337)	40,559,351
Less accumulated depreciation for:				
Buildings and building improvements	(10,212,060)	(461,243)	-	(10,673,303)
Transit vehicles	(13,693,688)	(1,959,167)	4,614,721	(11,038,133)
Machinery, equipment and furniture	(1,588,826)	(423,990)	-	(2,012,816)
Total accumulated depreciation	(25,494,574)	(2,844,400)	4,614,721	(23,724,253)
Capital assets, net	\$ 19,207,257	\$ (442,117)	\$ (74,332)	\$ 18,690,807

Capital asset activity for the year ended June 30, 2017 was as follows:

	Balance June 30, 2016	Increases	Decreases	Balance June 30, 2017
Capital assets not being depreciated:				
Land	\$ 1,855,709	\$ 6,040.09	\$ -	\$ 1,861,749
Capital assets being depreciated:				
Buildings and building improvements	12,902,767	597,226	(44,185)	13,455,808
Transit vehicles	24,629,117	2,613,416	(1,165,779)	26,076,754
Machinery, equipment and furniture	2,515,336	1,372,714	(580,530)	3,307,520
Total capital assets being depreciated	40,047,220	4,583,357	(1,790,494)	42,840,082
Less accumulated depreciation for:				
Buildings and building improvements	(9,849,318)	(406,927)	44,185	(10,212,060)
Transit vehicles	(13,028,457)	(1,831,010)	1,165,779	(13,693,688)
Machinery, equipment and furniture	(1,914,136)	(255,220)	580,530	(1,588,826)
Total accumulated depreciation	(24,791,911)	(2,493,157)	1,790,494	(25,494,574)
Capital assets, net	\$ 17,111,018	\$ (1,785,703)	\$ -	\$ 19,207,257

GREATER PEORIA MASS TRANSIT DISTRICT

NOTES TO FINANCIAL STATEMENTS June 30, 2018 and 2017

NOTE 5 – DEFINED BENEFIT PENSION PLAN

PLAN DESCRIPTION

The District's defined benefit pension plan for regular employees provides retirement and disability benefits, post retirement increases, and death benefits to plan members and beneficiaries. The District's plan is managed by the Illinois Municipal Retirement (IMRF), the administrator of a multi-employer public pension fund. A summary of IMRF's pension benefits is provided below. Details of all benefits are available from IMRF. Benefits provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available Comprehensive Annual Financial Report that includes financial statements, detailed information about the pension plan's fiduciary net position, and required supplementary information. The report is available for download at www.imrf.org.

BENEFITS PROVIDED

All three IMRF benefit plans have two tiers. Employees hired before January 1, 2011, are eligible for Tier 1 benefits. Tier 1 employees are vested for pension benefits when they have at least eight years of qualifying service credit. Tier 1 employees who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with eight years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any consecutive 48 months within the last 10 years of service, divided by 48. Under Tier 1, the pension is increased by 3% of the original amount on January 1 every year after retirement.

Employees hired **on or after** January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating employees who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with ten years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any 96 consecutive months within the last 10 years of service, divided by 96. Under Tier 2, the pension is increased on January 1 every year after retirement, upon reaching age 67, by *lesser* of:

- 3% of the original pension amount, or;
- 1/2 of the increase in the Consumer Price Index of the original pension amount.

EMPLOYEES COVERED BY BENEFIT TERMS

As of December 31, 2017, the following employees were covered by the benefit terms:

	<u>2017</u>	<u>2016</u>
Retirees and Beneficiaries currently receiving benefits	109	103
Inactive Plan Members entitled to but not yet receiving benefits	46	45
Active Plan Members	<u>153</u>	<u>164</u>
Total	<u>308</u>	<u>312</u>

GREATER PEORIA MASS TRANSIT DISTRICT

NOTES TO FINANCIAL STATEMENTS

June 30, 2018 and 2017

NOTE 5 – DEFINED BENEFIT PENSION PLAN (cont.)

CONTRIBUTIONS

As set by statute, the District's Regular Plan Members are required to contribute 4.50% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The District's annual contribution rate for calendar year 2018 was 11.14% and for calendar year 2017 was 11.38%. For the fiscal years ended June 30, 2018 and 2017 the District contributed \$1,005,861 and \$1,063,507, respectively, to the plan. The District also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

NET PENSION LIABILITY

The District's net pension liability was measured as of December 31, 2017. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

ACTUARIAL ASSUMPTION

The following are the methods and assumptions used to determine total pension liability at December 31, 2017:

- The **Actuarial Cost Method** used was Entry Age Normal.
- The **Asset Valuation Method** used was Market Value of Assets.
- The **Inflations Rate** was assumed to be 2.75%.
- **Salary Increases** were expected to be 3.75% to 14.50%, including inflation.
- The **Investment Rate of Return** was assumed to be 7.50%.
- **Projected Retirement Age** was from the Experience-based Table Rates, specific to the type of eligibility condition, last updated for the 2014 valuation according to an experience study from the years 2011 to 2013.
- The IMRF-specific rates for **Mortality** (for non-disabled retirees) were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience.
- For **Disabled Retirees**, an IMRF-specific mortality table was used with fully generational projections scale MP-2014 (base year 2014). The IMRF-specific rates were developed from the RP-2014 Disabled Retirees Mortality Table, applying the same adjustments that were applied for non-disabled lives.
- For **Active Members**, an IMRF-specific mortality table was used with fully generational projection scale MP-2014 (base year 2014). The IMRF-specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

Fiscal year ended June 30, 2018 used actuarial assumptions as of December 31, 2017, detailed above; these assumptions have not significantly changed from assumptions as of December 31, 2016. Fiscal year ended June 30, 2017 used actuarial assumptions as of December 31, 2016.

GREATER PEORIA MASS TRANSIT DISTRICT

NOTES TO FINANCIAL STATEMENTS

June 30, 2018 and 2017

NOTE 5 – DEFINED BENEFIT PENSION PLAN (cont.)

ACTUARIAL ASSUMPTION (cont.)

- The **long-term expected rate of return** on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. The ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Portfolio Target Percentage	Long-Term Expected Real Rate of Return
Domestic Equity	37%	6.85%
International Equity	18%	6.75%
Fixed Income	28%	3.00%
Real Estate	9%	5.75%
Alternate Investments	7%	2.65 - 7.35%
Cash Equivalents	<u>1%</u>	2.25%
Total	100%	

There were no significant changes from December 31, 2017 assumptions.

SINGLE DISCOUNT RATE

A Single Discount rate of 7.50% was used to measure the total pension liability. The projection of cash flow used to determine the Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at the rates equal to the difference between actuarially determined contribution rates and the member rate. The Single Discount Rate reflects:

1. The long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits), and
2. The tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.50%, the municipal bond rate is 3.31%, and the resulting single discount rate is 7.50%.

GREATER PEORIA MASS TRANSIT DISTRICT

NOTES TO FINANCIAL STATEMENTS

June 30, 2018 and 2017

NOTE 5 – DEFINED BENEFIT PENSION PLAN (cont.)

CHANGES IN THE NET PENSION LIABILITY

	Total Pension Liability (A)	Plan Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2015	<u>\$ 41,510,201</u>	<u>\$ 34,494,395</u>	<u>\$ 7,015,806</u>
Changes for the year			
Service Cost	1,091,925	-	1,091,925
Interest on Total Pension Liability	3,061,747	-	3,061,747
Changes of Benefit Terms	-	-	-
Difference Between Expected and Actual Experience of the Total Pension Liability	(1,091,079)	-	(1,091,079)
Changes of Assumptions	(152,776)	-	(152,776)
Contributions - Employer	-	1,053,729	(1,053,729)
Contributions - Employees	-	390,592	(390,592)
Net Investment Income	-	2,386,559	(2,386,559)
Benefit Payments, including Refunds of Employee Contributions	(2,065,849)	(2,065,849)	-
Other (Net Transfers)	-	73,131	(73,131)
Net Changes	<u>843,968</u>	<u>1,838,162</u>	<u>(994,194)</u>
Balances at December 31, 2016	<u>\$ 42,354,169</u>	<u>\$ 36,332,557</u>	<u>\$ 6,021,612</u>
Changes for the year			
Service Cost	941,383	-	941,383
Interest on Total Pension Liability	3,128,294	-	3,128,294
Changes of Benefit Terms	-	-	-
Difference Between Expected and Actual Experience of the Total Pension Liability	565,454	-	565,454
Changes of Assumptions	(1,272,257)	-	(1,272,257)
Contributions - Employer	-	1,017,690	(1,017,690)
Contributions - Employees	-	402,721	(402,721)
Net Investment Income	-	6,447,877	(6,447,877)
Benefit Payments, including Refunds of Employee Contributions	(2,228,536)	(2,228,536)	-
Other (Net Transfers)	-	(479,505)	479,505
Net Changes	<u>1,134,338</u>	<u>5,160,247</u>	<u>(4,025,909)</u>
Balances at December 31, 2017	<u>\$ 43,488,507</u>	<u>\$ 41,492,804</u>	<u>\$ 1,995,703</u>

GREATER PEORIA MASS TRANSIT DISTRICT

NOTES TO FINANCIAL STATEMENTS

June 30, 2018 and 2017

NOTE 5 – DEFINED BENEFIT PENSION PLAN (cont.)

SENSITIVITY OF THE NET PENSION LIABILITY TO CHANGES IN THE DISCOUNT RATE

The following presents the plan's net pension liability, calculated using a Single Discount Rate of 7.50%, as well as what the plan's net pension liability would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher:

Net Pension Liability	1% Lower (6.50%)	Current Discount (7.50%)	1% Higher (8.50%)
December 31, 2017	\$7,324,447	\$1,995,703	(\$2,406,221)
December 31, 2016	\$11,522,661	\$6,021,612	\$1,499,440

PENSION EXPENSE, DEFERRED OUTFLOWS OF RESOURCES, AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS

For the years ended June 30, 2018 and 2017, the District recognized pension expense of \$1,180,344 and \$1,649,556, respectively. At June 30, 2018 and 2017, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	June 30,	
	2018	2017
<i>Deferred outflow of resources</i>		
Differences between expected and actual experience	\$ 759,283	\$ 432,100
Changes of Assumptions	328,955	581,528
Net differences between projected and actual earnings on pension plan investments	-	1,762,326
Pension Contributions made subsequent to the Measurement Date	501,345	551,235
Total Deferred Outflows of Resources	\$ 1,589,583	\$ 3,327,189
<i>Deferred inflow of resources</i>		
Differences between expected and actual experience	\$ 849,889	\$ 1,212,323
Changes of Assumptions	1,127,401	123,966
Net difference between projected and actual earnings on pension plan investments	1,859,846	-
Total Deferred Inflows of Resources	\$ 3,837,136	\$ 1,336,289

GREATER PEORIA MASS TRANSIT DISTRICT

NOTES TO FINANCIAL STATEMENTS
June 30, 2018 and 2017

NOTE 5 – DEFINED BENEFIT PENSION PLAN (cont.)

OUTSTANDING EXPENSE, DEFERRED OUTFLOWS OF RESOURCES, AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS (cont.)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

<u>Year Ending June 30</u>	<u>Net Deferred Outflows of Resources</u>
2018	\$ (289,460)
2019	(432,259)
2020	(1,032,552)
2021	(954,519)
2022	(40,108)
Thereafter	-
Total	<u>\$ (2,748,898)</u>

OUTSTANDING PAYABLES

At June 30, 2018 and 2017, the District had outstanding payables to IMRF of \$156,722 and \$150,863, respectively, related to June 2018 and 2017 employer, employee, and voluntary contributions, which are payable in the following month.

