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**Illinois Department of Transportation**

**State Fiscal Year 2015**

**Section 5311 Rural/Downstate Operating Assistance**

***COMBINED APPLICATION***

**Submitted By**

**Champaign County**  
**1776 E Washington Street**  
**Urbana, IL 61802**

**PLEASE NOTE**

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**THE FY2015 APPLICATION HAS BEEN REVISED**

**DO NOT USE THE FY2014 OR ANY PRIOR YEAR  
APPLICATION**

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Exhibit A	Standard Form 424 (Electronic versions – see separate file)
Exhibit B	Proposed FY2015 Budget (Electronic versions – see separate file)
Exhibit C	Standard Certifications and Assurances (Electronic versions – see separate file)
Exhibit D	Sample Board Resolution
Exhibit E	Special Section 5333(B) Warranty For Application To The Small Urban And Rural Program
Exhibit F	IDOT Chart of Accounts for the Section 5311 Program Account Revenue & Expense Definitions
Exhibit G	Applicant’s Certification of Intent
Exhibit H	Sample Ordinance
Exhibit I	Non-Vehicle Capital Asset Inventory (Electronic versions – see separate file)
Exhibit J	Vehicle Asset Inventory (Electronic versions – see separate file)
Exhibit K	Year End NTD Operating Data Report for FY2015 (This is a form for future use and is due 08/01/2015)
Exhibit L	FFATA Certification
Exhibit M	FY2015 Local Match Survey (Electronic versions – see separate file. This is form for future use and is due on 08/01/2015)
Exhibit N	FY2015 5311 Pay Request. This form is for future use and cannot be processed until the grantee’s contract has been both fully executed by the Department and obligated by the State Comptroller.

## I. Introduction

The United States Department of Transportation, Federal Transit Administration provides federal financial assistance funds for public transportation in nonurbanized areas (Section 5311 Non-Metro Public Transportation Program -- formerly Section 18). The Federal Transit Administration (FTA), on behalf of the Secretary of Transportation, apportions the funds appropriated annually to the Governor of each state for public transportation projects in nonurbanized areas. The statutory formula is based solely on the nonurbanized population of the states. Each state prepares an annual program of projects, which must provide for fair and equitable distribution of funds within the states, including Indian reservations, and must provide for maximum feasible coordination with transportation services assisted by other Federal sources. Article III of the Downstate Public Transportation Act (30 ILCS 740/2-1 et seq., formerly Ill. Rev. Stat. ch. 111 2/3, Section. 661 et seq.) authorizes the Illinois Department of Transportation to receive and expend Section 5311 funds allotted to Illinois.

The goals of the nonurbanized formula program are: to enhance the access of people in nonurbanized areas to health care, shopping, education, employment, public services and recreation; to assist in the maintenance, development, improvement, and use of public transportation systems in rural and small urban areas; to encourage and facilitate the most efficient use of all Federal funds used to provide passenger transportation in nonurbanized areas through the coordination of programs and services; to assist in the development and support of intercity bus transportation; and to provide for the participation of private transportation providers in nonurbanized general public transportation to the maximum extent feasible.

Prospective applicants are advised that the Department has published administrative regulations for the Illinois Section 5311 program under Part 601 of the Illinois Department of Transportation Rules and Regulations entitled "Regulations for Public Transportation Assistance to New Programs in Nonurbanized Areas." These regulations, which prescribe procedures and requirements to be followed by applicants for Section 5311 funding, should be carefully reviewed prior to an applicant's submission of a Section 5311 Application. In order to be considered for funding, prospective grantees must submit a fully completed application (Sections I – VIII and Section X for Rural General Public Operating Assistance and Sections IX for Intercity Bus Assistance).

To assist applicants ensure that applications packages are complete, an "Application Checklist" in this section has been provided. **Applicants must complete and submit this completed checklist in their application package.**

**Please submit one original completed application to your area's contact person:**

<b>ILLINOIS DEPARTMENT OF TRANSPORTATION</b>	<b>ILLINOIS DEPARTMENT OF TRANSPORTATION</b>
Division of Public & Intermodal Transportation	Division of Public & Intermodal Transportation
Ms. Melanie Turner, Program Manager	Ms. Karen Strell, Section Chief
2300 S. Dirksen Parkway, Room 311	100 W. Randolph Street, Suite 6-600
Springfield, IL 62764	Chicago, IL 60601

## Section 5311 Non-Metro Operating Assistance Grant Application Checklist

*(Must be completed and submitted with Application.)*

1.  Non-Metro Operating Assistance Grant Application Checklist (This Document)
2.  Completed Copy of Standard Form 424 (Exhibit A)
3.  Operating Entity Certification (One for each operator)

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4. CC Executed Agreement to Terms and Conditions of Special Warranty (Exhibit E)
5.  Fully Completed Proposed FY2015 Budget (Exhibit B & OP-5)
6.  All Revenue Service Contracts/Procurements >\$10,000 Supporting Exhibit B & OP-5
7.  Applicant's Certificate of Intent (Exhibit G)
8. CC Executed Resolution of the Governing Board (Exhibit D)
9.  Executed County Ordinance to Operate a Public Transit Project (Exhibit H)
10. CC Executed Certifications and Assurances for Grantees (Exhibit C)
11. CC Executed Affirmation of Applicant's Attorney (Contained in Exhibit C)
12.  Fully completed Non-Vehicle Capital Asset Inventory (Exhibit I)
13.  Fully completed Vehicle Asset Inventory (Exhibit J)
14.  Maps of the service area (Attachment I)
15.  Copies of Material Documenting Private Sector Effort (Attachment II)
16.  Grantee/Operator Organization Charts (Attachment III)
17. NA Indirect Costs Rate Proposal (Attachment IV)
18.  Copy of Most Recent Audit & 5311 Annual Financial Report (Attachment V)
19.  Certified Copy of Public Notice of Public Hearing (Attachment VI)
20.  Copy of Minutes of Public Hearing (Attachment VII)
21.  FY2015 Downstate Operating Assistance Application (Attachment VIII)
22.  Proposed System Service Level by County (Table #1)

**DUE AUGUST 1, 2015**

23.  Local Match Assessment Survey for FY2015
24.  Copies of Service Contracts attached to Local Match Assessment Survey
25.  Fully completed NTD Operating Data Report for FY2015 (Exhibit K)

**Comments**

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I hereby certify that I have reviewed this application including all attachments and information, and have found it to be true and correct.

PCOM-Applicant

Tina-Marie Ansong  
PCOM, Name

07/01/2013  
Date

## **II. State and Regional Planning Requirements**

Illinois Executive Order #12372 requires a review of all Federal grants to ensure compliance with local and state planning processes. Therefore, using the standard federal Form 424 (Exhibit A), applicants must notify both the State and local (if applicable) review agencies of their intent to apply for a Section 5311 Rural General Public Transportation financial assistance grant. The purpose of this review is to identify any positive or negative facts that should be considered in the review of the grant application by the funding agency

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As a part of this application to the Illinois Department of Transportation, attach the completed SF 424 as **Exhibit A**. This is to be completed by the Grantee (applicant), not the operator.

### III. Description of the Project

#### A. Mode of Service

In the sections below, specify the service mode for each operator in the project. If you are unsure about what mode of service a particular operator provides, refer to the definitions at the end of this section. Service definitions are based on those provided in the Americans with Disabilities Act regulations (49 CFR part 37) and will determine the statutory service obligations of the grantee/operator.

##### Operator 1 (Check all that apply)

CRIS Rural Mass Transit District

- Fixed route
- Demand response
- Route deviation
- Commuter routes

##### Operator 2 (Check all that apply)

Champaign Urbana Mass Transit District

- Fixed route
- Demand response
- Route deviation
- Commuter routes

##### Operator 3 (Check all that apply)

- Fixed route
- Demand response
- Route deviation
- Commuter routes

##### Operator 4 (Check all that apply)

- Fixed route
- Demand response
- Route deviation
- Commuter routes

**Public Transportation Definitions:**

**Fixed route system** means a system of transporting individuals (other than by aircraft), including the provision of designated public transportation service by public entities and the provision of transportation service by private entities, including, but not limited to, specified public transportation service, on which a vehicle is operated along a prescribed route according to a fixed schedule.

**Demand responsive system** means any system of transporting individuals, including the provision of designated public transportation service by public entities and the provision of transportation service by private entities, including but not limited to specified public transportation service, which is not a fixed route system.

**Route deviation system** means a system of transporting individuals (other than by aircraft), including the provision of designated public transportation service by public entities and the provision of transportation service by private entities, including, but not limited to, specified public transportation service, on which a vehicle is operated along a prescribed route according to a fixed schedule where the system permits user-initiated deviations of vehicles from the prescribed routes.

**Commuter bus service** means fixed route bus service, characterized by service predominantly in one direction during peak periods, limited stops, use of multi-ride tickets, and routes of extended length, usually between the central business district and outlying suburbs. Commuter bus service may also include other service, characterized by a limited route structure, limited stops, and a coordinated relationship to another mode of transportation.

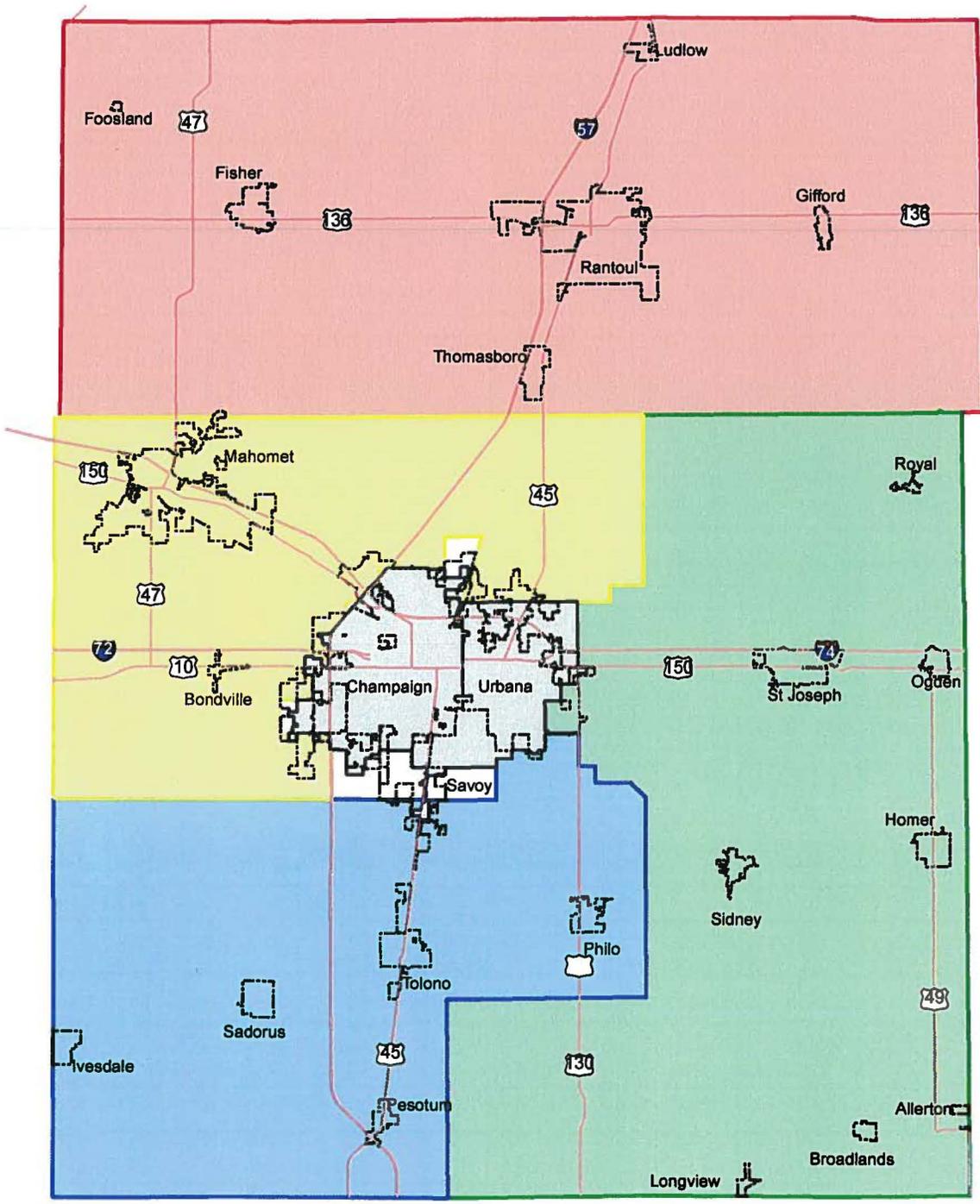
**B. System Service Area**

**1. Core Service Area**

In the space below, please identify the geographic area that is to be served by this Section 5311 grant. The core service area is defined as **the geographic area in which Section 5311 service is provided by this grant, as supported by the grantees Board Resolution and any Intergovernmental Agreements with other governmental entities.** The service area does not include areas served through incidental services such as charter services or extended commuter routes.