NOTE 6 – OTHER POST-EMPLOYMENT BENEFITS

PLAN DESCRIPTION

In addition to the pension benefit described in Note 5, the District pays the medical insurance premiums for certain retired employees and their spouses provided their spouses were enrolled in the District's health plan for one year prior to the date of retirement. All employees who meet the IMRF retirement eligibility requirements and qualified for health insurance benefits prior to retirement may participate in the medical insurance program. The District pays the full cost of insurance premiums for retirees and spouses age 60 and above for life. All other employees must pay the full insurance premium in order to continue their coverage after retirement. Monthly premiums as of June 30, 2018 are as follows:

	<u>Pre-65</u>	<u>Post-65</u>
Single	\$ 913.37	\$ 639.34
Employee plus one	\$ 1,754.06	\$ 1,278.73

The District Board determines the benefits to be provided and contribution requirements. The District currently funds these benefits on a pay-as-you-go basis and has not established a separate trust fund. Sixty-two retirees were receiving benefits as of June 30, 2018. Plan membership is as follows:

Retirees and Beneficiaries currently receiving benefits	62
Active Plan Members	<u>150</u>
Total	<u>212</u>

GREATER PEORIA MASS TRANSIT DISTRICT

NOTES TO FINANCIAL STATEMENTS
June 30, 2018 and 2017

NOTE 6 – OTHER POST-EMPLOYMENT BENEFITS (cont.)

The District’s OPEB liability was measured as of June 30, 2018. The total OPEB liability used to calculate the net pension OPEB was determined by an actuarial valuation as of that date. The District’s annual other postemployment benefit (OPEB) cost (expense) is calculated in accordance with the parameters of GASB Statement No. 75.

The total OPEB liabilities are an unfunded obligation. The employer does not have a trust dedicated exclusively to the payment of OPEB benefits. During fiscal 2018 the District provided \$951,454 in benefits on a pay-as-you-go basis (contributions and benefit payments).

STATEMENT OF TOTAL OPEB LIABILITY

	2018	2017
Active Employees		
Active Employees Fully Eligible	\$ 8,757,564	\$ 8,188,296
Active Employees Not Yet Fully Eligible	16,181,707	13,887,581
Total Active Employees	24,939,271	22,075,877
Inactive Employees		
Retired Employees	17,488,123	17,750,067
Disabled Employees	-	-
Total Inactive	17,488,123	17,750,067
Total OPEB Liability	\$ 42,427,394	\$ 39,825,944

The Total OPEB Liability shown is dependent on several factors such as plan provisions and actuarial assumptions used in the report. In addition, the calculation of the Total OPEB Liability may be dependent on the OPEB Plan Net Position shown in the prior section. Changes in the OPEB Plan Net Position due to any factor including adjustment on final audit could change the Total OPEB Liability. The dependence of the Total OPEB Liability on the net position is due to the role of the net position (and projected net position) on the determination of the discount rate used for the Total OPEB Liability.

The Total OPEB Liability has been determined for GASB 75 reporting purposes only. The resulting Total OPEB Liability is intended to be used in the financial statement reporting of the postretirement plan. The resulting liability is not intended to be a representation of the postretirement plan liability for other purposes, including but not limited to determination of cash funding requirements and recommendations, if applicable.

This is implementation year of GASB 75. The Total OPEB Liability for the prior fiscal year has been developed based on the current actuarial valuation date, data, assumptions, and eligibility and coverage provisions shown in this report. It has been provided for purposes of an opening balance for the implementation of GASB 75.

GREATER PEORIA MASS TRANSIT DISTRICT

NOTES TO FINANCIAL STATEMENTS
June 30, 2018 and 2017

NOTE 6 – OTHER POST-EMPLOYMENT BENEFITS (cont.)

STATEMENT OF CHANGES IN TOTAL OPEB LIABILITY

	2018
Changes in Total OPEB Liability	
Service Cost	\$ 2,030,051
Interest	1,522,853
Changes of Benefit Terms	-
Differences Between Expected and Actual Experience	-
Changes in Assumptions	-
Benefit Payments	(951,454)
Net Change in Total OPEB Liability	2,601,450
Total OPEB Liability - Beginning	39,825,944
Total OPEB Liability - Ending (a)	\$ 42,427,394
 OPEB Plan Net Position - Ending (b)	 \$ -
Employer Net OPEB Liability - Ending (a) - (b)	\$ 42,427,394
 OPEB Plan Net Position as a Percentage of the Total OPEB Liability	 0%
Covered-Employee Payroll	\$ 8,941,699
Employer's Net OPEB Liability as a Percentage of Employee Payroll	474.49%

The employer's Total OPEB Liability is the excess of the Total OPEB Liability over the OPEB Plan Net Position. Because this is implementation year of GASB 75, there are no changes in Total OPEB Liability related to changes in benefits terms, assumptions, or actuarial experience.

Total OPEB liability may be dependent on the net position of the postretirement plan. Changes in the net position could change the determination of the total OPEB liability. Any changes in net position, including adjustments on final audit, can have an impact on total OPEB liability that extends beyond the dollar-for-dollar change in net position.

Covered employee payroll is based on total covered payroll for the postretirement plan members during the fiscal year.

GREATER PEORIA MASS TRANSIT DISTRICT

NOTES TO FINANCIAL STATEMENTS
June 30, 2018 and 2017

NOTE 6 – OTHER POST-EMPLOYMENT BENEFITS (cont.)

STATEMENT OF CHANGES IN TOTAL OPEB LIABILITY

The table below illustrates the change in the total OPEB liability from the prior measurement date to the current measurement date. Under Statement 75, the difference between the total OPEB liability from the prior measurement date to the current measurement date should be recognized as an expense, unless permitted to be recognized as a deferred outflow or inflow of resources.

	Increases (Decreases)		
	Total OPEB Liability (A)	OPEB Plan Net Position (B)	Total OPEB Liability (A) - (B)
Balances Beginning at July 1, 2017	\$ 39,825,944	\$ -	\$ 39,825,944
Changes for the year			
Service Cost	2,030,051	-	2,030,051
Interest	1,522,853	-	1,522,853
Actuarial Experience	-	-	-
Assumptions Changes	-	-	-
Plan Changes	-	-	-
Contributions - Employer	-	951,454	(951,454)
Contributions - Employees	-	-	-
Contributions - Other	-	-	-
Net Investment Income	-	-	-
Benefit Payments From Trust	(951,454)	(951,454)	-
Administrative Expense	-	-	-
Net Changes	<u>2,601,450</u>	<u>-</u>	<u>2,601,450</u>
Balances Beginning at June 30, 2018	<u>\$ 42,427,394</u>	<u>\$ -</u>	<u>\$ 42,427,394</u>

The changes in Total OPEB Liability above are described on the prior page. The OPEB Plan Net Position was detailed in the prior section of this report. The employer's Total OPEB Liability is the excess of the Total OPEB Liability over the OPEB Plan Net Position.

GREATER PEORIA MASS TRANSIT DISTRICT

NOTES TO FINANCIAL STATEMENTS
June 30, 2018 and 2017

NOTE 6 – OTHER POST-EMPLOYMENT BENEFITS (cont.)

DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES

The table below shows the cumulative amounts to be shown as deferred outflows and inflows of resources. Changes in total OPEB liability related to the difference in actual and expected experience, or changes in assumptions regarding future events, are recognized in OPEB expense over the expected remaining service life of all employees (active and retired) in the postretirement plan. Differences in projected and actual earnings over the measurement period are recognized over a 5-year period. Amounts not yet recognized are summarized below:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ -	\$ -
Changes of Assumptions	-	-
Net Difference Between Projected and Actual	-	-
Earnings on Postretirement Plan Investments	-	-
Contributions Subsequent to the Measurement Date*	-	-
Total	\$ -	\$ -

* Contributions subsequent to the measurement date may be recognized as a reduction to the total OPEB liability. The amount is not known as of the date of this report. Subsequent to the measurement date, the following amounts will be recognized in OPEB expense in the upcoming years:

Year ended June 30:		
2019	\$	-
2020		-
2021		-
2022		-
2023		-
Thereafter		-

Because this is the implementation year of GASB 75, the beginning Total OPEB Liability is based on the same assumptions, data and plan provisions as the ending Total OPEB Liability. Therefore, there are no differences between actual and expected experience or related to assumption changes that are being deferred in the current year.

GREATER PEORIA MASS TRANSIT DISTRICT

NOTES TO FINANCIAL STATEMENTS
June 30, 2018 and 2017

NOTE 6 – OTHER POST-EMPLOYMENT BENEFITS (cont.)

OPEB EXPENSE DEVELOPMENT

The table below displays the OPEB expense development for the current year. The OPEB expense includes items that change the total OPEB liability from one year to the next, netted out for amounts that are deferred under GASB pronouncement, plus any amounts that are being recognized that were deferred previously.

See below for development of the OPEB expense:

	<u>2018</u>
OPEB Expense/(Income) Under GASB 75	
Service Cost	\$ 2,030,051
Interest	1,522,853
Plan Changes	-
Contributions - Employee	-
Contributions - Other	-
Expected Investment Income	-
Administrative Expense	-
Other Changes	-
Initial OPEB Expense/(Income)	<u>3,552,904</u>
Recognition of Outflow/(Inflow) of Resources due to Liabilities	-
Recognition of Outflow/(Inflow) of Resources due to Assets	-
Total OPEB Expense/(Income)	<u>\$ 3,552,904</u>

GREATER PEORIA MASS TRANSIT DISTRICT

NOTES TO FINANCIAL STATEMENTS
June 30, 2018 and 2017

NOTE 6 – OTHER POST-EMPLOYMENT BENEFITS (cont.)

STATEMENT OF SIGNIFICANT ACTUARIAL ASSUMPTION

Assumptions (Economic)

Discount Rate used for the Total OPEB Liability	3.87%
Long-Term Expected Rate of Return on Plan Assets	N/A
High Quality 20 Year Tax-Exempt G.O. Bond Rate	3.87%
Total Payroll Increases	2.5%
Claims and Premium	Refer to Claims Table
Healthcare Trend Rates	Refer to Table
Retiree Contribution Rates	Same as Healthcare Trend Rates

Claims Table See accompanying table for the PPO Plan data:

PPO				
Age	Retiree		Spouse	
	Male	Female	Male	Female
50	\$ 8,514	\$ 10,187	\$ 14,654	\$ 14,814
55	\$ 10,807	\$ 11,614	\$ 14,632	\$ 14,066
60	\$ 13,525	\$ 13,976	\$ 15,521	\$ 14,844
64	\$ 16,005	\$ 16,723	\$ 16,782	\$ 17,124
65	\$ 6,742	\$ 7,045	\$ 7,070	\$ 7,213
70	\$ 8,059	\$ 8,421	\$ 8,451	\$ 8,623
75	\$ 8,751	\$ 9,144	\$ 9,003	\$ 9,363
80	\$ 9,381	\$ 9,802	\$ 9,632	\$ 10,037
85	\$ 9,810	\$ 10,251	\$ 10,062	\$ 10,496
89+	\$ 10,008	\$ 10,457	\$ 10,260	\$ 10,708

Health Care Trend Rates (FY = Fiscal Year)

Period	Pre-65 Medical	Post-65 Medical	Dental	Vision
FY17 to FY18	4.50%	4.50%	4.00%	0.00%
FY18 to FY19	6.50%	6.50%	4.00%	0.00%
FY19 to FY20	6.50%	6.50%	4.00%	0.00%
FY20 to FY21	6.00%	6.00%	4.00%	0.00%
FY21 to FY22	6.00%	6.00%	4.00%	0.00%
FY22 to FY23	5.50%	5.50%	4.00%	0.00%
FY23 to FY24	5.50%	5.50%	4.00%	0.00%
FY24 to FY25	5.00%	5.00%	4.00%	0.00%
Ultimate	5.00%	5.00%	4.00%	0.00%

GREATER PEORIA MASS TRANSIT DISTRICT

NOTES TO FINANCIAL STATEMENTS June 30, 2018 and 2017

NOTE 6 – OTHER POST-EMPLOYMENT BENEFITS (cont.)

STATEMENT OF SIGNIFICANT ACTUARIAL ASSUMPTION (cont.)

Assumptions (Demographic)

Election at Retirement If an employee has waived active medical coverage they are still assumed to participate in the retiree medical plan. Coverage election at retirement is assumed at the following rates:

IMRF 100%

Spousal Election 50% of employees are assumed to elect spousal coverage. Female spouses are assumed to be 3 years younger than male spouses.