<u>County Served</u>	<u>Square Mileage</u>	<u>Population</u>
Champaign County	Rural – 957 square miles	67,020
	Urban – 39 square miles	133,475

If existing maps are available, that show the dimensions of the geographic service area, please attach to the application. If no existing maps are available, please draw a reasonable representation of the service area that clearly shows geographic limits of the service area. Please indicate on the map the street or road names where service is provided. The map does not need to be an exact or



**Legend**

- Highways
- Municipality
- MTD Service Boundary
- RZ1
- RZ2
- RZ3
- RZ4



Rural Demand-Response Zones

official representation; rather, it is mainly intended to convey the project service area. Include this information as Attachment I to the application.

**2. Services Provided Outside the Core Service Area**

Since the goal of Section 5311 is to enhance access of people living in nonurbanized areas to activities, Section 5311 projects may include transportation to and from urbanized areas or provide services to other destinations that extend beyond the core service. In this section, list the extended services operated outside the core service area. Examples of such routes would be regularly or periodic shopping trips to an urban center, services provided to regional medical facilities under a contract to a human service agency, or similar service.

In the table below, list or describe the services provided by the project that meet the criterion above for periodic or regularly scheduled services provided outside the core service area. **Note: Do not include charter services in this section. Services provided to destinations located outside Illinois should be addressed in Section III.B.3.**

<b>Extended Service Provided</b>	<b>Frequency</b>
NA	

**Note: Use additional pages if necessary.**

**3. Services Provided to Out-of-State Destinations**

The services provided by a Section 5311 project may include destinations across a state line. Operators of interstate service are required to register with the Federal Motor Carrier Safety Administration (FMCSA). Projects that provide service to out-of-state destinations on a regular, periodic, or even an infrequent basis must notify IDOT for additional guidance.

**Each project must complete this section of the application. You must check one of the following boxes:**

- This project operates regular or special transit service to out-of-state destinations on a regular, periodic, or infrequent basis.**
- This project never operates regular or special service to out-of-state destinations.**

**C. Proposed Service Levels**

**1. Passenger Trips**

In this section, project the total number of passenger trips to be provided under the project by all operators of public transportation services: For purposes of completing this section, "Trip" is defined as a one-way trip by a transit vehicle in revenue service starting at one point of a route and ending at another point. A round trip is counted as two separate trips. Transfers (if applicable), are counted separately and should not be reported here.

Projected number of total system (all operators) passenger trips: **19600**

If there is more than one operator of public transit services under the project, provide the number of projected total passenger trips by operator. In completing this table, IDOT notes that operators may be engaged in other, non-public transit services that are not eligible for reimbursement under the project. Operators should identify total passenger trips and trips to be operated in public transit service in accordance with the project service plan:

<b>Operator</b>	<b>Total Number of Passenger Trips Provided by Operator</b>
CRIS Rural Mass Transit District	4900
Champaign Urbana Mass Transit District	14700

**2. Vehicle Miles & Peak Vehicle Use**

In this section, project the total number of vehicle miles to be provided under the project by all operators of public transportation services:



Projected number of total system (all operators) vehicle miles: **297000**

If there is more than one operator of public transit services under the project, provide the number of projected total vehicle miles by operator. In completing this table, IDOT notes that operators may be engaged in other, non-public transit services that are not eligible for reimbursement under the project. Operators should identify total mileage and mileage to be operated in public transit service in accordance with the project service plan:

<b>Operator</b>	<b>Total Number of Vehicle Miles Provided by Operator</b>
CRIS Rural Mass Transit District	74200
Champaign Urbana Mass Transit District	222800

In this section, project the total number of Peak Vehicles. Peak Vehicles is calculated by determining the maximum number of vehicles needed for any given service hour for all operators of public transportation services, in any given day:

Projected number of total system (all operators) Peak Vehicles: **8**

**3. Proposed System Service Level by County (Please Complete Table #1)**

#### 4. Intercity Bus Service (ICB)

ICB service miles (estimated) **Not Applicable**

Projected number of total ICB (all operators) passenger trips: **Not Applicable**

#### 5. Charter Services

Charter Service means transportation using buses or vans, or facilities funded by the Federal Transit Administration of a group of persons who pursuant to a common purpose, under a single contract, at a fixed charge (in accordance with the carrier's tariff) for the vehicle or service, have acquired the exclusive use of the vehicle or service to travel together under an itinerary either specified in advance or modified after having left the place of origin.

FTA grantees are prohibited from using federally funded equipment and facilities to provide charter service except on an incidental basis and when one or more of the seven (7) exemptions set forth in 49 CFR Section 604, Subpart B apply.

Even if the service meets the exceptions set forth in 49 CFR Sect. 604, Subpart B, the charter service still must be considered "incidental." Incidental charter service which does not interfere with or detract from the provision of public transportation service or shorten the life of equipment or facilities. Charter services must recover its fully allocated costs, as deficits from allowable incidental charter service are not an eligible operating expense under the Section 5311 program.

**Each project must complete this section of the application. You must check one of the following boxes:**

- This project will not provide charter service during FY2015.**
- This project intends to provide charter service during FY2015 and will certify that it will only do so within the allowable exceptions provided above when using FTA/IDOT funded equipment and facilities.**

If the second box is checked, the grantee/operator must provide IDOT with its fully allocated cost methodology (NOTE: this is not the grantee's/operator's indirect cost rate proposal, but a separate methodology to allocate costs to specific services). Contact IDOT for procedures on how to develop a fully allocated cost methodology.

If the project has a method to fully allocate its service costs, describe the methods used below

## IV. Service Operators

### A. Identification of Operators

Please identify the agency or agencies that will be directly providing and operating the service proposed in this application and the Target Service Groups to be served. If the applicant will be the operator of the service, so indicate. If more than one transit operator will be involved in the provision of the proposed services, indicate which **portion of the service** and/or **which portion of the service area** each operator will handle. Also, please describe the method that is used to coordinate service between operators to guarantee all target service groups are accommodated, as well as the marketing plan proposed for use to ensure that all target service groups (including the general public) will be made aware of the transit service.

Notes: Operator is the name of the entity providing service; Target Service Group(s) is the specific target group (60+, disabled, general public, etc.) If more space is needed, please attach additional pages.

<u>Operator</u>	<u>Target Service Group</u>	<u>Service Area</u>
CRIS Rural Mass Transit District	General Public. July 1, 2014-September 30, 2014	CRIS Rural Mass Transit District serves all non-urbanized areas of Champaign County
Champaign Urbana Mass Transit District	General Public. October 1, 2014-June 30, 2015	Champaign Urbana Mass Transit District will serve all non-urbanized areas of Champaign County

Customer service transportation hours are 6am to 6pm. Last pick-up will be at 6pm. Additional information is located in Table 1.

### B. Service Coordination Methods

If you identify more than one service provider in Section IV.A, then the applicant should describe, in detail, how service delivery will be coordinated among operators. Applicants should be prepared to address such issues as coordination of reservation capability, coordination of service delivery, elimination of duplication of service provision among providers, and methods that a project is marketed to the general public as a "system," rather than service provided by individual providers.

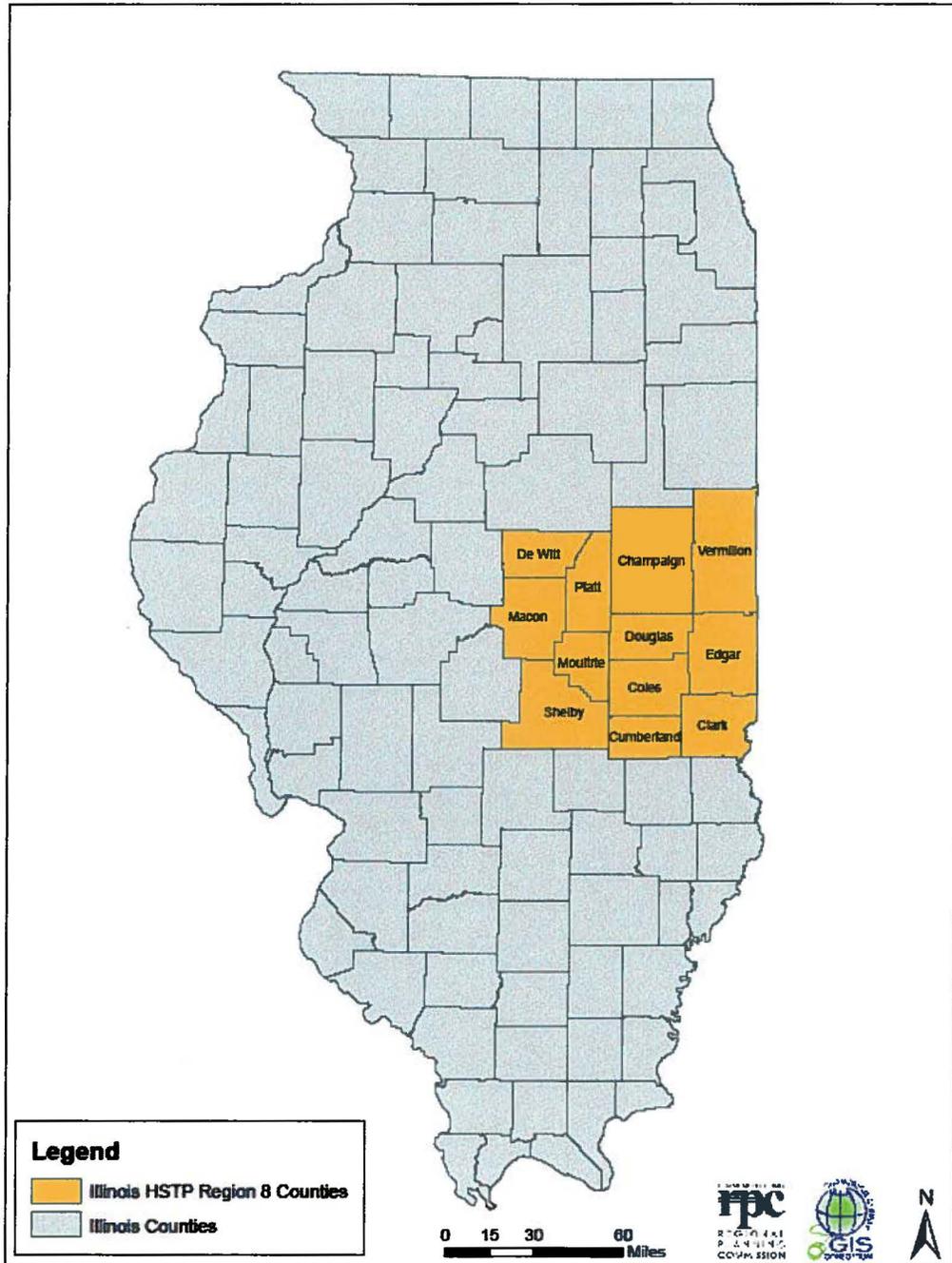
**Champaign County is the medical provider destination for several residents throughout counties in East Central Illinois. The HSTP has been an important resource for communication and coordination of transportation service providers in the area.**

**The Human Service Transportation Plan (HSTP) is a unified, locally-derived, comprehensive strategy for delivery of public and specialized transportation services**

that identifies transportation needs, specifically those of persons with disabilities, older adults and persons with low incomes. This plan also identifies strategies for meeting the needs of these transit dependent groups and prioritizes the services. For any meeting recordings or other event information, please email Eileen Sierra-Brown at [sierra@ccrpc.org](mailto:sierra@ccrpc.org).

**Region 8 (Rural Area Counties)**

Champaign, Clark, Coles, Cumberland, DeWitt, Douglas, Edgar, Macon, Moultrie, Piatt, Shelby and Vermilion



**Through the Region 8 HSTP process, multiple service providers in Champaign County and those traveling into Champaign County are able to discuss, plan, develop and assist in the deployment of transportation programs that maximize the use of available transportation services and scarce public capital and operating funding. Committee processes are used to devise service strategies and priorities for the area.**

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**Operating Entity Certification**

For **each** proposed operator(s) please provide a fully completed and executed copy of the following along with a copy of all purchase of service agreements(*this document should be completed and signed by the operator, if different from the grantee/applicant*):

**Amy Marchant** hereby certifies that  
*(Name of Authorized Official)*

**CRIS Rural Mass Transit District** is organized as:  
*(Name of Operator Agency)*

Address: **801 East University Ave, Urbana, IL 61802**

Phone Number **217-344-4287**

(Check one)

- An individual                       a partnership
- A private non-profit                       a private for-profit
- A municipal corporation                       other

And that **CRIS Rural Mass Transit District's**  
*(Name of operator)*

Federal Employer's Identification Number  
is **45-0707584**.

  
\_\_\_\_\_  
Officer or Official Signature

**Chief Executive Officer**

Title  
**7-8-14**  
\_\_\_\_\_  
Date

**Operating Entity Certification**

For **each** proposed operator(s) please provide a fully completed and executed copy of the following along with a copy of all purchase of service agreements (*this document should be completed and signed by the operator, if different from the grantee/applicant*):

Karl Gnad hereby certifies that  
*(Name of Authorized Official)*

Champaign Urbana Mass Transit District is organized as:  
*(Name of Operator Agency)*

Address: 1101 East University Ave, Urbana, IL 61802

Phone Number 217-384-8188

(Check one)

- An individual                       a partnership
- A private non-profit               a private for-profit
- A municipal corporation           other

And that Champaign Urbana Mass Transit District's  
*(Name of operator)*

Federal Employer's Identification Number

is 37-0925614.

  
\_\_\_\_\_  
Officer or Official Signature

Managing Director

Title

7/7/2017  
Date

**D. Grantee Contact Person / PCOM**

The PCOM is appointed by the grantee (applicant) and concurred on by the Department. This person will act as the Department's primary contact for the grant and will review grant documents and pay requests for accuracy before they are sent to the Department. This person is knowledgeable about public transportation programs, this grant and the grantee's (applicants) oversight responsibilities. Please list the **Grantee's contact person/PCOM** responsible for project and financial oversight:

Name: **Tina-Marie Ansong**

Title: **Transportation Planner**

Address: **1776 East Washington Street, Urbana, IL 61802**

Phone: **217-531-8285**

Fax Number: **217-328-2426**

E-Mail: **tansong@ccrpc.org**

Please identify by name and title in the space below the chief officers of record of applicant's governing board, such as Chairman, President, Secretary, Treasurer or comparably designated officers (add additional page if necessary):

Alan Kurtz  
Name

County Board Chairman  
Officer's Title

Debra Busey  
Name

County Administrator  
Officer's Title

Stan James  
Name

Rural Transit Advisory Group Liaison  
Officer's Title

\_\_\_\_\_  
Name

\_\_\_\_\_  
Officer's Title

Applicant is a:

- municipality
- county
- corporation
- mass transit district
- not-for-profit\*\*
- other\*\* \_\_\_\_\_

\*\* For "not-for-profit" or "other" applicants, please provide a general description of applicant's services:

(continued)

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**E. Operator Contact Person(s)**

Please list the **Operator's contact person(s)** responsible for project and financial management:

<b>Operator</b>	<b>Contact Name</b>	<b>Title</b>	<b>Phone</b>	<b>E-Mail</b>
CRIS Rural Mass Transit District	Amy Marchant	CEO	217-344-4287	<a href="mailto:peace@ruraltransits.org">peace@ruraltransits.org</a>
	Kathy Cooksey	Associate Administrator	217-344-4287	<a href="mailto:accounting@ruraltransits.org">accounting@ruraltransits.org</a>
Champaign Urbana Mass Transit District	Karl Gnadt	Managing Director	217-384-8188	<a href="mailto:kgnadt@cumtd.com">kgnadt@cumtd.com</a>
	Drew Bargmann	Special Services Manager	217-384-8188	<a href="mailto:dbargmann@cumtd.com">dbargmann@cumtd.com</a>

**F. Lower Tier Relationship Between Grantee and Operator**

There are two circumstances when a grantee can enter into a lower tier relationship with a third party to deliver Section 5311 services. First, a grantee follows either state (under the common rule) or Federal procedures outlined in FTA Circular 4220.1D to competitively secure the services of a contractor (using micro purchase, small purchase, Invitation for Bid (IFB), or Request For Proposal procedures (RFP)) to deliver all or some component of Section 5311 services. Second, a state may elect to grant Section 5311 funds to a subrecipient through an intermediary subrecipient, a practice expressly permitted pursuant to FTA Circular 9040.1E, Chapter IV, paragraph 3. FTA uses the example of a state that might pass funds to a nonprofit organization through a local public body. FTA notes that this type of arrangement is not a third party contract.

In the section below, identify the procurement method used for the selection of operator(s) (check only one for each operator):

- Not applicable, grantee is the operator
- Pass Through Operator (Nonprofit corporations only).
- Qualifications-based proposal (RFQ)
- Performance-based proposal (RFP)
- Low Bid proposal (IFB)
- Negotiated Bid (Requires IDOT Concurrence)

- Sole Source  
 Other (please describe:)

**Intergovernmental Agreement with CRIS Rural Mass Transit District (July 1, 2014-September 30, 2014) (see attached)**

**Intergovernmental Agreement with Champaign Urbana Mass Transit District (October 1, 2014- June 30, 2015) (see attached)**

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**G. Operator Managerial and Technical Capacity**

If the grantee is not the operator, please describe the methods employed by the applicant to ensure that the selected operator(s) has the requisite fiscal, managerial and financial capability to provide and or manage the proposed service as required by state and federal regulations and funding agreements:

**Champaign County is assured that CRIS Rural Mass Transit District and the Champaign Urbana Mass Transit District both have the requisite fiscal, managerial and financial capacity to provide and manage the proposed transportation service as requested by state and federal regulations and funding agreements. CRIS Rural Mass Transit District became an MTD in 2010; however, prior to becoming an MTD, they provided transportation services for over 20 years as a non-profit organization serving the needs of older adults in Vermillion County. On the other hand the Champaign Urbana Mass Transit District has been providing fixed route and complementary ADA paratransit service in the Champaign Urbana urbanized area for over 40 years. CRIS Rural Mass Transit District and the Champaign Urbana Mass Transit District receive direct state and federal funds which require policies, procedures, regulations, reporting and fiscal management at the same level and some to a greater extent, as the Illinois Department of Transportation. Past working relationships and agreements between Champaign County and CRIS Rural Mass Transit District has demonstrated their competence and efficiency in providing rural general public transportation. CRIS Rural Mass Transit District and Champaign Urbana Mass Transit District will make their books available to appropriate county officials and auditors at all requested times.**

**H. Contractor Service Monitoring Methodology**

Please describe any planned and regularly scheduled monitoring methods to be employed by the applicant to ensure compliance with service delivery and contract(s) compliance:

**Copies of all reports and invoices for Section 5311 funds, which are completed by CRIS Rural Mass Transit District, are kept on file by the County. These service reports are viewed monthly by the governing board of CRIS Rural Mass Transit District.**

**CRIS Rural Mass Transit District reports all ridership and other performance indicators such as denials, clients served, vehicle miles traveled on a quarterly basis to both the PCOM and the Rural Transit Advisory Group (RTAG). The PCOM also conducts vehicle inspections as recommended by IDOT and FTA. Please see attached sample of quarterly service reports and RTAG appointee list.**

**Champaign County Rural Transit Advisory Group (RTAG)  
 Appointees**

Chair	Vice Chair	Secretary
Andy Kulczycki	Michelle Ramage	TBD (CCRPC Staff)

**Term 12/1/12 – 11/30/14**

<p><u>Champaign County Board</u>  <u>Liaison District 2</u>  <b>Stan James</b>            200 Mitchell Court            Rantoul, IL 61866            217.892.2711  <a href="mailto:stanusa@frontier.com">stanusa@frontier.com</a></p> <p><u>Advisory for</u>  <u>People with Low Income(s)</u>  <b>Andy Kulczycki</b>            Community Service Center            of Northern Champaign County            520 Wabash Avenue            Rantoul, IL 61866            217.893.1530  <a href="mailto:evergreen3069@yahoo.com">evergreen3069@yahoo.com</a></p>	<p><u>Advisory for Education</u>  <b>Michelle Ramage</b>            Rantoul City Schools #137            400 East Wabash Avenue            Rantoul, IL 61866            217.893.5400  <a href="mailto:michelle.ramage@rcs.k12.il.us">michelle.ramage@rcs.k12.il.us</a></p> <p><u>Advisory for Employment</u>  <b>Seamus Reilly</b>            Parkland College Institutional Advancement            2400 W Bradley Avenue            Champaign, IL 61821            217.353.2170  <a href="mailto:sereilly@parkland.edu">sereilly@parkland.edu</a></p> <p><u>Advisory for Older Adults</u>  <b>Mary Sleeth</b>            PO BOX 66            St. Joseph, IL 61873            217.469.7274  <a href="mailto:rchrdsleeth@aol.com">rchrdsleeth@aol.com</a>  <i>**Filled Vacancy &amp; Appointed 5/23/13</i></p>
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**Term 12/1/13 – 11/30/15**

<p><u>Advisory for People with Disabilities</u>  <b>Elaine Fowler Palencia</b>            Champaign County Disabilities Board            3006 Valleybrook Drive            Champaign, IL 61822            217.356.3893  <a href="mailto:efpalenci@gmail.com">efpalenci@gmail.com</a></p>	<p><u>Advisory for Medical</u>  <b>Christine Bruns</b>            The Pavilion            2286 CR 2900 North            Gifford, IL 61847            217.377.3339  <a href="mailto:Christine.bruns@uhsinc.com">Christine.bruns@uhsinc.com</a></p>
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## Champaign County Rural Transit Advisory Group (RTAG) Third Quarter FY14 Service Report



**Grantee:** Champaign County

**Subcommittee & Oversight:** Rural Transit Advisory Group Appointees & CCRPC

**Operator:** CRIS Rural Mass Transit District (CRIS)

*This table reflects rural public transit service provided within Champaign County for FY14 third quarter:*

- **Trip Type Broken-Out** is the total number of trips grouped by the purpose of each trip. These categories include – **Medical, Personal, Shopping, Social, Employment, Educational, & Miscellaneous**. *{Note: Trips to return home are classified by the trip's purpose preceding it.*
- **Trips** are transportation service units that are counted each time an individual rider enters and exits a vehicle.
- **Days** are the number of business days (M - F) that CRIS operated within a month, except on federal holidays and inclement weather service.
- **Daily Average** is the total trips divided by total number of operating days.
- **Accessible** services include the number of trips requiring ADA **Lift** equipment and trips provided to older adults **60+** years of age.
- **Requests Denied** includes the total number of individuals who called to request transportation that could not be accommodated.

### Transportation Services

Month	Trip Type Breakouts							Trips	Days	Daily Average	Accessibility		Denials	
	Medical	Personal	Shopping	Social	Employment	Education	Misc.				Lift	60+	Requests	Trips
<b>Jan.</b>	428	136	60	144	249	94	2	<b>1,113</b>	<b>17</b>	<b>65</b>	107	546	45	80
<b>Feb.</b>	579	181	59	154	285	93	5	<b>1,356</b>	<b>18</b>	<b>75</b>	114	621	9	16
<b>Mar.</b>	759	233	107	175	345	83	0	<b>1,702</b>	<b>21</b>	<b>81</b>	145	808	17	25
<b>Total</b>	<b>1,766</b>	<b>550</b>	<b>226</b>	<b>473</b>	<b>879</b>	<b>270</b>	<b>7</b>	<b>4,171</b>	<b>56</b>	<b>74</b>	<b>366</b>	<b>1,975</b>	<b>71</b>	<b>121</b>

### System Operations

Month	Vehicle Capacity			Operation	
	6-Passenger	12-Passenger	14-Passenger	Miles	Hours
<b>Jan.</b>	2	0	6	19,523	971.25
<b>Feb.</b>	2	0	6	22,152	1090.75
<b>Mar.</b>	2	0	6	28,352	1327
<b>Total</b>				<b>70,027</b>	<b>3,389</b>

*This table reflects the rural operations within the quarter:*

- **Number of Vehicles** used for transportation services within Champaign County (excluding service contract vehicles);
- **6, 12, & 14 passenger** references number of rider seats per vehicle in service (all vehicle have an ADA lift); and
- **Total Miles** driven by vehicles within a month.
- **Total Hours** driven by vehicles to provide public transportation.