Spousal Election Of the employees that will elect coverage at retirement, as noted above, it is assumed they will elect coverage in the available insurance plans at the following rates:

	<u>IMRF</u>
PPO	100%
Dental	100%
Vision	100%

Retiree Lapse Rates 0% of retirees receiving District medical coverage are expected to lapse all coverages at age 65.

Assumption Changes Because this is the implementation year of GASB 74/75, the beginning Total OPEB Liability is based on the same assumptions, data and plan provisions as the ending Total OPEB Liability. For the purpose of developing changes in OPEB Liability for GABS 74/75 reporting, there have been no changes in assumptions from the prior year.

DEVELOPMENT OF STARTING CLAIMS COSTS

Starting costs for the District's Plan were developed based on the blended premiums charged for coverage. The insurance carrier charges actives and retirees the same premium rates. According to GASB, when an employer provides benefits to both active employees and retirees through the same plan, the benefits to retirees should be segregated and measured independently for actuarial measurement purposes. The projection of future retiree benefits should be based on claims costs, or age-adjusted premiums approximating claims costs, for retirees. As such, premiums were estimated for under-65 retirees and their spouses as if they were rated on a stand-alone basis. The results were then disaggregated into age-specific starting costs based on average ages and assumptions on the relationship between costs and increasing age.

DISCOUNT RATE

The discount rate used in the determination of the total OPEB liability is based on a combination of the expected long-term rate of return on plan investments and the municipal bond rate. If the employer does not have a trust dedicated exclusively to the payment of OPEB benefits, as is the case with Greater Peoria Mass Transit District, then only the municipal bond rate is used in determining the total OPEB liability.

GREATER PEORIA MASS TRANSIT DISTRICT

NOTES TO FINANCIAL STATEMENTS
June 30, 2018 and 2017

NOTE 6 – OTHER POST-EMPLOYMENT BENEFITS (cont.)

STATEMENT OF SIGNIFICANT ACTUARIAL ASSUMPTION (cont.)

SENSITIVITY OF THE DISCOUNT RATE

The total OPEB liability has been determined using the discount rate listed in the assumption section. Below is a table illustrating the sensitivity of the total OPEB liability to the discount rate assumption.

	1% Decrease (2.87%)	Current Discount Rate (3.87%)	1% Increase (4.87%)
Employer Total OPEB Liability	\$50,468,094	\$42,427,394	\$36,090,363

The sensitivity of the total OPEB liability to the discount rate is based primarily on two factors:

1. The duration of the plan's expected benefit payments. Younger plans with benefit payments further in the future will be more sensitive to changes in the discount rate.
2. The funded percentage of the plan (ratio of the net position to the total OPEB liability). The higher the funded percentage, the higher the sensitivity to the discount rate.

SENSITIVITY OF THE HEALTHCARE TREND RATES

Below is a table illustrating the sensitivity of the total OPEB liability to the healthcare trend rate assumption.

	1% Decrease (Varies)	Healthcare Cost Trend Rates (Varies)	1% Increase (Varies)
Employer Total OPEB Liability	\$35,294,018	\$42,427,394	\$51,944,800

GREATER PEORIA MASS TRANSIT DISTRICT

NOTES TO FINANCIAL STATEMENTS

June 30, 2018 and 2017

NOTE 6 – OTHER POST-EMPLOYMENT BENEFITS (cont.)

For fiscal year 2017, the Total OPEB Liability was calculated under GASB 45 guidance. The following disclosures are specific to the prior year information.

ANNUAL OPEB COSTS AND TOTAL OPEB OBLIGATION

The District's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution (ARC) of the District, an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an on-going basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years. The following table shows the components of the District's OPEB cost for the year, the amount actually contributed to the plan, and changes in the District's total OPEB obligation.

The total OPEB obligation (NOPEBO) as of June 30, 2017 was calculated as follows:

	2017
Normal Cost	\$ 1,716,164
Amortization of unfunded actuarial liability	1,251,729
Total annual required contribution	2,967,893
Annual required contribution	2,967,893
Interest on Net OPEB Obligation	840,137
Total OPEB Obligation amortization adjustment	(533,271)
Annual OPEB Cost	3,274,759
Contributions made (estimated explicit and implicit)	(866,075)
Increase (Decrease) in Net OPEB Obligation	2,408,684
Total OPEB Obligation – Beginning of Year	18,669,706
Total OPEB Obligation – End of Year	\$ 21,078,390

The District's annual OPEB cost, percentage of annual OPEB cost contributed, and the total OPEB obligation was as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Total OPEB Obligation
June 30, 2017	\$ 3,274,759	26.45%	\$ 21,078,390
June 30, 2016	\$ 3,177,614	32.06%	\$ 18,669,706
June 30, 2015	\$ 3,093,381	39.49%	\$ 16,510,933

GREATER PEORIA MASS TRANSIT DISTRICT

NOTES TO FINANCIAL STATEMENTS
June 30, 2018 and 2017

NOTE 6 – OTHER POST-EMPLOYMENT BENEFITS (cont.)

FUNDED STATUS AND FUNDING PROGRESS

The funded status of the plan as of June 30, 2014 (latest actuarial valuation), was as follows:

Actuarial accrued liability (AAL)	\$ 34,361,814
Actuarial value of plan assets	<u>-</u>
Unfunded Actuarial Accrued Liability (UAAL)	<u>\$ 34,361,814</u>
Funded ratio (actuarial value of plan assets/AAL)	0%
Covered payroll (active plan members)	\$ 8,496,674
UAAL as a percentage of covered payroll	404.4%

Actuarial valuations of an on-going plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, present multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

ACTUARIAL METHODS AND ASSUMPTION

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the June 30, 2014 actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions included a 3.0% per year inflation rate, a 4.50% discount rate and initial annual healthcare cost trend rates of 8.00%. The medical rate is reduced by 0.5% each year to arrive at an ultimate medical healthcare trend rate of 5.00%. The UAAL is being amortized as a level percent of payroll over 30 years. The amortization period is open.

GREATER PEORIA MASS TRANSIT DISTRICT

NOTES TO FINANCIAL STATEMENTS

June 30, 2018 and 2017

NOTE 7 – RISK MANAGEMENT

The District participates in the Illinois Public Transit Risk Management Association (Risk Management Association) which is a public entity risk pool. The Risk Management Association was established by certain public transit districts pursuant to Article VII, Section 10 of the Illinois Constitution, the Local Mass Transit District Act, 70 ILCS 3610/5, the Intergovernmental Cooperation Act, 5 ILCS 220/6, and the Local Governmental and Governmental Employees Tort Immunity Act, 745 ILCS 10/9-103, and 745 ILCS 10/9-107, as amended.

The Risk Management Association seeks the prevention and lessening of losses to Transit District properties and injuries to persons or properties which might result in claims being made against its participants. It is the intent of the Risk Management Association to administer a joint risk management pool and utilize such funds contributed by the participants to avert, defend, and protect, any participant of the Risk Management Association against stated liability and loss.

Specifically risk coverage provided by the Risk Management Association for its members includes auto liability, general liability, law enforcement liability, sexual abuse liability, property/inland marine/crime, excess liability and public official's liability. The Risk Management Association will jointly self-insure certain risks within an agreed scope and may purchase catastrophe, excess/reinsurance, or aggregate stop loss insurance. Settled claims have not exceeded this coverage in any of the past three fiscal years. There were no reductions in coverage in the last year.

During the initial three years of the Risk Management Association's existence, each participant has agreed to fully fund the participant's Maximum Loss Fund allocation so as to fully fund the Risk Management Association's Maximum Loss Fund for each year.

Supplemental payments to fund losses from participants may be required from time to time when the contributions for any fiscal year are insufficient to fund payments within the Maximum Loss Fund for that year. Premium payments are accounted for as current year expenses in the financial statements of the District.

The District has from time to time elected to self-insure workers' compensation liabilities rather than purchasing commercial insurance. During fiscal 2002, the District returned to a self-insured plan for workers' compensation claims. The District has purchased specific excess insurance which provides coverage when claims exceed \$350,000 individually. Claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated.

At June 30, 2018 and 2017, the estimated amount of these claims liabilities was \$471,134 and \$336,676, respectively. Changes in the reported liability resulted from the following:

<u>Year Ended June 30</u>	<u>Liability at Beginning of Year</u>	<u>Claims and Changes in Estimates</u>	<u>Claim Payments</u>	<u>Liability End of Year</u>
2017	\$ 586,344	\$ 66,405	\$ (316,073)	\$ 336,676
2018	\$ 336,676	\$ 492,909	\$ (358,451)	\$ 471,134

GREATER PEORIA MASS TRANSIT DISTRICT

NOTES TO FINANCIAL STATEMENTS June 30, 2018 and 2017

NOTE 7 – RISK MANAGEMENT (cont.)

As of July 1, 2004, the District began self-insurance for a portion of its employee's health insurance. Currently, the District has purchased specific excess insurance, which provides coverage when claims exceed \$85,000 individually. Effective July 1, 2017, the District discontinued the coverage for the aggregate for claims paid over an annual liability period. Claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated.

At June 30, 2018 and 2017, the estimated amount of these claims liabilities was \$74,851 and \$89,399, respectively. Changes in the reported liability resulted from the following:

<u>Year Ended June 30</u>	<u>Liability at Beginning of Year</u>	<u>Claims and Changes in Estimates</u>	<u>Claim Payments</u>	<u>Liability End of Year</u>
2017	\$ 127,712	\$ 2,283,141	\$ (2,323,454)	\$ 87,399
2018	\$ 87,399	\$ 2,353,506	\$ (2,366,054)	\$ 74,851

The District continues to carry commercial insurance for risks in excess of amounts self-insured and for all other risks of loss. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

NOTE 8 – CONTINGENCIES

The District is involved in certain legal proceedings and disputes considered by management to be ordinary and incidental or which have no foundation in fact. Management believes that valid defenses exist as to all such litigation and disputes and is of the opinion that these will not have a material effect on the District's financial statements.

The District also receives monies from federal and state government agencies under grants and contracts. The costs charged to these grants and contracts are subject to audit and disallowance by the granting agency. Any disallowances or adjustments that would have a material effect on the District's financial statements are not known at this time

Certain items claimed under state operating assistance grants that the State of Illinois had not made a final determination whether the costs will be reimbursed under the grants. This stayed the same as of June 30, 2018.

GREATER PEORIA MASS TRANSIT DISTRICT

NOTES TO FINANCIAL STATEMENTS
June 30, 2018 and 2017

NOTE 9 – COMMITMENTS

The District entered into a contract for management services with FIRST TRANSIT, INC. with an effective date of August 1, 2015. There are five optional years at the end of the contract. Annual payments under this contract are as follows:

<u>Fiscal Year Ending July 31,</u>	<u>Amount</u>
2017	\$ 485,724
2018	502,728
2019	520,320
2020	<u>538,536</u>
Total	<u>\$ 2,047,308</u>

Optional Years Management Personnel Fee

<u>Fiscal Year Ending July 31,</u>	<u>Amount</u>
2021	\$ 557,376
2022	576,888
2023	597,084
2024	617,976
2025	<u>639,600</u>
Total	<u>\$ 2,988,924</u>

The District entered into a contract for paratransit services with MV Transportation with an effective date of December 1, 2014. There are two optional years at the end of the contract. The contract calls for monthly payments based on vehicle service hours plus a monthly fixed rate. Rates can be renegotiated for changes in vehicle service hours. Estimated payments based on estimated vehicle service hours under this contract are as follows:

<u>Contract Period</u>	<u>Amount</u>
12/1/15- 11/30/16	\$ 2,463,939
12/1/16- 11/30/17	2,539,310
12/1/17- 11/30/18	2,618,350
12/1/18- 11/30/19	2,709,394
12/1/19- 11/30/20 (A)	2,767,820
12/1/20- 11/30/21 (A)	<u>2,867,873</u>
Total	<u>\$ 15,966,686</u>

(A) Optional years

GREATER PEORIA MASS TRANSIT DISTRICT

NOTES TO FINANCIAL STATEMENTS

June 30, 2018 and 2017

NOTE 10 – CUMULATIVE EFFECT OF A CHANGE IN ACCOUNTING PRINCIPLE

The District adopted GASB Statement No. 75 effective July 1, 2017. The cumulative effect of implementation is reflected as a change in net position at June 30, 2017 as follows.

Other post-employment benefits July 1, 2017 – Under GASB 45	\$ 21,078,390
Other post-employment benefits July 1, 2017 – Under GASB 75	<u>39,882,870</u>
Cumulative Effect of a Change in Accounting Principle	<u>\$ (18,804,480)</u>

Additional information required for retroactive implementation was not provided by the OPEB plan.

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REQUIRED SUPPLEMENTARY INFORMATION

GREATER PEORIA MASS TRANSIT DISTRICT

DEFINED BENEFIT PENSION PLAN – REQUIRED SUPPLEMENTARY INFORMATION UNAUDITED

Schedule of Changes in the Net Pension Liability and Related Ratios Most Recent Calendar Year

Calendar Year December 31,	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
A. Total pension Liability				
1. Service Cost	\$ 941,383	\$ 1,019,925	\$ 942,403	\$ 989,369
2. Interest on the Total Pension Liability	3,128,294	3,061,747	2,877,192	2,732,162
3. Changes for benefit terms	-	-	-	-
4. Difference between expected and actual experience of the Total Pension Liability	565,484	(1,019,079)	695,296	(896,198)
5. Changes in assumptions	(1,272,257)	(152,776)	50,657	1,279,002
6. Benefit payments, including refunds of employee contributions	<u>(2,228,536)</u>	<u>(2,065,849)</u>	<u>(2,098,565)</u>	<u>(2,087,798)</u>
7. Net change in total pension liability	1,134,368	843,968	2,466,983	2,016,537
8. Total pension liability - beginning	42,354,169	41,510,201	39,043,218	37,026,681
9. Total pension liability - ending	<u>\$ 43,488,537</u>	<u>\$ 42,354,169</u>	<u>\$ 41,510,201</u>	<u>\$ 39,043,218</u>
B. Plan fiduciary net position				
1. Contributions - employer	\$ 1,017,690	\$ 1,053,729	\$ 1,133,521	\$ 1,140,253
2. Contributions - employee	402,721	390,592	401,219	383,779
3. Net investment income	6,447,877	2,386,559	169,538	2,002,165
4. Benefit payments, including refunds of employee contributions	(2,228,536)	(2,065,849)	(2,098,565)	(2,087,798)
5. Other (Net Transfer)	<u>(479,505)</u>	<u>73,131</u>	<u>699,139</u>	<u>(353,113)</u>
6. Net change in plan fiduciary net position	5,160,247	1,838,162	304,852	1,085,286
7. Plan fiduciary net position - beginning	<u>36,332,557</u>	<u>34,494,395</u>	<u>34,189,543</u>	<u>33,104,257</u>
8. Plan fiduciary net position - ending	<u>\$ 41,492,804</u>	<u>\$ 36,332,557</u>	<u>\$ 34,494,395</u>	<u>\$ 34,189,543</u>
C. Net pension liability/(asset)	\$ 1,995,733	\$ 6,021,612	\$ 7,015,806	\$ 4,853,675
D. Plan fiduciary net position as a percentage of the total pension liability	95.41%	85.78%	83.10%	87.57%
E. Covered Valuation payroll	\$ 8,942,807	\$ 8,679,802	\$ 8,909,465	\$ 8,496,674
F. Net position liability as a percentage of covered valuation payroll	22.32%	69.37%	78.75%	57.12%

Notes to Schedule: This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

See accompanying independent auditors' report.

GREATER PEORIA MASS TRANSIT DISTRICT

DEFINED BENEFIT PENSION PLAN – REQUIRED SUPPLEMENTARY INFORMATION UNAUDITED

Schedule of Employer Contributions

Most Recent Fiscal Years

<u>Fiscal Year Ending June 30,</u>	<u>Actuarially Determined Contribution</u>	<u>Actual Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Valuation Payroll</u>	<u>Actual Contribution as a % of Covered Valuation Payroll</u>
2018	\$ 1,017,691	\$ 1,017,690	\$ -	\$ 8,942,807	11.38%
2017	1,063,507	1,063,507	-	9,042,159	11.76%
2016	1,080,534	1,080,534	-	8,983,498	12.03%
2015	1,166,393	1,166,393	-	8,718,035	13.38%

See accompanying independent auditors' report

GREATER PEORIA MASS TRANSIT DISTRICT

NOTES TO SCHEDULE

Summary of Actuarial Methods and Assumptions Used in the Calculations of the 2017 Contribution Rate*

Valuation Date:

Notes

Actuarial determined contribution rates are calculated as of December 31 each year, which are 12 months prior to the beginning of the fiscal year in which contributions are reported.

Methods and Assumptions Used to Determine 2017 Contribution Rate:

Actuarial Cost Method	Aggregate entry age = normal
Amortization Method	Level percentage of payroll, closed
Remaining Amortization Period:	Non-Taxing bodies: 10-year rolling period. Taxing bodies (Regular, SLEP and ECO groups): 26-year closed Early Retirement Incentive Plan liabilities: a period up to 10 years selected by the Employer group upon adoption of ERI. SLEP supplemental liabilities attributable to Public Act 94-712 were financed over 21 years for most employers (two employers were financed over 30 years)
Asset Valuation Method	5-Year Smoothed Market; 20% corridor
Wage Growth	3.50%
Price Inflation	2.75% - approximate; No explicit price inflation assumption is used in this valuation.
Salary Increases	3.75% to 14.50% including inflation
Investment Rate of Return	7.50%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2014 valuation pursuant to an experience study of the period 2011-2013.
Mortality Rates	For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP2014 (base year 2012). The IMRF specific rates were developed from the RP-2017 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality table applying the same adjustment that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

Other Information:

Notes

There were no benefit changes during the year.

* Based on Valuation Assumptions used in the December 31, 2015 actuarial valuation

See accompanying independent auditors' report.

GREATER PEORIA MASS TRANSIT DISTRICT

OTHER POST-EMPLOYMENT BENEFIT PLAN – REQUIRED SUPPLEMENTARY INFORMATION UNAUDITED

SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Total OPEB Liability										
Service Cost	\$ 2,030,051	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest	1,522,853	-	-	-	-	-	-	-	-	-
Changes of Benefit Terms	-	-	-	-	-	-	-	-	-	-
Differences Between Expected and Actual Experience	-	-	-	-	-	-	-	-	-	-
Changes in Assumptions	-	-	-	-	-	-	-	-	-	-
Benefit Payments	(951,454)	-	-	-	-	-	-	-	-	-
Net Change in Total OPEB Liability	2,601,450	-	-	-	-	-	-	-	-	-
Total OPEB Liability - Beginning	39,825,944	-	-	-	-	-	-	-	-	-
Total OPEB Liability - Ending (a)	\$ 42,427,394	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
OPEB Plan Net Position										
Contributions - Employer	\$ 951,454	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions - Member	-	-	-	-	-	-	-	-	-	-
Contributions - Other	-	-	-	-	-	-	-	-	-	-
Net Investment Income	-	-	-	-	-	-	-	-	-	-
Benefit Payments	(951,454)	-	-	-	-	-	-	-	-	-
Administrative Expense	-	-	-	-	-	-	-	-	-	-
Net Change in OPEB Plan Net Position	-	-	-	-	-	-	-	-	-	-
OPEB Plan Net Position - Beginning	-	-	-	-	-	-	-	-	-	-
OPEB Plan Net Position - Ending (b)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employer Total OPEB Liability - Ending (a) - (b)	\$ 42,427,394	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

The current year information was developed in the completion of this report.

See accompanying independent auditors' report.

GREATER PEORIA MASS TRANSIT DISTRICT

OTHER POST-EMPLOYMENT BENEFIT PLAN – REQUIRED SUPPLEMENTARY INFORMATION
UNAUDITED

SCHEDULE OF TOTAL OPEB LIABILITY AND RELATED RATIO

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Total OPEB Liability - Ending (a)	\$ 42,427,394	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
OPEB Plan Net Position - Ending (b)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employer Net OPEB Liability - Ending (a) - (b)	\$ 42,427,394	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
OPEB Plan Net Position as a Percentage of the Total OPEB Liability	0%									
Covered-Employee Payroll	\$ 8,941,699									
Employer's Net OPEB Liability as a Percentage of Covered-Employee Payroll	474.49%									

Covered employee payroll shown for the current year is the total covered payroll for the fiscal for all plan members.

See accompanying independent auditors' report.

GREATER PEORIA MASS TRANSIT DISTRICT

OTHER POST-EMPLOYMENT BENEFIT PLAN – REQUIRED SUPPLEMENTARY INFORMATION
UNAUDITED

SCHEDULE OF CONTRIBUTIONS

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Contractual Contributions	\$ 951,454									
Contributions in Relation to the Contractual Contributions	951,454									
Contribution Deficiency (excess)	-									
Covered-Employee Payroll	\$ 8,941,699									
Contributions as a Percentage of Covered-Employee Payroll	10.6%									

NOTES TO SCHEDULE OF CONTRIBUTIONS

There is no ADC or employer contribution in relation to the ADC, as the total OPEB liabilities are currently an unfunded obligation. However, the District did make explicit contributions from other District resources in the current year in the amount of \$774,870 and implicit contributions from other District resources in the current year in the amount of \$176,584.

See accompanying independent auditors' report.

GREATER PEORIA MASS TRANSIT DISTRICT

OTHER POST-EMPLOYMENT BENEFIT PLAN – REQUIRED SUPPLEMENTARY INFORMATION UNAUDITED

Schedule of Funding Progress:

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a % of Covered Schedule Payroll [(b- a)/(c)]
06/30/08	\$ -	\$ 19,772,948	\$ (19,772,948)	0.00%	\$ 6,761,539	292.0%
06/30/12	-	31,451,713	(31,562,713)	0.00%	7,244,354	435.7%
06/30/15	-	34,361,814	(34,361,814)	0.00%	8,909,465	385.7%

The District implemented GASB Statement No. 45 for the fiscal year ended June 30, 2008. Information for prior years is not available. Each actuarial evaluation can be used for up to three fiscal years. The current actuary report was completed for 06/30/2015.

Schedule of Employer Contributions

Year Ended,	Employer Contributions	Annual Required Contributions (ARC)	Percentage Contributed
6/30/2017	\$ 866,075	\$ 3,274,759	26.45%
6/30/2016	1,018,841	3,177,614	32.1%
6/30/2015	740,492	3,093,381	23.9%
6/30/2014	902,102	3,853,260	23.4%
6/30/2013	597,585	3,713,063	16.1%

Note: These schedules are required RSI for GASB 45 for year ended June 30, 2017.

See accompanying independent auditors' report.

SUPPLEMENTAL INFORMATION

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REPORT ON FEDERAL AWARDS

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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

INDEPENDENT AUDITORS' REPORT

To the Board of Trustees
Greater Peoria Mass Transit District
Peoria, 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 Greater Peoria Mass Transit District (District), Illinois as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated October 23, 2018.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District'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 District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or 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 District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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 results 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.