**\*\*Note service numbers contained within the report can be reconciled as needed, which is common in rural transit systems.**

The table reflects new registered riders in this quarter. Several notes regarding ridership & fares are below.

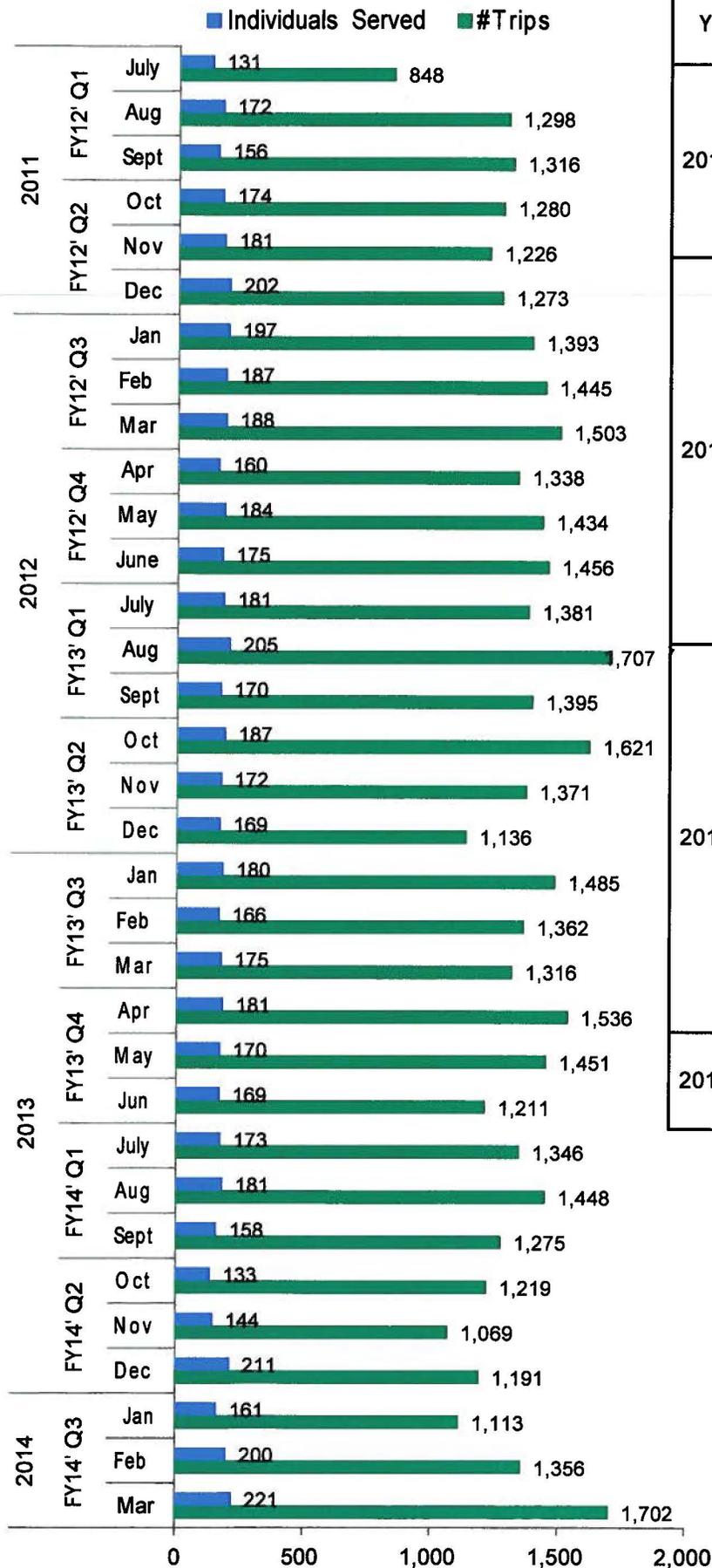
- Fares: 5311 riders that trips begin or end in the rural general public service area. 5311D or 60+ riders are eligible for a \$2 one-way fare. Passenger Assistants ride for free, and children ride for \$1 each way. There is a service contract with riders from the Champaign County nursing home can scheduled to be picked up a contracted rate of \$26.
- **Rural Demand Response Zone (DRZs):** Eligible transit service areas of Champaign County divided into quadrants.

**FY14 3<sup>rd</sup> Quarter Champaign County Registered Riders**

DRZs	2010 Census	# Served Since 2011	% of Pop. Served	Community	New Riders			Total	% Served
					Jan	Feb	Mar		
<b>DRZ1</b>	22,171	5	<b>3.91%</b>	<b>Dewey</b>				<b>5</b>	<b>4.16%</b>
		14		<b>Fisher</b>		1		<b>15</b>	
		0		<b>Foosland*</b>				<b>0</b>	
		10		<b>Gifford</b>		1		<b>11</b>	
		19		<b>Ludlow</b>	2			<b>21</b>	
		5		<b>Penfield</b>		1		<b>6</b>	
		799		<b>Rantoul</b>	8	20	19	<b>846</b>	
		15		<b>Thomasboro</b>		3	1	<b>19</b>	
		<b>DRZ2</b>		17,317	0	<b>0.21%</b>	<b>Allerton*</b>		
0	<b>Broadlands</b>							<b>0</b>	
11	<b>Homer</b>				1			<b>12</b>	
0	<b>Longview*</b>						1	<b>1</b>	
1	<b>Ogden</b>							<b>1</b>	
2	<b>Philo</b>							<b>2</b>	
0	<b>Royal*</b>							<b>0</b>	
20	<b>Saint Joseph</b>		4		2			<b>26</b>	
2	<b>Sidney</b>							<b>2</b>	
<b>DRZ3</b>	12,317	1	<b>0.16%</b>	<b>Ivesdale</b>				<b>1</b>	<b>0.17%</b>
		2		<b>Pesotum</b>				<b>2</b>	
		1		<b>Sadorus*</b>				<b>1</b>	
		16		<b>Tolono</b>			1	<b>17</b>	
<b>DRZ4</b>	20,327	33	<b>0.17%</b>	<b>Mahomet</b>		2	2	<b>37</b>	<b>0.19%</b>
		2		<b>Seymour</b>				<b>2</b>	
		0		<b>Bondville</b>				<b>0</b>	
<b>CUMTD District</b>	<b>128,949*</b>	64	<b>0.21%</b>	<b>Champaign</b>	8	5	2	<b>79</b>	<b>0.24%</b>
		3		<b>Savoy</b>		1		<b>4</b>	
		201		<b>Urbana</b>	6	11	10	<b>228</b>	
<b>Outside County Registered Riders</b>		18	<b>Not Applicable</b>	<b>Outside County</b>			2	<b>20</b>	<b>N/A</b>
<b>Previous Total = 1,226</b>					<b>New Riders = 114</b>			<b>Total = 1,340</b>	

*\*Note that CUMTD boundary population is approximate due to the ¼ mile deviation that their Paratransit service provides. Additionally, the 2010 Census' Urbanized Area Boundaries for Champaign, Urbana, Bondville, and Tolono do not match up with the service area boundaries of CUMTD.*

**\*\*Note service numbers contained within the report can be reconciled as needed, which is common in rural transit systems.**



Yr	Q	Mo	Individuals Served	#Trips
2011	FY12' Q 1	July	131	848
		Aug	172	1,298
		Sept	156	1,316
	FY12' Q 2	Oct	174	1,280
		Nov	181	1,226
		Dec	202	1,273
2012	FY12' Q 3	Jan	197	1,393
		Feb	187	1,445
		Mar	188	1,503
	FY12' Q 4	Apr	160	1,338
		May	184	1,434
		June	175	1,456
	FY13' Q 1	July	181	1,381
		Aug	205	1,707
		Sept	170	1,395
	FY13' Q 2	Oct	187	1,621
		Nov	172	1,371
		Dec	169	1,136
2013	FY13' Q 3	Jan	180	1,485
		Feb	166	1,362
		Mar	175	1,316
	FY13' Q 4	Apr	181	1,536
		May	170	1,451
		Jun	169	1,211
	FY14' Q 1	July	173	1,346
		Aug	181	1,448
		Sept	158	1,275
	FY14' Q 2	Oct	133	1,219
		Nov	144	1,069
		Dec	211	1,191
2014	FY14' Q 3	Jan	161	1,113
		Feb	200	1,356
		Mar	221	1,702

### Trip totals & Types

Fiscal Year	Month	Total Trips	Medical	Personal	Shopping	Social	Employment	Education	Misc.	Lift	60+
2011	Feb	116	*CCRPC requested that operator start tracking trip type for quarterly reports starting in May 2011. Prior to this, CRIS was not tracking trip type, only the total trips, average per day, and other logistics required for reimbursement.								
	Mar	302									
	April	359									
	May	514	254	56	50	90	18	44	2	70	349
	June	712	356	96	45	69	113	33	0	130	456
	2012	July	848	444	122	72	82	111	17	0	161
Aug		1,298	693	156	105	133	184	27	0	232	649
Sept		1,316	582	208	136	111	205	74	0	181	569
Oct		1,280	477	258	142	110	204	89	0	132	526
Nov		1,226	458	240	191	100	169	68	0	130	522
Dec		1,274	509	246	216	93	182	28	0	176	586
Jan		1,393	613	246	173	94	198	69	0	185	551
Feb		1,445	469	345	177	135	242	77	0	126	589
Mar		1,503	497	359	200	122	289	36	0	127	659
April		1,338	442	349	136	120	267	24	0	120	617
May		1,434	571	277	135	177	249	25	0	158	710
June		1,456	591	360	119	159	195	32	0	195	728
2013	July	1,381	521	284	163	164	247	2	0	164	666
	Aug	1,707	575	416	179	202	306	28	1	178	787
	Sept	1,395	484	287	74	197	273	75	5	111	664
	Oct	1,621	553	345	99	259	271	92	2	145	814
	Nov	1,371	442	242	94	283	237	73	0	132	735
	Dec	1,136	405	160	103	240	195	33	0	120	595
	Jan	1,485	477	235	87	281	331	74	0	157	723
	Feb	1,362	466	161	74	233	340	88	0	129	639
	Mar	1,316	431	185	90	218	309	82	1	101	593
	April	1,536	608	202	103	249	317	57	0	166	719
	May	1,451	515	204	116	247	331	38	0	177	724
	June	1,211	439	225	73	182	292	0	0	171	611

## V. Other Transportation Services

FTA encourages IDOT to work with their counterparts at state human service agencies, to participate with other states in regional initiatives, and to assist local recipients and subrecipients of Sections 5307, 5310, 5311, 5316 or 5317 funds to participate in coordinated systems at the local level, along with recipients of funds from the programs of DHHS and other Federal and state programs. Section 5311, RTAP, and Federal transportation planning funds provided to the state may be used in various ways to support eligible activities related to the development and administration of coordinated activities at the state and local level.

The FTA program circular for the Section 5311 program requires that a project application describe how FTA assisted services are or will be coordinated with social service agencies and private transportation providers in the service area. Additionally, SAFETEA-LU includes a requirement for local governmental agencies and nonprofit organizations that receive assistance from Federal sources other than the FTA for non-emergency transportation services. To the extent feasible these agencies are now required to participate and coordinate with recipients of assistance from FTA in the design and delivery of transportation services. They must be included in the planning for those services.

In developing an annual program of projects, IDOT is obligated to ensure that a fair and equitable distribution of funds of Section 5311 funds has been achieved within the states, including Indian reservations and that projects must provide for maximum feasible coordination with transportation services assisted by other Federal sources.

In this section, applicants must identify other passenger transportation services (e.g., service provided by other than the operators who will provide service under the project) available in the service area, both public and private.

### A. Coordination with Other Human Service Agencies and Programs

In this section, provide a general narrative of coordination activity by the project with other entities that receive Federal assistance that may also provide passenger transportation.