Baker Tilly Virchow Krause, LLP

Madison, Wisconsin
October 23, 2018

REPORT ON COMPLIANCE FOR THE MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL
CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

INDEPENDENT AUDITORS' REPORT

To the Board of Trustees
Greater Peoria Mass Transit District
Peoria, Illinois

Report on Compliance for the Major Federal Program

We have audited the Greater Peoria Mass Transit District (District)'s compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the District's major federal program for the year ended June 30, 2018. The District's major federal program is identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for the District's major federal program 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 District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on the Major Federal Program

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

Report on Internal Control Over Compliance

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

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

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

Purpose of this Report

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

Baker Tilly Virchow Krause, LLP

Madison, Wisconsin
October 23, 2018

GREATER PEORIA MASS TRANSIT DISTRICT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2018

Federal Agency/Pass-Through Agency/Program or Cluster Title	Federal CFDA Number	Local Agency Contract Number	Federal Expenditures
U.S. Department of Transportation			
Direct Program:			
Bus and Bus Facilities Formula Grants	20.526	IL-2016-003-00	\$ 1,416,524
Federal Transit Formula Grants	20.507	IL-2016-026-00	277,556
Federal Transit Formula Grants	20.507	IL-2017-026-00	1,504,542
Bus and Bus Facilities Formula Grants	20.526	IL-2017-027-00	318,500
Federal Transit Formula Grants	20.507	IL-90-X696-00	119,841
Federal Transit Formula Grants	20.507	IL-90-X734-00	4,080
Federal Transit Formula Grants	20.507	IL-90-X736-00	<u>173,335</u>
 Total Federal Transit Cluster			 3,814,378
Passed Through:			
Tri-County Regional Planning Commission			
JARC	20.516	IL-37-X069-00	9,809
JARC	20.516	IL-37-X088-00	55,376
New Freedom Program	20.521	IL-57-X029-00	<u>30,317</u>
 Total Transit Services Programs Cluster			 <u>95,502</u>
 TOTAL EXPENDITURES OF FEDERAL AWARDS			 <u><u>\$ 3,909,880</u></u>

See accompanying notes to schedule of expenditures of federal awards.

GREATER PEORIA MASS TRANSIT DISTRICT

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS For the Year Ended June 30, 2018

NOTE 1 – REPORTING ENTITY

This report on Federal Awards includes the federal awards of the Greater Peoria Mass Transit District. The reporting entity for the Greater Peoria Mass Transit District is based upon criteria established by the Governmental Accounting Standards Board.

NOTE 2 – BASIS OF ACCOUNTING

The accompanying schedule of expenditures of federal awards (the “schedule”) includes the federal grant activity of Greater Peoria Mass Transit District under programs of the federal government for the year ended June 30, 2018. The information in this schedule is presented in accordance with the 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 district, it is not intended to and does not present the financial position, changes in net position or cash flows of the District.

NOTE 3 – DESCRIPTION OF MAJOR PROGRAM

There was one major program for the year ended June 30, 2018, the Federal Transit Cluster. This grant was awarded by the Federal Transit Administration – U.S. Department of Transportation to the Greater Peoria Mass Transit District for the purpose of financing capital projects and supporting public transportation services in urbanized areas.

NOTE 4 – RECONCILIATION TO THE FINANCIAL STATEMENTS

The Federal aid is included in the statement of revenues, expenses and changes in net position as follows:

Maintenance assistance	\$	1,273,555
Feasibility operating assistance		519,781
Intergovernmental Passed through Tri-County RPC		95,502
Capital contributions		<u>2,021,042</u>
Total	\$	<u>3,909,880</u>

NOTE 5 – INDIRECT COST RATE

The Greater Peoria Mass Transit District has not elected to use the 10% de minimis indirect cost rate.

GREATER PEORIA MASS TRANSIT DISTRICT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS For the Year Ended June 30, 2018

SECTION I – SUMMARY OF AUDITORS’ RESULTS

FINANCIAL STATEMENTS

Type of auditors’ report issued: unmodified

Internal control over financial reporting:

- > Material weakness(es) identified? yes X no
- > Significant deficiency(ies) identified? yes X none reported

Noncompliance material to financial statements noted? yes X no

FEDERAL AWARDS

Internal control over major program:

- > Material weakness(es) identified? yes X no
- > Significant deficiency(ies) identified that are not considered to be material weakness(es)? yes X none reported

Type of auditor’s report issued on compliance for major program: unmodified

Any audit findings disclosed that are required to be reported in accordance with section 516(a) of the Uniform Guidance? yes X no

Auditee qualified as low-risk auditee? X yes no

Identification of major federal program:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
20.507, 20.526	Federal Transit Cluster

Dollar threshold used to distinguish between type A and type B programs: \$750,000

GREATER PEORIA MASS TRANSIT DISTRICT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2018

SECTION II – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None

SECTION III – SUMMARY OF PRIOR AUDIT FINDINGS

None

ILLINOIS DEPARTMENT OF TRANSPORTATION

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REPORT ON COMPLIANCE WITH LAWS
AND REGULATIONS APPLICABLE TO THE FINANCIAL ASSISTANCE
RECEIVED FROM THE ILLINOIS DEPARTMENT OF TRANSPORTATION

Independent Auditors' Report

To the Board of Trustees
Greater Peoria Mass Transit District
Peoria, Illinois

Report on Compliance

We have audited the compliance of Greater Peoria Mass Transit District with the applicable provisions of the Downstate Public Transportation Act (as amended) 30 ILCS 740/2, the Civil Administrative Code of Illinois, 20 ILCS 2705/49.19, and the rules and regulations of the Illinois Department of Transportation that are applicable to the financial assistance for the year ended June 30, 2018. Greater Peoria Mass Transit District's state financial assistance is identified in the Schedule of Revenue and Expense Under Downstate Operating Assistance Grant OP-18-02-IL. We also tested the calculation of the State's participation in the District's operating deficit and that State assistance claimed and paid are recorded and reported in accordance with the contract with the State of Illinois.

Management's Responsibility

Management is responsible for compliance with the laws and regulations applicable to the financial assistance received from the Illinois Department of Transportation.

Auditor's Responsibility

Our responsibility is to express an opinion on Greater Peoria Mass Transit District's compliance 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 provisions of the "Downstate Operating Assistance Grant Program Agreement" with the Department of Transportation, State of Illinois. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of financial assistance occurred. An audit includes examining, on a test basis, evidence about Greater Peoria Mass Transit District's compliance with those requirements and performing such other procedures as we consider necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion on compliance with laws and regulations applicable to the financial assistance received from the Illinois Department of Transportation. Our audit does not provide a legal determination of Greater Peoria Mass Transit District's compliance with those requirements.

Opinion on Compliance

In our opinion, the Greater Peoria Mass Transit District complied, in all material respects, with the requirements referred to above that are applicable to state financial assistance received for the year ended June 30, 2018.

Purpose of this Report

This report is intended solely for the information and use of the Greater Peoria Mass Transit District's Board of Trustees, management, and the Illinois Department of Transportation and is not intended to be and should not be used by anyone other than these specified parties.

Baker Tilly Virchow Krause, LLP

Madison, Wisconsin
October 23, 2018

GREATER PEORIA MASS TRANSIT DISTRICT

SCHEDULE OF REVENUE AND EXPENSE UNDER
DOWNSTATE OPERATING ASSISTANCE GRANT OP-18-02-IL
For the Year Ended June 30, 2018

OPERATING REVENUES AND INCOME

401	Passenger fares for transit services	\$ 1,621,219
402	Special transit fares	286,373
406	Auxiliary revenue	241,072
407	Non-transportation revenue	208,146
413.99	Sec. 5307 capital funds applied to state eligible operating expenses	1,793,336
440	Subsidy from other sectors of operations	<u>517,567</u>
	Total Operating Revenues	<u>\$ 4,667,713</u>

OPERATING EXPENSES

501	Labor	\$ 8,195,945
502	Fringe benefits	9,605,141
503	Professional services	1,498,293
504	Materials and supplies consumed	2,555,493
505	Utilities	200,748
506	Casualty and liability	506,948
507	Taxes	6,128
508	Net purchased transportation	4,154,682
509	Miscellaneous expense (includes \$0 capitalized items <\$5,000)	353,102
512	Leases, rentals, and purchase-lease payments	<u>38,757</u>
	Total Operating Expenses	27,115,237

Ineligible Expenses

APTA and IPTA dues	4,468
Other - bad debt expense	-
Other- expenses reimbursed with JAC, New Freedom Grant	95,502
Other - expenses reimbursed with Peoria County Intergovernmental Agreement	<u>818,805</u>

Less: Total ineligible expenses 918,775

Total Eligible Operating Expenses 26,196,462

Total Operating Revenue and Income 4,667,713

Deficit \$ 21,528,750

65% of Eligible Expenses \$ 17,027,700

Maximum Contract Amount \$ 31,141,200

Eligible FY18 Downstate Operating Assistance (Deficit, 65% of eligible expenses, or maximum contract amount, whichever is less) \$ 17,027,700

FY18 Downstate Operating Assistance Received (prior to close of fiscal year) \$ 16,711,420

FY18 Downstate Operating Assistance Receivable (at close of fiscal year and subsequently received) \$ -

FY17 Downstate Operating Assistance (Over) Under Paid \$ 316,280

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GREATER PEORIA MASS TRANSIT DISTRICT

Statistical Section

The Statistical Section Includes

FINANCIAL TRENDS:

These tables contain trend information to assist the reader in understanding how GPMTD's financial performance and financial condition have changed over time:

- Table 1- Condensed Statement of Net Position, Past 10 Years
- Table 2- Change in Net Position, 10 Year Comparison
- Table 3- Detailed Report of Revenues and Expenses, 10 Year Comparison
- Table 4- Change in Revenues and Expenses, 10 Year Comparison
- Table 5- Funding Sources (Operating and Capital)

DEMOGRAPHIC AND ECONOMIC INFORMATION:

These tables offer demographic and economic indicators to assist the reader in understanding the environment within which GPMTD's financial activities take place:

- Table 6- Operating Revenues & Operating Expenses
- Table 7- Property Tax Levies Collected
- Table 8- Principle Property Tax Payers
- Table 9- Population Trends
- Table 10- Principle Employers

OPERATING INFORMATION:

These tables contain information to assist the reader in understanding GPMTD's operations:

- Table 11- Budgetary Comparison
- Table 12- Ridership Report
- Table 13- Employee by Major Function as of June 30
- Table 14- Condensed Statement of Capital Assets
- Table 15- Change in Capital Assets, 10 Year Comparison

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GREATER PEORIA MASS TRANSIT DISTRICT
TABLE 1
CONDENSED STATEMENT OF NET POSITION
10 YEARS ENDED JUNE 30

A historical summary of GPMTDs statement of net position is presented below:

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Current Assets	\$ 15,525,633	\$ 15,460,670	\$ 16,433,220	\$ 20,759,720	\$ 24,399,515	\$ 31,742,091	\$ 35,315,831	\$ 40,318,585	\$ 37,667,887	\$ 42,424,326
Capital Assets	9,237,611	10,363,269	16,882,755	16,900,573	22,017,045	20,064,176	18,896,721	17,111,018	19,207,257	18,690,807
Total Assets	24,763,244	25,823,939	33,315,975	37,660,293	46,416,560	51,806,267	54,212,552	57,429,603	56,875,144	61,115,133
Deferred Outflows of Resources	-	-	-	-	-	-	1,222,576	4,087,858	3,327,189	1,589,583
Current Liabilities	2,091,617	2,547,201	2,189,887	3,496,857	4,134,438	8,856,318	10,376,011	12,755,535	6,937,491	8,200,087
Noncurrent Liabilities	1,914,336	3,657,019	5,386,174	8,572,453	11,687,931	14,639,089	21,364,608	25,685,512	27,100,002	44,423,097
Total Liabilities	4,005,953	6,204,220	7,576,061	12,069,310	15,822,369	23,495,407	31,740,619	38,441,047	34,037,493	52,623,184
Deferred Inflows of Resources	-	-	-	-	-	-	-	555,678	1,336,289	3,837,136
Net Investment in Capital Assets	9,237,611	10,363,269	16,882,755	16,900,573	22,017,045	20,064,176	18,896,721	17,111,018	19,207,257	18,690,807
Restricted	1,816,010	1,615,599	1,375,668	1,205,018	860,369	471,885	232,643	38,844	515,089	1,016,321
Unrestricted	9,703,670	7,640,851	7,481,491	7,485,392	7,716,777	7,774,799	4,565,145	5,370,874	5,106,205	(13,462,732)
Total Net Position	\$ 20,757,291	\$ 19,619,719	\$ 25,739,914	\$ 25,590,983	\$ 30,594,191	\$ 28,310,860	\$ 23,694,509	\$ 22,520,736	\$ 24,828,551	\$ 6,244,396

GREATER PEORIA MASS TRANSIT DISTRICT
TABLE 2
CHANGE IN NET POSITION, 10 YEAR COMPARISON

Presented in table 2 is a 10 year comparison of GPMTD changes in net position.

	2008	2018	% CHANGE	\$ CHANGE	
Current Assets	\$ 12,167,352	\$ 42,424,326	249%	\$ 30,256,974	
Capital Assets	10,376,315	18,690,807	80%	8,314,492	
Deferred Outflows of Resources	-	1,589,583			
Total Assets and Deferred Outflows	22,543,667	62,704,716	178%	40,161,049	a)
Current Liabilities	2,176,113	8,200,087	277%	6,023,974	
Noncurrent Liabilities	-	44,423,097	100%	44,423,097	
Deferred Inflows of Resources	-	3,837,136			
Total Liabilities	2,176,113	56,460,320	2495%	54,284,207	b)
Net Investment in Capital Assets	10,376,315	18,690,807	80%	8,314,492	
Restricted	1,772,449	1,016,321	-43%	(756,128)	
Unrestricted	8,218,790	(13,462,732)	-264%	(21,681,522)	
Total Net Position	\$ 20,367,554	\$ 6,244,396	-69%	\$(14,123,158)	c)

NOTE:

a) GPMTD increase in Total assets is due to a significant increase in cash and cash equivalents. Capital assets has increased in part due to the purchase of new fleet in 2016, service vehicles in 2016, and reclassification due to a revised capitalization policy in 2010.

b) GPMTD increase in Total Liabilities is due to the increase of OPEB GASB 75 & 68 obligations.

c) Significant change in total Net position is due to the first year of OPEB GASB 75 first year implementation

GREATER PEORIA MASS TRANSIT DISTRICT
TABLE 3
DETAILED REPORT OF REVENUES AND EXPENSES
PAST 10 YEARS, FOR YEAR ENDING JUNE 30

A historical summary of GPMTDs Revenues and Expenses is provided in the following table:

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Passenger Fares	\$ 1,909,337	\$ 1,666,415	\$ 1,792,696	\$ 1,946,591	\$ 1,935,253	\$ 1,881,052	\$ 1,935,655	\$ 1,995,170	\$ 1,866,225	\$ 1,907,592
(East Peoria, Pekin)	571,866	355,438	391,792	423,981	407,544	439,827	1,003,575	1,042,511	1,230,942	1,341,214
Advertising	53,274	64,109	54,963	97,035	70,768	133,289	165,355	126,197	134,517	241,072
Other	77,888	64,231	65,689	193,630	164,059	155,059	90,632	81,721	79,080	97,396
Total Operating Revenues	2,612,365	2,150,193	2,305,140	2,661,237	2,577,624	2,609,227	3,195,217	3,245,599	3,310,764	3,587,274
Federal	2,059,909	2,055,538	893,244	1,954,049	1,794,986	1,543,328	1,345,815	1,603,427	1,826,485	1,888,838
State	12,605,711	12,712,884	14,231,100	15,025,374	15,509,601	16,314,231	16,691,025	16,183,484	16,596,667	17,027,700
State Assistance	-	(2,375,762)	1,085,388	(106,968)	236,361	-	-	-	-	-
Property and Replacement Taxes	3,683,372	3,812,157	4,027,330	4,204,106	4,413,092	4,649,380	4,865,793	5,037,610	5,350,856	5,552,955
Other	152,014	146,415	100,896	60,888	57,609	52,152	412,142	116,378	125,340	123,768
Total Non-Operating Revenue	18,501,006	16,351,232	20,337,958	21,137,449	22,011,649	22,559,091	23,314,775	22,940,899	23,899,348	24,593,261
Total Revenues	21,113,371	18,501,425	22,643,098	23,798,686	24,589,273	25,168,318	26,509,992	26,186,498	27,210,112	28,180,535
Salaries and Fringe Benefits	12,371,280	13,336,763	14,606,001	16,045,127	16,459,222	17,187,325	17,114,716	16,310,104	17,563,318	17,801,086
Professional Services	2,921,691	3,047,784	3,233,162	3,238,147	3,429,270	3,631,117	5,002,202	5,467,983	5,382,418	5,691,732
Materials and Supplies	3,395,173	3,112,858	3,190,496	3,520,983	3,558,847	3,562,111	3,318,962	2,680,486	2,286,106	2,555,493
Casualty and Liability	456,452	552,430	600,397	440,250	504,930	546,141	533,314	494,630	527,781	506,948
Other	407,125	336,423	386,095	286,083	367,210	454,676	324,822	501,247	544,726	559,978
Operating and Maintenance Expense	19,551,721	20,386,258	22,016,151	23,530,590	24,319,479	25,381,370	26,294,015	25,454,450	26,304,349	27,115,237
Depreciation Expense	1,273,285	1,225,834	1,391,884	2,024,121	2,285,792	2,436,845	2,285,026	2,391,281	2,493,158	2,866,015
Total Expenses	20,825,006	21,612,092	23,408,035	25,554,711	26,605,271	27,818,215	28,579,041	27,845,731	28,797,507	29,981,252
Capital Contribution	101,372	1,973,095	6,885,132	1,607,094	7,019,206	366,566	840,058	485,459	3,895,211	2,021,042
Changes in Net Position	389,737	(1,137,572)	6,120,195	(148,931)	5,003,208	(2,283,331)	(1,228,991)	(1,173,774)	2,307,816	220,325
Beginning Net Position	20,367,554	20,757,291	19,619,719	25,739,914	25,590,983	30,594,191	28,310,860	23,694,509	22,520,735	24,828,551
Change in Accounting Principle	-	-	-	-	-	-	(3,387,360)	-	-	(18,804,480)
Net Position End of Year	\$20,757,291	\$19,619,719	\$25,739,914	\$25,590,983	\$30,594,191	\$28,310,860	\$23,694,509	\$22,520,735	\$24,828,551	\$6,244,396

GREATER PEORIA MASS TRANSIT DISTRICT

TABLE 4

CHANGE IN REVENUES AND EXPENSES, 10 YEAR COMPARISON

Presented in the table below is a 10 year comparison of the changes in revenues and Expenses. The historical section of the letter of transmittal in the Introductory Section highlights several factors that contributed to the increase in revenues and expenses.

	<u>2008</u>	<u>2018</u>	<u>% CHANGE</u>	<u>\$ CHANGE</u>	
Passenger Fares	\$ 1,725,775	\$ 1,907,592	11%	\$ 181,817	
Contractual Revenues					
(East Peoria, Pekin)	496,310	1,341,214	170%	844,904	
Advertising	84,613	241,072	185%	156,459	
Other	83,278	97,396	17%	14,118	
Total Operating Revenues	<u>2,389,976</u>	<u>3,587,274</u>	<u>50%</u>	<u>1,197,298</u>	(a)
Federal	1,285,712	1,888,838	47%	603,126	
State	9,666,910	17,027,700	76%	7,360,790	(b)
Property and Replacement Taxes	3,566,890	5,552,955	56%	1,986,065	
Other	240,972	123,768	-49%	(117,204)	
Total Non-Operating Revenue	<u>14,760,484</u>	<u>24,593,261</u>	<u>67%</u>	<u>9,832,777</u>	
Total Revenues	<u>17,150,460</u>	<u>28,180,535</u>	<u>64%</u>	<u>11,030,075</u>	
Salaries and Fringe Benefits	9,492,148	17,801,086	88%	8,308,938	(c)
Professional Services	2,322,940	5,691,732	145%	3,368,792	
Materials and Supplies	3,390,946	2,555,493	-25%	(835,453)	
Casualty and Liability	834,465	506,948	-39%	(327,517)	
Other	247,238	559,978	126%	312,740	
Total Expenses	<u>\$ 16,287,737</u>	<u>\$ 27,115,237</u>	<u>66%</u>	<u>\$ 10,827,500</u>	

a) In 2016 a new fare pricing structure was implemented.

b) In 2008, Downstate Operating Assistance was 55%. Currently, Downstate Operating Assistance is 65%.

c) Other PostEmployment Benefits (OPEB) expense is higher than State Assistance.

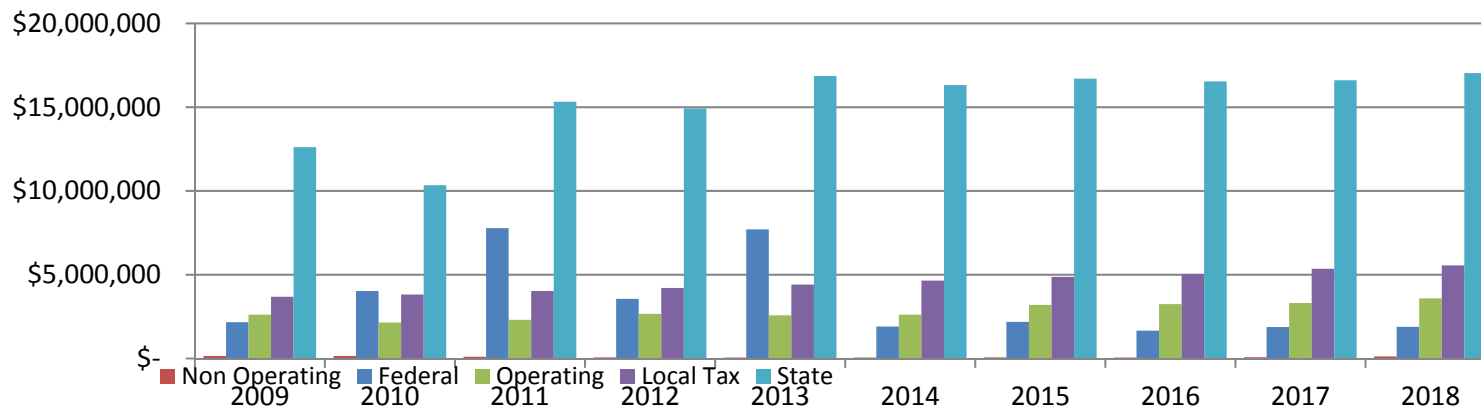
GREATER PEORIA MASS TRANSIT DISTRICT
TABLE 5
FUNDING SOURCES (OPERATING AND CAPITAL)
FOR THE YEAR ENDED JUNE 30

The table below shows trends in GPMTDs Funding Sources.