**The Human Service Transportation Plan (HSTP) is a unified, locally-derived, comprehensive strategy for delivery of public and specialized transportation services that identifies transportation needs, specifically those of persons with disabilities, older adults and persons with limited incomes, lays out strategies for meeting these needs and prioritizes the services.**

**The Region 8 HSTP process, multiple service providers in Champaign County and those traveling into Champaign County are able to discuss, plan, develop and assist in the deployment of transportation programs that maximize the use of available transportation services and scarce public capital and operating funding.**

### B. Effort to Involve the Private Sector in Public Transit Service Delivery

Section 5323(a)(1) of the Federal Mass Transit Act of 1964, as amended, requires that FTA funded projects "to the maximum extent feasible" provide for "the

participation of private mass transportation companies." While FTA no longer prescribes a particular private sector participation process, the basic requirement still stands.

Describe the project's efforts to involve the private sector below.

**CRIS Rural Mass Transit District has participated in the urbanized HSTP working group meetings that have conducted outreach to private providers, including the implementation of the first accessible taxi that serves both the rural and urbanized area. When riders' trips cannot be accommodated by either the rural or urban public transit provider, referrals are made to this accessible taxi company (Quality Taxi) by CRIS dispatchers. Additionally, the village of Rantoul required CRIS to register as a taxi service – and the information on their services are listed with the business association within Rantoul.**

**\*\*See attached letter and list of private providers contacted.**

**There is also a member of the RTAG from the Pavilion Behavioral Health System that represents the interests of private sector medical providers and users.**

**Attach copies of requests for proposals, letters, meeting minutes, comments received and proceedings held relating to these requirements as Attachment II to the application.**



PLANNING & COMMUNITY DEVELOPMENT

1776 East Washington Street  
Urbana, IL 61802

Phone 217.328.3313  
Fax 217.328.2426

[www.ccrpc.org](http://www.ccrpc.org)

June 27<sup>th</sup>, 2013

Illinois Department of Transportation  
Attn: Division of Public & Intermodal Transportation  
JR Thompson Center Ste. 6-600  
100 W. Randolph Street  
Chicago, IL 60601

To Whom It May Concern:

CRIS Rural Mass Transit District (MTD) is again applying for an Illinois Department of Transportation, Section 5311 Operating Assistance grant for the elderly, general public, and persons with disabilities on behalf of Champaign County. This grant is to help maintain the current level of transit services provided and to start the new job access route in the coming fiscal year.

Since early 2011, CRIS has been providing Champaign County's rural areas with general public demand-response transportation. The system first started in the Northeast corner of the county and has grown into a county-wide demand response system. Additionally, in the next year a deviate fixed route connecting Rantoul to major areas of employment and job training will be piloted to see if it can become part of the general public transit system.

In accordance with the Federal Grant Programs, all public and private operators must be given a fair and timely opportunity to participate or to submit written comments on the proposed project to the department. A copy of the grant is on file at Champaign County Regional Planning Commission, 1776 East Washington Avenue, Urbana, IL 61802, for public inspection.

If you have any comments or feedback, please contact me by August 8<sup>th</sup> before the next regular meetings of the Champaign County Rural Transit Advisory Group and the Highway Committee meeting. During August, the FY14 Intergovernmental Agreement with CRIS Rural MTD will be reviewed and finalized.

Sincerely,



Eileen Sierra-Brown  
Champaign County Regional Planning Commission  
Direct Line: 217.819.4100  
Fax: 217.328.2426  
[esierra@ccrpc.org](mailto:esierra@ccrpc.org)

**\*\*If you need copies of all coorespondance & emails sent to private providers - please let Eileen Sierra-Brown know and that can be added to the application. On a special note, all long distance motor coach providers will be notified of the available rural public transportation additional. Outreach to motorcoach companies has been primarily done through our CUMTD Illinois Terminal contacts.**

**Private Industry Reperesentatives Contacted**

Agency	Contact
A Cab Taxi	April Patton
A Precious Cargo Carrier/Rantoul U-C Express	Wendell Golston
Black Cab & Limo	Karim Quzidane
Bubble City Taxi	William Washington
Campus Taxi	Arthur Smith
Canterbury Ridge Retirement and Assisted Living	Joyce Fulton
Carle Arrow Ambulance	Mike Humer
CCC Cab Company	Joseph Posey Jr.
Clark-Lindsey	Michele Heil
Cool Cab	Henry Crowley
D & D Cab Service	Willie Davis
Emerald Lime Green Taxi	Toney McKinney
Express Cab	Khadija Bzami
Green Transportation	Thomas Parker
Greyhound/Bluebird/Burlington Trailway	Rosemary Newby
Inman Plaza	Laura Price
Jet Cab	Rebhi Abdelhafid
PRO Ambulance Service	Dave Stone
PRO Ambulance Service	Jen Bruton
Quasi Taxi	Acquasi Ansong
R & H Cab	Fouad Bouchama
Red Flash Cab	Abdelyazid Ferhi
Shamrock Taxi	Robert Rexroad
Silver Cab	Said Lazar
We Up Public Transportation	Henry Washington
Yellow Cab	Redith Ewing
Quality Taxi & Limo	Glen & Joe

## **VI. Labor Protection**

### **A. Special Warranty**

For almost all Federal transit programs involving transit operations, including the Section 5311 program, 49 U.S.C. § 5333(b) requires that fair and equitable arrangements must be made to protect the interests of employees affected by such assistance. The Department of Labor (DOL) is responsible under Federal law for the administration of Section 5333(b).

There is a simplified process for assuring employee protections that accommodates the needs of participants in the Section 5311 program. DOL and DOT agreed upon a Special Section 5333(b) Warranty for Section 5311 projects (Special Warranty), which the Secretary of Labor certified on May 31, 1979.

Before undertaking a project, the applicant for Section 5311 funding (or a legally responsible entity designated by the state) must agree in writing to the Special Warranty. IDOT is responsible for assuring that each grantee has a currently valid signed Special Warranty and for certifying this to DOL for each grant.

The text of the Special Warranty is included in Exhibit E. An acceptance certification form is included in this section. Please note that each grantee or operator must also post the Special Warranty where affected employees may see it.

**The executed "Acceptance of the Special Warranty" form must be included as Exhibit E to the application.**

### **B. Labor Organizations in the Service Area**

The Special Warranty also requires that IDOT "provide to DOL and maintain at all times an accurate, up-to-date listing of all existing transportation providers which are eligible recipients of transportation assistance funded by the project, in the transportation service area of the project, and any labor organizations representing the employees of such providers."

#### **Union Name and Local Number**

There are no known unions for transit organizations in the non-urbanized area of Champaign County

#### **Transit Organization Represented**

## VII. LOCAL PLANNING EFFORTS

### A. Public Notice, Public Meeting and Planning Efforts to Support this Application

Describe what role local planning activities/initiatives played in the development of the proposed FY2015 Section 5311 project.

Section 5323 (a) (1) of the Federal Mass Transit Act of 1964, as amended requires “that the program provides for the participation of private companies engages in public transportation to the maximum extent feasible...”

*(b) Notice and Public Hearing.—*

*(1) In general.—For a . . . project that will substantially affect a community, or the public transportation service of a community, an applicant shall—*

- (A) provide an adequate opportunity for public review and comment on the project;*
- (B) after providing notice, hold a public hearing on the project if the project affects significant economic, social, or environmental interests;*
- (C) consider the economic, social, and environmental effects of the project; and*
- (D) find that the project is consistent with official plans for developing the community.*

*(2) Notice.—Notice of a hearing under this subsection—*

- (A) shall include a concise description of the proposed project; and*
- (B) shall be published in a newspaper of general circulation in the geographic area the project will serve.*

Attach a copy of the Public Notice and certification thereof as Attachment VI.

Attach the minutes of the Public Meeting as Attachment VII.

Also, provide a list below that describes in general the plans and other planning tools used and how they were utilized in the development of this project. (Example: county comprehensive plans, ridership surveys, technical studies, etc.)

**In order to engage the community in local planning activities and initiatives for Transit in rural Champaign County, a formal advisory committee, called the Rural Transit Advisory Group was formed (RTAG) to provide oversight for the federal and state funded provision of transportation services within Champaign County, which in FY2015 will be operated by CRIS Rural Mass Transit District (CRIS) based in Vermilion County and the Champaign Urbana Mass Transit District through intergovernmental agreements. The principal responsibilities of RTAG include, but are not limited to:**

- **Advise Transportation Providers and the County Board on transportation needs**
- **Foster coordination of transportation services within the County**
- **Provide oversight to transportation services**
- **Participate in transportation service improvement**
- **Encourage participation in and use of coordinated transportation services**
- **Communicate resident concerns regarding transportation services**
- **Disseminate information on transportation services**
- **Develop and present an Annual Report to the County Board**

**Ridership and performance data provided by CRIS Rural Mass Transit District, public comments from the Champaign Urbana Long Range Transportation Plan and Census**

**data all formed the basis for recommendations put forth in Champaign County Rural Mobility Plan. Recommendations focused on improving efficiencies, increasing ridership and decreasing denials.**

**B. Planning Efforts in the Last Five (5) Years**

**Describe your planning efforts over the past 5 years and how the public has participated in those efforts.**

**In an effort to continually serve the people of Champaign County, CRIS has applied and received funding for a JARC (commuter route) and a New Freedom route (Medical Shuttle Expansion).**

**CRIS staff attends RTAG meetings. The original RTAG appointees comprised of those agencies that were active during the three year ICCT Primer Process 2007-2010. The RTAG strives to have at least one member who represents each of the following areas: seniors, individuals with disabilities, low income persons, medical, education, employment and the Champaign County Board. RTAG meets quarterly to discuss service provision and service reports. Initially, the annual business meeting coincides with that of the Champaign County Board, where the annual service report is prepared and presented to the Champaign County Board. However, RTAG's schedule was adjusted to co-inside with the state completed quarters in order to streamline the service reporting process.**

**The following is a list of all meetings since the committee was established in October 2010. Rural Transit Advisory Group (RTAG) Quarterly Meetings Held:**

<b>04/16/2014</b>	<b>08/14/2012</b>
<b>01/15/2014</b>	<b>02/01/2012</b>
<b>10/15/2013</b>	<b>12/01/2011</b>
<b>08/29/2013</b>	<b>09/01/2011</b>
<b>05/08/2013</b>	<b>06/02/2011</b>
<b>04/04/2013</b>	<b>05/09/2011</b>
<b>02/13/2013</b>	<b>03/03/2011</b>
<b>11/14/2012</b>	

**C. Ridership and Service Demand Surveys**

**Describe what surveys of potential riders were conducted in an effort to determine the general travel needs of the service area population. How many people were surveyed? How have the findings of the surveys been used in developing the routing and scheduling of the proposed transit program? Please summarize.**

**A survey was completed by Champaign County riders. Twenty riders were randomly selected. With a scale of 1 (Very Satisfied) to 4 (Not Satisfied), the following questions were asked:**

**A. Do you get to your destination on time?**

- B. Is the travel time for your trip adequate?**  
1= 17 2= 2 3= 1 4= 0
- C. Did you get a trip when you request one?**  
1= 14 2= 4 3= 1 4= 1
- D. Does the vehicle feel safe?**  
1= 16 2= 4 3= 0 4= 0
- 
- E. Is the vehicle clean?**  
1= 16 2= 3 3= 1 4= 0
- F. Is the driver courteous?**  
1= 20 2= 0 3= 0 4= 0
- G. Was the person setting up your ride courteous?**  
1= 18 2= 1 3= 1 4= 0
- H. Would you recommend this service to another person?**  
1= 19 2= 1 3= 0 4= 0

## VIII. Project Cost and Revenue Proposal

### A. Program Cost Comparison

For each proposed operator involved in the project, please provide the information requested below.

Note: Programmed Services are all of the operator's services provided on a regular basis including transportation. Annual Program Budget is the total amount budgeted for the listed program. Percentage of Total Budget is the percentage of the operator's Total Programmed Services budget represented by the listed program. Attach additional pages if necessary. Include all programmed service: transportation, nutrition, training, etc.