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Local Operating Revenues	\$ 2,612,365	\$ 2,150,193	\$ 2,305,140	\$ 2,661,237	\$ 2,577,624	\$ 2,609,227	\$ 3,195,217	\$ 3,245,599	\$ 3,310,764	\$ 3,587,274
Non Operating Revenues	152,014	146,415	100,896	60,888	57,609	52,152	65,761	56,902	72,536	123,768
Federal Revenue	2,161,281	* 4,028,633	* 7,778,376	3,561,143	* 7,705,674	1,909,894	2,185,873	2,148,362	5,774,500	3,909,880
Local Tax Revenue	3,683,372	3,812,157	4,027,330	4,204,106	4,413,092	4,649,380	4,865,793	5,037,610	5,350,856	5,552,955
State Operating Assistance	12,605,711	10,337,122	15,316,488	14,918,406	16,854,480	16,314,231	16,691,025	16,183,484	16,596,667	17,027,700
Total Funding Sources	\$ 21,214,743	\$ 20,474,520	\$ 29,528,230	\$ 25,405,780	\$ 31,608,479	\$ 25,534,884	\$ 27,003,669	\$ 26,671,957	\$ 31,105,323	\$ 30,201,577

*Includes American Recovery and Reinvestment Act (ARRA) Grants

GREATER PEORIA MASS TRANSIT DISTRICT
FUNDING SOURCES



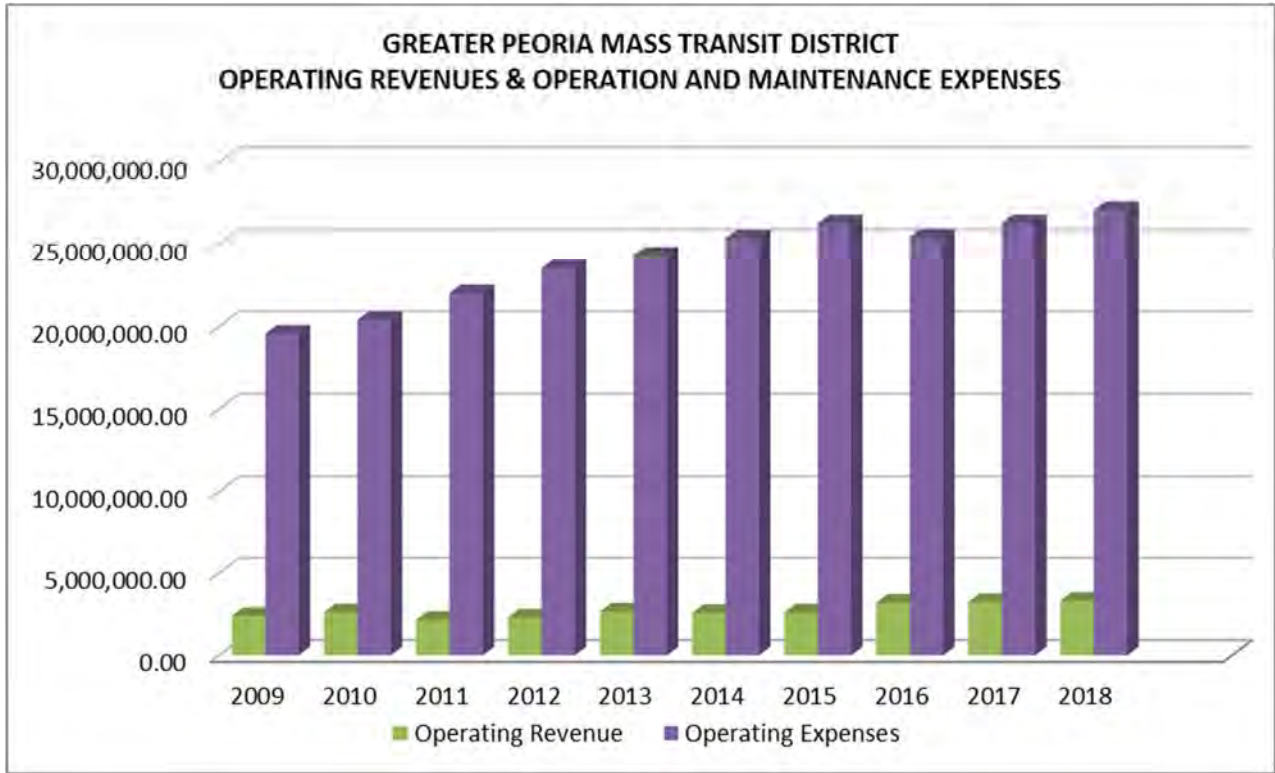
GREATER PEORIA MASS TRANSIT DISTRICT

TABLE 6

OPERATING REVENUES & OPERATING EXPENSES

10 YEARS ENDED JUNE 30

The table below shows a comparison of operating revenue to operating expenses.



Operating Revenues and Operating Expenses

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Operating Revenue	2,612,365	2,150,193	2,305,140	2,661,237	2,577,624
Operating Expenses	19,551,721	20,386,258	22,016,151	23,530,590	24,319,479
	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Operating Revenue	2,609,227	3,195,217	3,245,599	3,310,765	\$ 3,587,274
Operating Expenses	25,381,370	26,294,015	25,454,450	26,304,347	\$ 27,115,237

GREATER PEORIA MASS TRANSIT DISTRICT

TABLE 7

PROPERTY TAX LEVIES COLLECTED

10 YEARS ENDED JUNE 30

A summary of tax levies collected including the tax rate for the past 10 years is provided in the following table.

Calendar Year	Tax Levy	(a) (MIL rate)	Assessed Value	Total Collected	% Collected	Collected within 1st year
2018	\$ 5,441,782	9.40	\$ 2,250,956,435	\$ 5,119,184	94.07%	Yes
2017	\$ 5,182,650	9.40	\$ 2,296,439,713	\$ 4,892,134	94.39%	Yes
2016	\$ 4,935,857	8.80	\$ 2,219,202,955	\$ 4,610,115	93.40%	Yes
2015	\$ 4,700,816	8.85	\$ 2,170,902,458	\$ 4,431,931	94.28%	Yes
2014	\$ 4,476,968	9.13	\$ 2,077,424,101	\$ 4,297,499	95.99%	Yes
2013	\$ 4,263,779	8.32	\$ 2,102,244,198	\$ 4,240,431	99.45%	Yes
2012	\$ 4,060,742	8.37	\$ 2,132,351,602	\$ 4,016,777	98.92%	Yes
2011	\$ 3,867,373	10.05	\$ 2,152,420,767	\$ 3,821,514	98.81%	Yes
2010	\$ 3,683,212	12.35	\$ 2,121,134,678	\$ 3,638,091	98.77%	Yes
2009	\$ 3,507,821	12.39	\$ 2,082,621,114	\$ 3,478,661	99.17%	Yes

NOTE:

(a) GPMTD's maximum tax levy rate is 15 MIL

MIL rate = Total Funds Levied / Equalized Assessed Valuation

* 9.40 MIL rate means 9.40 cents levied per \$100 Assessment Valuation.

** GPMTD's IMRF (pension) fund, audit, worker compensation fund, social securities fund, and unemployment fund are not included in the total Funds levied against MIL calculation.

GREATER PEORIA MASS TRANSIT DISTRICT

TABLE 8

PRINCIPLE PROPERTY TAX PAYERS

A summary of the top ten tax payers for the current year and 9 years earlier is provided in the following table.

Taxpayer	2017			2008		
	Rank	Assessed Valuation	Percent Of Total Assessed	Rank	Assessed Valuation	Percent Of Total Assessed
Caterpillar Inc.	1	\$ 55,652,373	1.56%	1	\$ 49,163	1.59%
Pere Marquette Hotel LLC	2	\$ 15,200,930	0.43%			
MCRIL LLC	3	\$ 15,055,040	0.42%	2	\$ 16,008	0.52%
Edward Rose Development	4	\$ 13,742,980	0.39%			
OSF Healthcare System	5	\$ 10,370,154	0.29%			
Northwoods Development Company	6	\$ 9,250,660	0.26%	3	\$ 9,517	0.31%
PV Peoria LLC Stark Management LLC	7	\$ 7,888,620	0.22%			
Willow Knolls LTD	8	\$ 7,871,860	0.22%	4	\$ 7,768	0.25%
Illinois-American Water SSC	9	\$ 7,342,200	0.21%			
Wal-Mart Real Estate Business Trust	10	\$ 7,243,512	0.20%	5	\$ 7,744	0.25%
Gateway Taylor Inc.				6	\$ 7,117	0.23%
AmerenCILCO				7	\$ 5,352	0.17%
Lexington House Corporation				8	\$ 5,246	0.17%
Menard Inc				9	\$ 5,229	0.17%
Knoxville3 Pointe SPE-123				10	\$ 4,950	0.16%
		\$ 149,618,329	4.20%		\$ 118,154	3.82%
		\$ 3,414,446,392	95.80%		\$ 2,978,330	96.18%
		\$ 3,564,064,721	100.00%		\$ 3,096,484	100%

NOTES:

Assessed Valuation is determined in the year preceding the years paid.

SOURCES:

(a) Peoria County Supervisor of Assessments (2017). Year 2018 data is not available.

(b) Peoria County Comprehensive Annual Financial Report (CAFR)

GREATER PEORIA MASS TRANSIT DISTRICT

TABLE 9

POPULATION TRENDS

SERVICE AREA (PEORIA, PEORIA HEIGHTS, WEST PEORIA, EAST PEORIA AND PEKIN ILLINOIS)

The table below shows the historical total population, personal income, per capita personal income and the weighted average of the unemployment rate for the service area.

A historical summary of the population in the service area is provided in the following table:

CALENDAR YEAR (1)	POPULATION (2)	PERSONAL INCOME (4)	PER CAPITA (4) PERSONAL INCOME	UNEMPLOYEMENT RATE % (3)
2006	177,364	13,862,804	37,297	4.5%
2007	178,032	14,681,356	39,236	5.0%
2008	178,726	15,511,401	41,256	6.0%
2009	180,261	15,085,036	39,763	10.9%
2010	172,337	15,249,409	40,243	11.1%
2011	172,713	16,763,844	44,151	9.4%
2012	173,161	17,657,307	46,412	8.5%
2013	173,834	17,529,345	45,875	10.0%
2014	183,809	16,679,535	43,889	8.2%
2015	181,804	17,061,000	45,132	6.3%
2016	180,786	17,327,026	46,052	6.5%
2017	183,011	-	-	5.1%

SOURCES:

- US Census Bureau (www.census.gov)
- Bureau of Economic Analysis (www.bea.gov)
- Bureau of Labor Statistics (www.bls.gov)
- Illinois Department of Employment Security (www.ides.illinois.gov)
- City Data (www.city-data.com)

NOTES:

- (1) Information for 2018 has not yet been released.
- (2) Population totals for Peoria, Peoria Heights
West Peoria, East Peoria, and Pekin Illinois
- (3) Weighted average of Peoria, Peoria Heights,
West Peoria, East Peoria, and Pekin unemployment rate.
- (4) Per Capita Personal Income and Personal Income based on
Peoria Metropolitan Statistical Area and only available to 2016.

GREATER PEORIA MASS TRANSIT DISTRICT

TABLE 10

PRINCIPLE EMPLOYERS

REVENUE SERVICE AREA (PEORIA, PEORIA HEIGHTS, WEST PEORIA, EAST PEORIA AND PEKIN ILLINOIS)

The table below shows the top employers in the revenue service area ranked by number of employees.

EMPLOYER	2017		EMPLOYER	2008		% of Total Employment
	EMPLOYEES (1)	RANK		EMPLOYEES	RANK	
Caterpillar (2)	13,100	1	Caterpillar	17,388	1	9.09%
OSF Saint Francis Medical Center	6,000	2	OSF Saint Francis Medical Center	5,700	2	2.98%
UnityPoint Health	3,283	3	UnityPoint Health	2,500	4	1.31%
Peoria Public Schools District 150	1,500+	4	Peoria Public Schools District 150	3,000	3	1.57%
Affina, LLC	1,000 - 1,500	5	Affina, LLC	750	10	0.39%
Keystone Steel and Wire Co	1,300	6	Keystone Steel and Wire Co	900	8	0.47%
Advanced Technology Services	1,073	7	Advanced Technology Services	n/a	-	-
County of Peoria	886	8	County of Peoria	1,000	7	0.52%
SC2	500 - 1,500	9	SC2	n/a	-	-
CEFCU	834	10	CEFCU	n/a	-	-
City of Peoria	668	11	City of Peoria	830	-	0.43%
Komatsu Mining Systems	560	12	Komatsu Mining Systems	n/a	-	-
RLI	400	13	RLI	n/a	-	-
USDA	400	14	USDA	992	-	0.52%

SOURCES:

- (1) Economic Development Council of Illinois (2017).
- (2) Caterpillar figure reflects tri-county employment.
- (3) 2008 data from 2008 CAFR

GREATER PEORIA MASS TRANSIT DISTRICT

TABLE 11

BUDGETARY COMPARISON SCHEDULE

YEAR ENDED JUNE 30, 2018

A comparative analysis of District's actual results compared to approved budget is presented below

	2018 APPROVED/ FINAL BUDGET	2018 ACTUAL	VARIANCE
OPERATING REVENUES			
Passenger Fares	\$ 1,785,000	\$ 1,621,219	\$ (163,781)
Special Transit Services	280,000	286,373	6,373
East Peoria and Pekin Mass Transit Districts	485,000	1,341,214	856,214
Advertising	200,000	241,072	41,072
Other	88,000	97,396	9,396
Total Operating Revenues	<u>2,838,000</u>	<u>3,587,274</u>	<u>749,274</u>
Operating Expenses			
Salaries and Fringe Benefits	18,792,885	17,801,086	991,799
Purchased Services	1,498,292	1,537,050	38,758
Fuel and Lubricants	1,238,161	1,240,554	2,393
Materials and Supplies	1,101,520	1,211,866	110,346
Utilities	200,748	200,748	(0)
Casualty and Liability Costs	506,948	506,948	0
Tires and Tubes	90,327	103,073	12,746
Travel Expenses	66,701	102,920	36,219
Dues and Subscriptions	49,545	49,545	(0)
Purchased Transportation	3,486,895	4,154,682	667,787
Other	300,300	206,765	(93,535)
Total Operation and Maintenance Expenses	<u>27,332,324</u>	<u>27,115,237</u>	<u>1,766,510</u>
Operating Loss Before Depreciation	<u>(24,494,324)</u>	<u>23,527,963</u>	<u>(1,017,236)</u>
DEPRECIATION	<u>2,866,015</u>	<u>2,866,015</u>	<u>0</u>
Loss From Operations	<u>(27,360,339)</u>	<u>(26,393,978)</u>	<u>(1,017,237)</u>
NONOPERATING REVENUES (EXPENSES)			
Sales Commissions	14,000	11,445	(2,555)
Grants			
State of Illinois			
Downstate Public Transportation Assistance Program			
Operating Assistance	18,779,095	17,027,700	(1,751,395)
Feasibility Operating Assistance	-	-	-
Federal Transit Administration			
Planning Assistance	-	-	-
Maintenance Assistance	1,321,112	1,273,556	(47,556)
Operating Assistance	560,420	615,282	54,862
Feasibility Operating Assistance	-	-	-
Investment Income	445,646	48,041	(252,259)
Property and Replacement Taxes	5,302,451	5,552,955	250,504
Gain (Loss) on potentially uncollectable grants	-	-	-
Gain on disposal of capital assets	20,000	64,282	44,282
Total Non-Operating Revenues	<u>26,442,724</u>	<u>24,593,261</u>	<u>(1,704,117)</u>
Net Income Before Contributions	<u>(917,615)</u>	<u>(1,800,717)</u>	<u>(883,102)</u>
Capital Contributions	0	2,021,042	2,021,042
Change in Net Position	<u>(917,615)</u>	<u>220,326</u>	<u>1,137,941</u>
Net Position- Beginning of Year		24,828,551	
Net Position Change for GASB 68 Pension Liability	0	(18,804,480)	(18,804,480)
Net Position- End of Year		6,244,396	

GREATER PEORIA MASS TRANSIT DISTRICT

TABLE 12
2008-2018
RIDERSHIP REPORT

FARE COLLECTION	2008	2018	
Adults (7-64)	\$1.00	\$1.00	1)
Seniors (64+)	\$1.00	*\$0.50	2)
Children (7 and Under)	**Free	**Free	3)
Paratransit Services (Door-to-Door)	\$2.00	\$2.00	
Students/Persons with Disabilities (with ID)	\$0.50	\$0.50	
Veterans (with ID)	N/A	\$0.50	
Urbanized Area Transportation	N/A	\$6.00	
Day Pass (Unlimited rides in one day)	N/A	\$3.00	
30 Day Pass (Unlimited rides in thirty days)	N/A	\$40.00	

**When accompanied by a paying adult

NOTE: Public hearing is required if District's planning to increase the fare price.

1) Cash fare

2) Each ride, all day

3) Children 54 inches and shorter

RIDERSHIP FY2018

Adult	1,028,583	
Child	218,988	
Senior	-	
Student	164,905	
Day Pass	555,070	
30 Day Pass	663,412	
Total Regular Route		2,630,958
Paratransit Services	140,915	
GRAND TOTAL (Fixed Route and Paratransit)		2,771,873

FY2018	Actual Vehicle Miles	Actual Vehicle Hours	Actual Peak Vehicles
Regular Route	2,303,587	154,080	44
Special Routes	3,344	187	2
Paratransit Services	1,025,085	83,341	31
Total	3,332,016	237,608	77






GREATER PEORIA MASS TRANSIT DISTRICT

TABLE 13

EMPLOYEE BY MAJOR FUNCTION AS OF JUNE 30

The table below documents the number of employees by major function from 2008 to 2018.

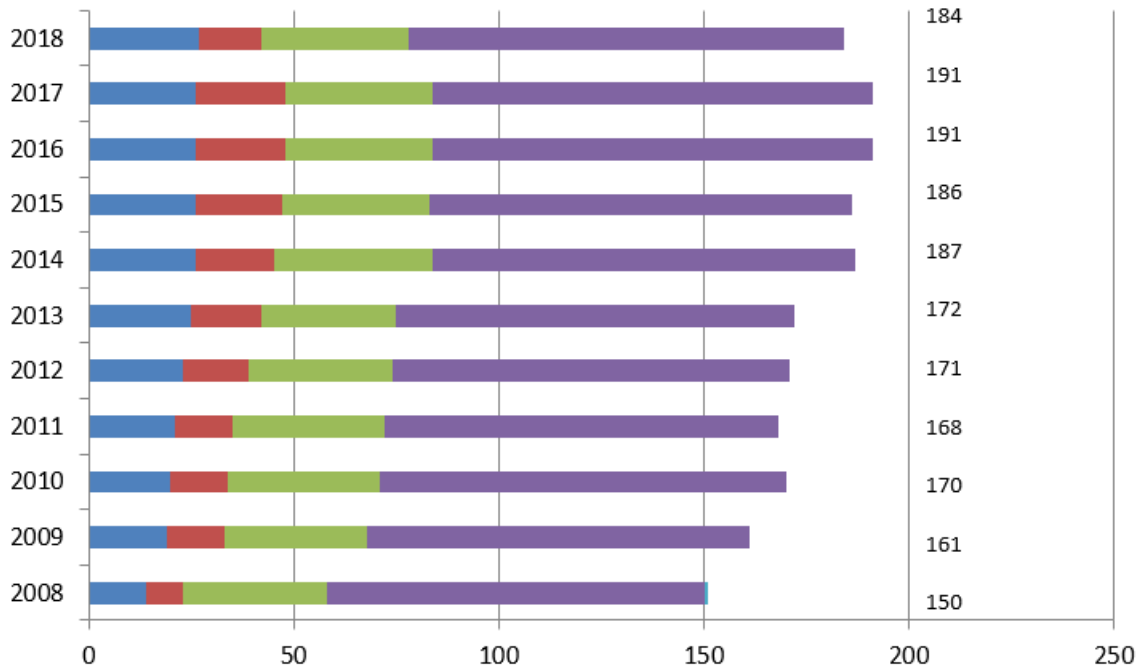
YEAR	ADMINISTRATION	POLICE OFFICERS	MAINTENANCE	OPERATIONS	TOTAL
2008	14	9	35	92	150
2009	19	14	35	93	161
2010	20	14	37	99	170
2011	21	14	37	96	168
2012	23	16	35	97	171
2013	25	17	33	97	172
2014	26	19	39	103	187 *
2015	26	21	36	103	186
2016	26	22	36	107	191
2017	26	22	36	107	191
2018	27	15	36	106	184

10 Year Change	 13	 6	 1	 14	 34
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* Sunday Service Added 06/08/2014

** Part-Time Employees

**GREATER PEORIA MASS TRANSIT DISTRICT
EMPLOYEE COUNT AS OF JUNE 30**



GREATER PEORIA MASS TRANSIT DISTRICT
TABLE 14
CONDENSED STATEMENT OF CAPITAL ASSETS
10 YEARS ENDED JUNE 30

A historical summary of GPMTDs capital assets is presented below:

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Land	\$ 1,795,000	\$ 1,821,577	\$ 1,854,492	\$ 1,855,709	\$ 1,855,709	\$ 1,855,709	\$ 1,855,709	\$ 1,855,709	\$ 1,861,749	\$ 1,855,709
Building	11,997,170	11,997,170	11,997,170	11,997,171	11,786,576	11,786,576	11,786,576	11,786,576	11,786,576	11,801,165
Building and Improvements	334,968	334,968	334,968	353,321	177,347	188,548	682,494	1,116,191	1,669,232	1,873,532
Revenue Vehicles	13,133,482	14,808,232	20,282,582	18,419,368	23,496,719	23,639,287	23,956,532	23,956,532	25,467,358	22,849,157
Service Vehicles	451,890	426,540	426,540	426,540	438,195	631,165	631,165	672,585	609,396	682,765
Shop & Garage Equipment	569,330	569,330	569,330	630,331	422,280	430,506	498,014	504,171	807,441	807,441
Furniture & Office	686,910	686,910	686,910	672,344	360,117	365,407	377,994	448,734	264,817	264,817
Communication Equipment	635,478	635,478	685,840	535,783	482,455	482,455	635,810	682,335	1,030,713	1,073,303
Miscellaneous	620,230	620,230	620,230	633,731	566,095	566,095	880,096	880,096	1,204,549	1,207,171
	<u>30,224,458</u>	<u>31,900,435</u>	<u>37,458,062</u>	<u>35,524,298</u>	<u>39,585,493</u>	<u>39,945,748</u>	<u>41,304,390</u>	<u>41,902,929</u>	<u>\$ 44,701,832</u>	<u>\$ 42,415,060</u>
Less Accumulated Depreciation	<u>20,986,847</u>	<u>21,537,166</u>	<u>20,575,307</u>	<u>18,623,725</u>	<u>17,568,448</u>	<u>19,881,572</u>	<u>22,407,669</u>	<u>24,791,911</u>	<u>25,494,575</u>	<u>23,724,253</u>
Total Net Capital Assets	<u>\$ 9,237,611</u>	<u>\$ 10,363,269</u>	<u>\$ 16,882,755</u>	<u>\$ 16,900,573</u>	<u>\$ 22,017,045</u>	<u>\$ 20,064,176</u>	<u>\$ 18,896,721</u>	<u>\$ 17,111,018</u>	<u>\$ 19,207,257</u>	<u>\$ 18,690,807</u>

GREATER PEORIA MASS TRANSIT DISTRICT

TABLE 15

CHANGE IN CAPITAL ASSETS, 10 YEAR COMPARISON

Presented in the table below is a 10 year comparison of GPMTD's capital assets.

	2008	2018	% CHANGE	\$ CHANGE	
Land	\$ 1,795,000	\$ 1,855,709	3%	\$ 60,709	
Building	11,997,171	11,801,164	-2%	\$ (196,007)	
Building and Improvements	334,967	1,873,532	459%	\$ 1,538,565	1)
Revenue Vehicles	16,096,020	22,849,157	42%	\$ 6,753,137	2)
Service Vehicles	471,068	682,765	45%	\$ 211,697	
Shop & Garage Equipment	599,740	807,441	35%	\$ 207,701	3)
Furniture & Office	785,211	264,817	-66%	\$ (520,394)	
Communication Equipment	647,185	1,073,303	66%	\$ 426,118	4)
Miscellaneous	620,230	1,207,171	95%	\$ 586,941	5)
	33,346,593	\$ 42,415,060	27%	\$ 9,068,468	
Less Accumulated Depreciation	22,970,278	23,724,253	3%	\$ 753,975	
Total Net Capital Assets	\$ 10,376,315	\$ 18,690,807	80%	\$ 8,314,493	

NOTE:

- 1) Perimeter and Security Fence @ Administration Building. Shelter purchase and installations.
- 2) 4 Hybrid buses purchased in 2017 & Paratransit vehicles purchased in 2018.
- 3) 2 electric bus lifts purchased. Upgrade fuel island.
- 4) Video Surveillance system and radio system was purchased and installed
- 5) In 2010, GPMTD's Capitalization Policy was amended with adjustments of non depreciable items