#### Operator's Proposed Program Budget Activity Report: FY2015

<b>Programmed Services</b>	<b>Annual Program Budget</b>	<b>Percent (%) of Total Program Budget</b>
Transportation-CRIS RMTD	165,052	25
Transportation-CUMTD	497,100	75
<b>Total Operator Expenditures</b>	<b><u>\$ 662,152.00</u></b>	<b>100</b>

**B. Operator Organization and Level of Human Resource Effort**

In this section, provide a description of the level of effort that will be provided by each operator providing service in the project. List the staff positions, by job title, in the following table. List both personnel whose time will be charged to the project, either as a direct or indirect expense by typing "Direct" or "Indirect" in the second column. Also list if the position will be charged to the Administrative category ("Admin") or the Operating category ("Op"). Finally, list the approximate or estimated number of staff, expressed in terms of Full-Time Equivalents (FTEs) in the last column.

Submit one table for each operator.

**Operator's Proposed Transportation Employee Utilization: FY2015**

Operator: **CRIS Rural Mass Transit District**

<b>Job Title</b>	<b>Direct or Indirect Staff Position</b>	<b>Administration or Operating? (Admin or Op)</b>	<b>Estimated Full-Time Equivalents (FTEs)</b>
Transportation Drivers	Direct	OP	12.25
Transportation Clerk (also dispatches)	Direct	OP	1.75
Accounting Assistant – Billing Clerk	Indirect	Admin	.25
Associate Administrator – Oversees Transit	Indirect	Admin	.50
Chief Executive Officer	Indirect	Admin	.50
Director of Communication	Indirect	Admin	.10

Operator: **CUMTD**

<b>Job Title</b>	<b>Direct or Indirect Staff Position</b>	<b>Administration or Operating? (Admin or OP)</b>	<b>Estimated Full-Time Equivalents (FTEs)</b>
Transportation Drivers	Direct	OP	12.25
Transportation Clerk (also dispatches)	Direct	OP	1.75
Comptroller - Billing	Indirect	Admin	.15
Special Services Manager – Oversees Transit	Indirect	Admin	.50
Customer Service Manager - Messaging/Outreach	Indirect	Admin	.10

**For each operator, submit with this application an organization chart showing all functional divisions of the entity with a detailed organizational breakdown of the transportation unit as Attachment III.**

**C. Project Revenue**

Detail all non-IDOT contracts, grants and non-passenger donations (including in-kind) to be used in the provision of Section 5311 Transportation Service. All multiple County Systems, including Transit Districts, please breakdown this information by County: (attach additional pages if necessary) **PLEASE NOTE:** All non-DOT federal grants with a transportation funding component could be used to match federal DOT funds. Federal DOT funds cannot be used as match for another federal DOT grant.

**Note:** All program contract income from agreements with

- for-profit agencies
- or invoicing for rides given on a periodic basis
- and other ad hoc arrangements where the transit operators or grantee are paid for rides provided to not-for-profits must be recorded as Section 5311 project income (Farebox on lines 401 through 406) and not used as local match or recorded as program income.

Program income is specifically defined by the Department as income tied to contracts with other governmental agencies or not-for-profits that is specifically traceable and transparent. Rides given on a cash basis with no executed contract documents in place for the service are to be reported as Farebox.

<b>COUNTY/AGENCY/NOT-FOR-PROFIT Contract or Revenue Source</b>	<b>Total Contract Amount</b>	<b>Expected Revenue for the Section 5311 Program</b>
Champaign County Nursing Home	10,000	10,000
Health Alliance Medicare	400	400
<b>TOTALS</b>	<b>\$ 10,400.00</b>	<b>\$ 10,400.00</b>

**Please supply copies of all contracts with the submittal of this application.**

#### D. Fare Structure

Please describe your proposed fare structure by passenger category, (e.g., adult, senior, disabled, student, child or other) and include or attach a copy of fare structure. Please make note of any multi-ride pass books, tickets etc. and the associated costs to purchase by consumers.

**\$5 per one-way trip for general public outside Thomasboro and Rantoul**

**\$2 per one-way trip for general public within Thomasboro and Rantoul**

**\$1 for children under 12 accompanied by an Adult**

#### E. Proposed FY2015 Budget Instructions – Exhibit B

**All applicants must complete the following Proposed FY2015 Budget detailed in Exhibit B. If the project uses multiple operators, a separate budget form must be submitted for each operator and labeled accordingly. A cumulative Proposed Budget should then be compiled and included with this application.**

Using the Detailed Accounts and Definitions attached as Exhibit F to clarify any issues concerning the allowability or eligibility of project expenses under the Section 5311 program. For most systems, many of the listed accounts will not be applicable. However, its use provides for a full range of cost reporting and budgeting options for Section 5311 applicants. Also, the diversity of organizations (e.g., public entity, mass transit districts, private nonprofit corporations, etc.) requires a Standardized Chart of Accounts in order to meet reporting and system comparison requirements.

IDOT funds **net project operating expenses** and **project administration** under the Section 5311 program.

Operating expenses are considered those costs directly related to system operations. At a minimum, the following items must be considered operating expenses: fuel, oil, drivers' salaries and fringe benefits, dispatcher salaries and fringe benefits, and licenses.

The Federal (Section 5311) share for net operating expenses may not exceed 50 percent. **Net operating expenses** are those expenses that remain after operating revenues are subtracted from eligible operating expenses. At a minimum, operating revenues must include farebox revenues. Farebox revenues include fares paid by riders who are later reimbursed by a human service agency, or other user-side subsidy arrangements, but do not include payments made directly to the transit provider by human service agencies.

Project **administrative expenses** incurred by a grantee/operator are treated as a separate cost category from operating expenses. This allows administrative expenses to be considered "non-operating" expenses, which may be funded up to the 80 percent Federal share. This practice is consistent with congressional intent that smaller communities be given greater flexibility in matching requirements than larger cities.

Eligible project administrative costs may include, but are not limited to, general administrative expenses such as salaries of the project director, secretary, and bookkeeper; marketing expenses; insurance premiums or payments to a self-

insurance reserve; office supplies; facilities and equipment rental; standard overhead rates; and the costs of administering drug and alcohol testing.

The Proposed Program Budget must reflect all revenues and expenses anticipated for FY2015 regardless of the Grantee's Section 5311 allocation. Additionally, Total Revenues must equal Total Expenses for this Proposed FY2015 Budget. Once accepted by the Department, the Grantee's approved FY2015 Section 5311 Budget may only be revised through the budget revision process outlined in the Grantee's FY2015 Section 5311 operating assistance contract.

## **F. Indirect Cost Proposal**

IDOT specifically allows indirect costs consistent with State and Federal policy. In order for grantees and operators to claim indirect costs, they must meet the following:

- **Indirect costs are allowable only to the extent they conform to grantees certified indirect cost allocation plans.**
- **Grantees and/or operators may utilize the services of the independent CPA to prepare indirect cost proposals; however, this will no longer be a program requirement.**
- **Indirect cost proposals must be certified by the submitting entity.**
- **Proposals will normally be submitted with the grant application.**
- **In FY2015, IDOT will approve a "predetermined" indirect cost rate based on past audited data that will not be subject to adjustment.**
- **IDOT will not require the submittal of documentation for claims for indirect expenses if the grantee/operator has an IDOT approved indirect cost rate.**

Grantees and operators that are units of local government, transit districts, or nonprofit organizations that wish to claim indirect costs are encouraged to submit indirect cost proposals prepared in accordance with these guidelines.

### **Definition of Costs**

**Direct costs** are those expenses incurred by the grantee or operator that are directly related and strictly benefit only the Section 5311 program. Such expenses are totally allocable to the Section 5311 program.

OMB Circular A-87 makes it clear that there are no universal rules for classifying costs as direct or indirect under every governmental accounting system. The essential difference is the degree of ease with which a cost can be readily assigned to a particular cost objective with a high degree of accuracy. Such readily assigned costs are **direct costs**.

**Indirect costs** are those that have been incurred for common or joint purposes. These costs benefit more than one cost objective or program and cannot be readily identified with a particular final cost objective without effort disproportionate to the results achieved.

Organizations whose sole purpose is the provision of rural public transit will not have indirect costs; all costs incurred would be directly attributable to the Section 5311 program. Other grantees, such as units of local governments, or operators such as a council on aging, perform multiple functions and would likely incur indirect expenses associated with public transportation service delivery.

There is one key rule that grantees and operators should take into account when preparing cost allocation proposals. A cost may not be allocated to the Section 5311 program as an **indirect cost** if any other cost incurred for the same purpose, in like circumstances, has been assigned to another Federal award as a **direct cost**. **Costs must be accorded equal treatment under all of the organization's Federal awards.**

Indirect costs are normally charged to Federal awards by the use of an **indirect cost rate**. A separate indirect cost rate(s) is usually necessary for each department or agency of the governmental unit claiming indirect costs under Federal awards. Guidelines and illustrations of indirect cost proposals are provided in a brochure published by the Department of Health and Human Services entitled, "*A Guide for State and Local Government Agencies: Cost Principles and Procedures for Establishing Cost Allocation Plans and Indirect Cost Rates for Grants and Contracts with the Federal Government.*"

**Applicable Credits.** Applicable credits are reduction of expenditures that offset or reduce the expenses items that are attributable to Section 5311 program as either direct or indirect costs. Examples of such credits include purchase discounts, rebates, or allowances.

### **Applicability**

This guidance applies to all Section 5311 grantees and operators who are either:

- (1) eligible recipients; or
- (2) Receive funds from an otherwise eligible recipient of funds through a pass-through arrangement.

This policy does not apply to operators selected by the grantee through formal competitive procurements or any private, for-profit operator. Grantees that utilize private, for profit operators, consistent with the procurement requirements of the Section 5311 program, must secure these services through competitive means. This typically would mean a formal Invitation for Bids (IFB) or Request for Proposal (RFP). IDOT recommends that grantees adopt unit pricing strategies (e.g., cost per trip, cost per mile, cost per hour) under these contracts rather than utilizing cost reimbursement type contracts.

Additionally, some projects do not receive sufficient Section 5311 funds to cover the operator's direct costs incurred in the Section 5311 program. In those cases, IDOT will pay only direct costs; IDOT will not require nor review/approve an indirect cost rate proposal from an organization that can draw down all Section 5311 project funds in direct costs.

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**PLEASE TRANSMIT, WITH THE COMPLETED APPLICATION, ALL INDIRECT COST RATE PROPOSALS, FOLLOWING THE FORM PRESCRIBED BY IDOT, FOR ALL LISTED OPERATORS WHO WISH TO CLAIM INDIRECT COSTS. A COPY OF THE MOST RECENT AUDIT, ON WHICH INDIRECT COST RATE COMPUTATIONS ARE BASED, MUST ALSO BE SUBMITTED. INCLUDE THE INDIRECT COST RATE PROPOSAL AS ATTACHMENT IV TO THE GRANT PROPOSAL. IDOT ALSO REQUIRES A COPY OF THE MOST RECENT AUDIT ON WHICH THE INDIRECT COST RATE COMPUTATIONS ARE BASED. SUBMIT THE AUDIT AS ATTACHMENT V TO THE GRANT APPLICATION ALONG WITH THE 5311 ANNUAL FINANCIAL REPORT.**

**IX. Intercity Bus Capital/Operating Assistance Requests**

Not Applicable

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## **X. Forms, Certifications and Assurances**

### **A. Applicant's Certification of Intent**

All applicants must complete and submit the Certification of Intent form, contained in Exhibit G.

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### **B. Board Resolution**

Each public body submitting a grant application to the Illinois Department of Transportation under the Section 5311 program must pass a resolution by the governing board authorizing the filing of the application, execute and file grant agreement, and file such documents to perform agreement and receive the grant. A sample resolution is contained in Exhibit D.

### **C. Sample Ordinance**

Illinois Compiled Statutes 740/2-1 et seq. authorizes an applicant to provide for public transportation within their service area limits. If a county is applying for Section 5311 funds on behalf of another county within the service area, each county is required to pass an ordinance authorizing the project. A sample ordinance is contained in Exhibit H.

### **D. Standard FTA Assurances and Certifications**

As a condition of receipt of Federal financial assistance, all applicants (both grantees and operators) must agree to all terms and conditions imposed by the Federal Transit Administration based on all applicable laws, regulations, and Executive Orders. A copy of the applicable terms and conditions, along with a certification, is contained in Exhibit C. This certification must be submitted by all grantees and operators.

## **XI. Compiling the Application**

After all elements of the application are complete, the Applicant can print out a paper copy of the applicant for submission to IDOT.

Ensure that all certifications and assurances are complete and fully executed. Attach additional materials, as necessary to the printed applications, based on instructions provided elsewhere in the application. Eight (8) attachments and one (1) Table may be necessary to support documentation contained in this application, as follows:

Attachment I	Maps of the service area (or other printed material that will help describe the project.
Attachment II	Copies of minutes, letters, RFPs, and other documentation that describe the applicant's efforts to involve the private sector in the project.
Attachment III	Organization charts for each operator.
Attachment IV	Indirect cost rate proposal
Attachment V	Copy of the most recent audit & 5311 Annual Financial Report (Electronic versions – see separate file). For those projects that submit indirect cost rate proposals, audit should reflect costs for the period corresponding to the indirect cost rate proposal.
Attachment VI	Certified Copy of Public Notice for Public Hearing
Attachment VII	Copy of minutes of Public Hearing in Support of this Application
Attachment VIII	FY2015 State of Illinois Downstate Operating Assistance Application.

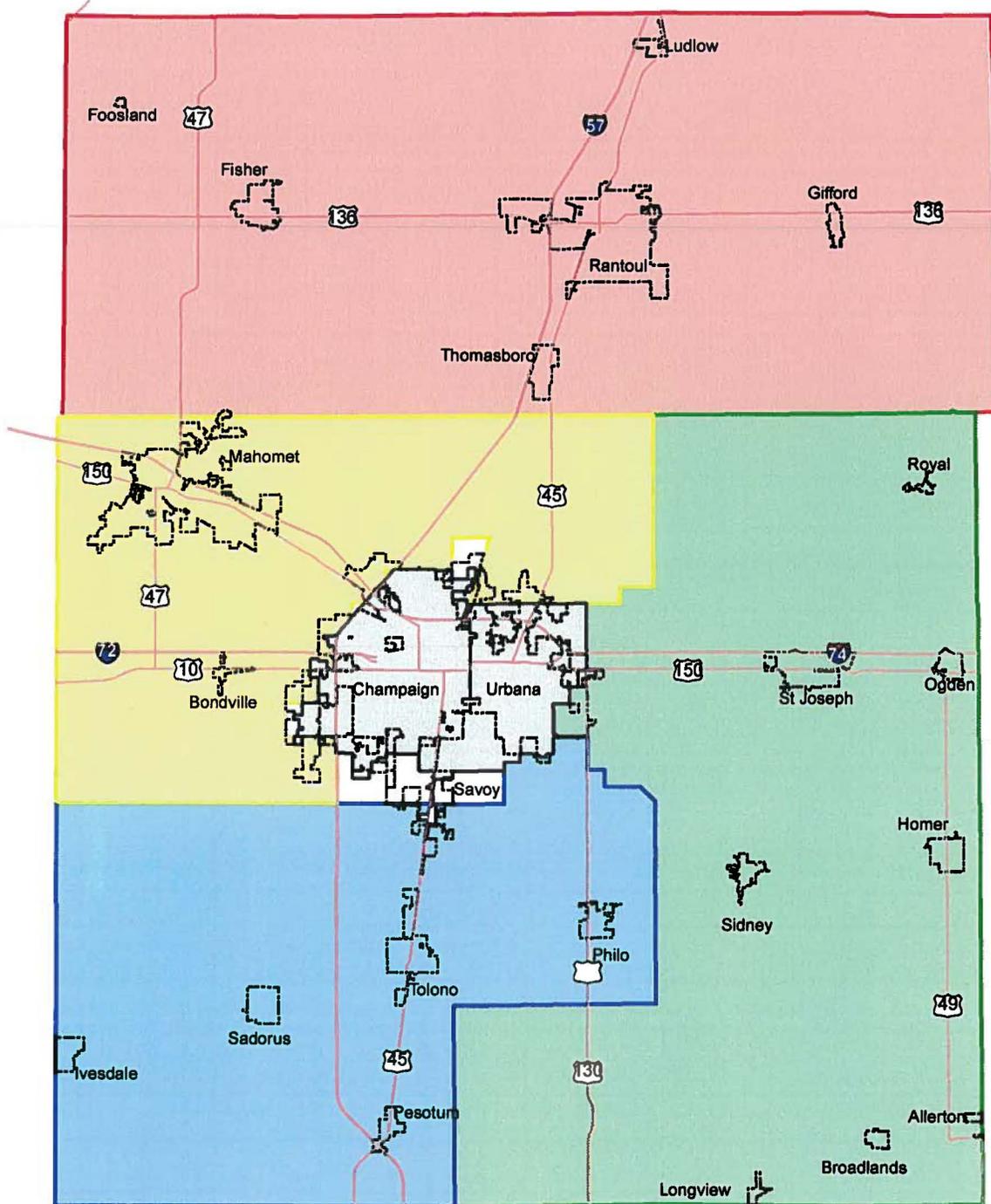
TABLE #1 - Proposed System Service Level by County

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## **Attachment I**

### **Service Area Maps and Other Materials that Describe the Project**

**(Attach in this Section)**



**Legend**

- Highways
- Municipality
- MTD Service Boundary
- RZ1
- RZ2
- RZ3
- RZ4



Rural Demand-Response Zones

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## **Attachment II**

**Copies of Minutes, Letters, RFPs, and Other  
Documentation that Describe the Applicant's Efforts to  
Involve the Private Sector in the Project.**

**(Attach in this Section)**

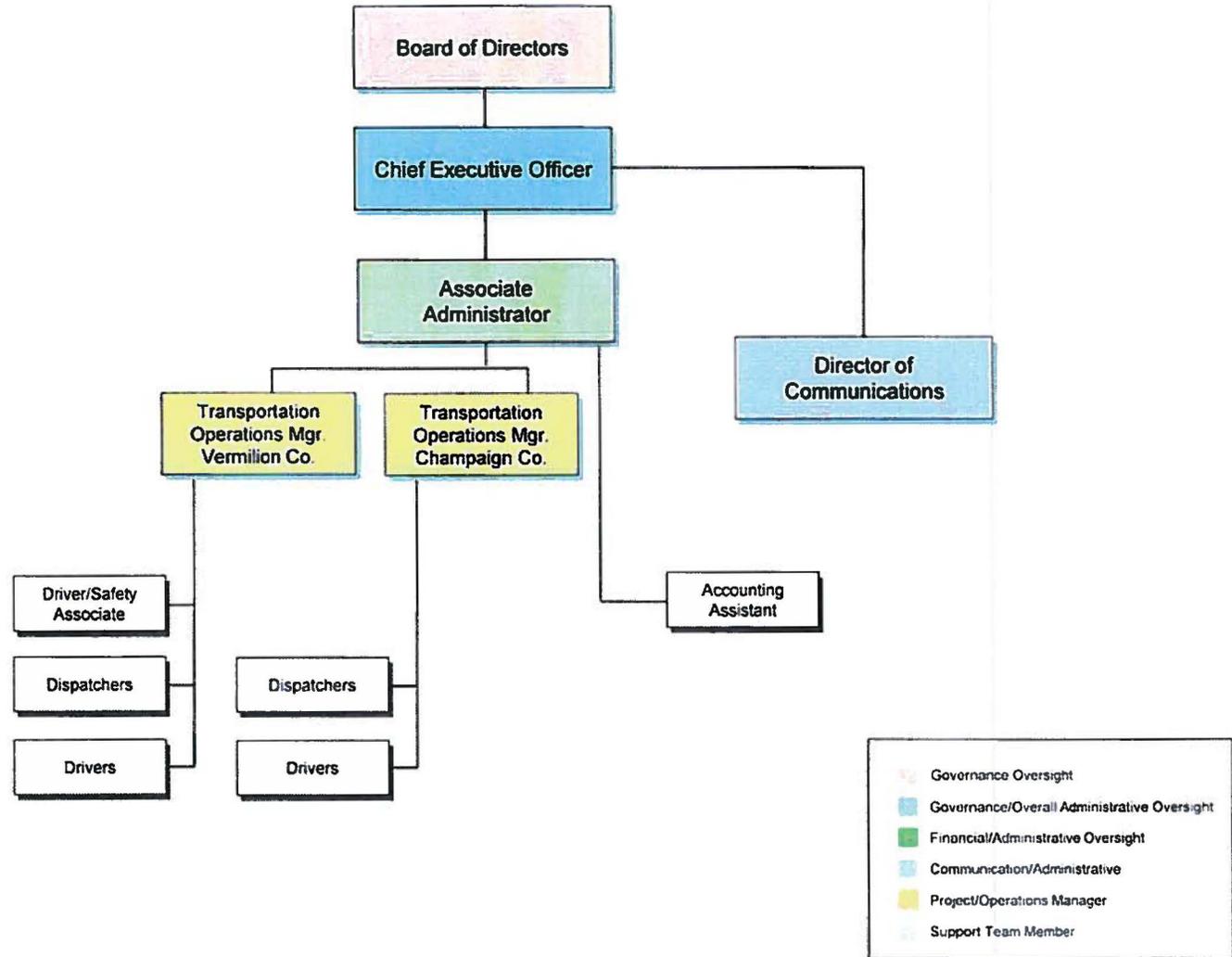
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## **Attachment III**

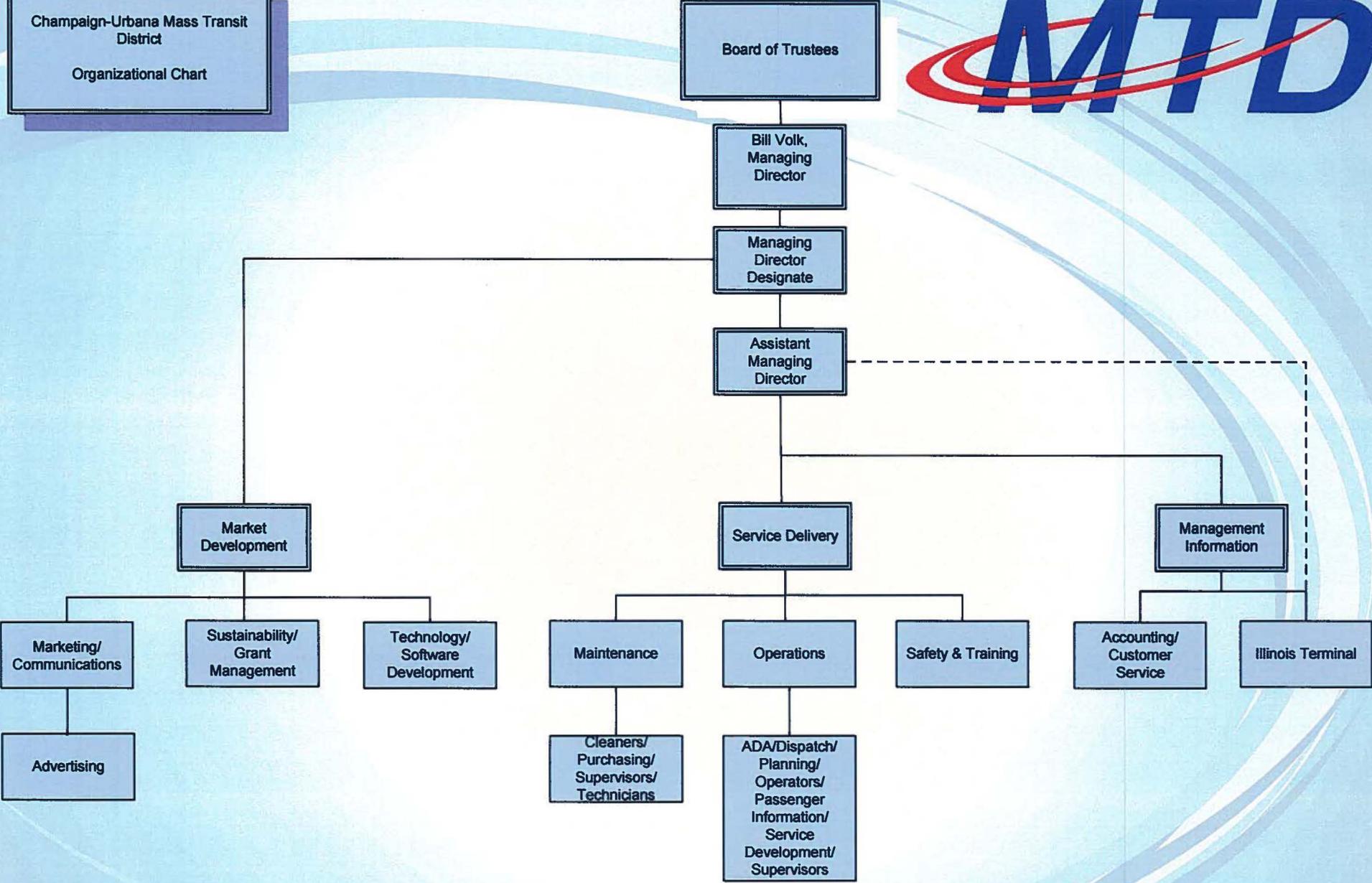
### **Organizational Charts for Each Operator**

**(Attach in this Section)**

**CRIS**  
 Rural Mass Transit District  
 2014 Organizational Chart



**Champaign-Urbana Mass Transit District**  
Organizational Chart



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**Attachment IV**

**Indirect Cost Rate Proposals**

**(Attach in this Section)**

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**Attachment V**

**Copy of Audit for Most Recent Year Corresponding to  
the Data Used in the Indirect Cost Rate Proposal  
(Only Projects that Submit Indirect Cost Proposal)**

**(Attach in this Section)**



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**CRIS RURAL MASS TRANSIT  
DISTRICT  
Danville, Illinois**

**FINANCIAL STATEMENTS  
June 30, 2013**



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CliftonLarsonAllen LLP  
www.cliftonlarsonallen.com

## Independent Auditors' Report

Board of Directors  
CRIS Rural Mass Transit  
Danville, Illinois

### Report on the Financial Statements

We have audited the accompanying basic financial statements of CRIS Rural Mass Transit District, as of and for the year ended June 30, 2013, and the related notes to the financial statements.

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

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

### *Auditors' Responsibility*

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

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

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

***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of CRIS Rural Mass Transit District as of June 30, 2013, and the respective changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Other Matters***

***Required Supplementary Information***

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

***Other Information***

Our audit was conducted for the purpose of forming opinions on the basic financial statements of CRIS Rural Mass Transit District. The accompanying supplementary information is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The accompanying supplementary 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. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report December 9, 2013 on our consideration of the CRIS Rural Mass Transit 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 result of that testing, and not to provide an opinion on 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 CRIS Rural Mass Transit District's internal control over financial reporting and compliance.

*CliftonLarsonAllen LLP*

Danville, Illinois  
December 4, 2013

**CRIS RURAL MASS TRANSIT DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
Year Ended June 30, 2013**

As management of CRIS Rural Mass Transit District (the District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District.

**FINANCIAL HIGHLIGHTS**

- The assets of the District exceeded its liabilities at June 30, 2013 by \$315,229.
- Total assets of the District at June 30, 2013 were \$780,669 which includes cash, cash equivalents, and receivables of \$763,325, property and equipment of \$7,900, and prepaid assets of \$9,444.
- The net assets of the District increased \$102,191 from July 1, 2012 to June 30, 2013.
- The District does not carry any long-term debt however they do have a line of credit they have borrowed against.
- Total operating revenues for the year ended June 30, 2013 were \$425,542.
- Total non-operating revenues for the year ended June 30, 2013 were \$1,197,423.
- Total operating expenses for the year ended June 30, 2013 were \$1,520,774.

**OVERVIEW OF FINANCIAL STATEMENTS**

This report includes this management's discussion and analysis, the independent auditor's report and the basic financial statements of the District. The financial statements also include notes that explain in more detail some of the information in the financial statements. These statements also contain other supplemental information in addition to the basic financial statements themselves.

CRIS Rural Mass Transit District's discussion and analysis is designed to (1) assist the reader in focusing on significant financial issues, (2) provide an overview of the District's financial activity, (3) identify changes in the District's financial position (its ability to address the next and subsequent year challenges), and (4) identify any material deviations from the financial plan (the approved budget). Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of CRIS Rural Mass Transit District is improving or deteriorating.

Since the Management's Discussion and Analysis (MD&A) is designed to focus on current activities, resulting changes and currently known facts, please read it in conjunction with the District's Financial Statements (accompanying documents).

Included in the accompanying financial statements are all accounts of CRIS Rural Mass Transit District. For accounting purposes, the District is an enterprise fund.

**CRIS RURAL MASS TRANSIT DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
Year Ended June 30, 2013**

**REQUIRED FINANCIAL STATEMENTS**

The financial statements of the District report information of the District using accounting methods similar to those used by private sector companies. These statements offer both short-term and long-term financial information about the District's overall financial status.

There are three basic financial statements for proprietary/enterprise funds: the Statement of Net Position; the Statement of Revenues, Expenses, and Changes in Net Position; and the Statement of Cash Flows.

The Statement of Net Position includes all of the District's assets and liabilities. This statement provides a way to measure the financial health of the District by providing the basis for evaluating the capital structure of the District and assessing the liquidity and the financial flexibility of the District.

All of the current year's revenue and expenses are accounted for in the Statement of Revenues, Expenses, and Changes in Net Position. This statement measures the success of the District's operations over the past year and can be used to determine whether the District has successfully recovered all its costs through its user fees and grants and its credit worthiness.

The final required financial statement is the Statement of Cash Flows. This statement demonstrates that there are sufficient cash flows to meet the District's obligations in a timely manner and the change in the cash balance during the reporting period. The reconciliation summarizes the reasons why cash from operating activities is different from operating income.

**FINANCIAL ANALYSIS OF THE DISTRICT**

**Net Assets**

As previously noted, net position may serve over time as a useful indicator of an entity's financial position. In the case of the District, assets exceeded liabilities by \$315,229 at June 30, 2013.

As can be seen in the following Condensed Statement of Net Position, since the District carries no long-term debt at this time. Net position reflects its investment in capital assets plus current assets, less current liabilities. The District uses the capital assets to assist in providing transportation services. The capital assets themselves are not intended to be used to liquidate liabilities. Consequently, these assets are not available for future spending.

<b>Condensed Statement of Net Position</b>	<b><u>2013</u></b>	<b><u>2012</u></b>
Current assets	\$ 772,769	\$ 884,163
Equipments	<u>7,900</u>	<u>6,126</u>
Total assets	<u>\$ 780,669</u>	<u>\$ 890,289</u>
Current liabilities	<u>\$ 465,440</u>	<u>\$ 677,251</u>

**CRIS RURAL MASS TRANSIT DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
Year Ended June 30, 2013**

**FINANCIAL ANALYSIS OF THE DISTRICT (CONTINUED)**

<b>Condensed Statement of Net Position (Continued)</b>	<b><u>2013</u></b>	<b><u>2012</u></b>
Net position:		
Net investment in capital assets	\$ 7,900	\$ 6,126
Unrestricted	<u>307,329</u>	<u>206,912</u>
Total net position	<u>\$ 315,229</u>	<u>\$ 213,038</u>

The following table summarizes the revenues, expenses, and changes in position for the year ended 2013.

<b>Condensed Statement of Revenues, Expenses, and Changes in Net Position</b>	<b><u>2013</u></b>	<b><u>2012</u></b>
Operating revenue	\$ 425,542	\$ 470,523
Nonoperating revenue	<u>1,197,423</u>	<u>1,224,914</u>
Total revenues	<u>1,622,965</u>	<u>1,695,437</u>
Depreciation expense	1,749	1,577
Other operating expense	<u>1,519,025</u>	<u>1,497,729</u>
Total expenses	<u>1,520,774</u>	<u>1,499,306</u>
Change in net position	102,191	196,131
Beginning net position	<u>213,038</u>	<u>16,907</u>
<b>Ending net position</b>	<b><u>\$ 315,229</u></b>	<b><u>\$ 213,038</u></b>

The following two tables further detail revenues and expenses.

	<b><u>Fiscal Year 2013 Actual Amount</u></b>	<b><u>% of Total</u></b>	<b><u>Increase (Decrease) from 2012</u></b>	<b><u>% of Change</u></b>
<b>Revenues By Source</b>				
Operating revenues				
Charges for services	\$ <u>425,542</u>	<u>26%</u>	\$ <u>(44,981)</u>	<u>(62%)</u>

**CRIS RURAL MASS TRANSIT DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
Year Ended June 30, 2013**

**FINANCIAL ANALYSIS OF THE DISTRICT (CONTINUED)**

**Revenues By Source  
(Continued)**

	<b>Fiscal Year 2013</b>		<b>Increase (Decrease)</b>	<b>% of</b>
	<b><u>Actual Amount</u></b>	<b><u>% of Total</u></b>	<b><u>from 2012</u></b>	<b><u>Change</u></b>
<b>Nonoperating revenues</b>				
IDOT operating assistance grants	\$ 1,129,263	70%	\$ (14,621)	(20)%
Other grants	66,684	4%	(14,346)	(20)%
Miscellaneous	<u>1,476</u>	<u>0%</u>	<u>1,476</u>	<u>02%</u>
<b>Total nonoperating revenues</b>	<u>1,197,423</u>	<u>74%</u>	<u>(27,491)</u>	<u>(38)%</u>
<b>Total revenues</b>	<u>\$ 1,622,965</u>	<u>100%</u>	<u>\$ (72,472)</u>	<u>100%</u>

**EXPENSES**

<b>Operating expenses</b>				
Administrative	\$ 193,388	13%	\$ 22,884	108%
Operations and maintenance	1,325,637	87%	(1,628)	(08)%
Depreciation	<u>1,749</u>	<u>0%</u>	<u>172</u>	<u>0%</u>
<b>Total operating expenses</b>	<u>\$ 1,520,774</u>	<u>100%</u>	<u>\$ 21,428</u>	<u>100%</u>

**Debt Administration**

The District has a line of credit through the bank. Outstanding borrowings at June 30, 2013 were \$282,603.

**BUDGETARY HIGHLIGHTS**

The District adopts an annual budget outlining the estimated revenues and expenses to be considered by the District's Board of Directors. The District's budget remains in effect the entire year and is only revised when unexpected expenses occur.

In year ended June 30, 2013, the District's actual revenues exceeded actual expenses by \$102,191. District expenses were under budget by \$470,158 and revenues were under budget by \$425,793.

**CRIS RURAL MASS TRANSIT DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
Year Ended June 30, 2013**

**FINANCIAL ANALYSIS OF THE DISTRICT (CONTINUED)**

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**CAPITAL ASSETS**

As of June 30, 2013, the District's investment in capital assets amounted to \$7,900 (net of accumulated depreciation). Capital asset purchases totaled \$3,523 in fiscal year 2013.

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

- The number of customers as of June 30, 2013 was 1,695.
- Staffing at the District is projected to remain at current levels.

All of these factors were taken into consideration when preparing the District's budget.

The District approved a \$2,404,275 fiscal year 2014 operating budget. The budgeted profit is \$48,631.

**REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the District's finances and to demonstrate the District's accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to: CRIS Rural Mass Transit District, Attn: Amy Marchant, CEO

**CRIS RURAL MASS TRANSIT DISTRICT**  
**STATEMENT OF NET POSITION**  
**June 30, 2013**

**ASSETS**

**CURRENT ASSETS**

Cash and cash equivalents	\$ 28,032
Receivables	735,293
Prepaid expenses	<u>9,444</u>
Total current assets	<u>772,769</u>

**EQUIPMENT**

Office equipment	11,746
Less accumulated depreciation	<u>(3,846)</u>
Total equipment	<u>7,900</u>

**TOTAL ASSETS** 780,669

**LIABILITIES**

Accounts payable	76,465
Other accrued liabilities	52,494
Line of credit	282,603
Due to related entity	<u>53,878</u>
Total current liabilities	<u>465,440</u>

**NET POSITION**

Net investment in capital assets	7,900
Unrestricted	<u>307,329</u>

**TOTAL NET POSITION** \$ 315,229

The accompanying notes are an integral part of the financial statements.

**CRIS RURAL MASS TRANSIT DISTRICT**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**Year Ended June 30, 2013**

<b>OPERATING REVENUES</b>	
Charges for services	<u>\$ 425,542</u>
 <b>OPERATING EXPENSES</b>	
Administrative	193,388
Operations and maintenance	1,325,637
Depreciation	<u>1,749</u>
 Total operating expenses	 <u>1,520,774</u>
 Net loss from operating activities	 <u>(1,095,232)</u>
 <b>NON-OPERATING REVENUES</b>	
IDOT operating assistance grants	1,129,263
Other grants	66,684
Miscellaneous revenue	<u>1,476</u>
 Total non-operating revenues	 <u>1,197,423</u>
 <b>CHANGE IN NET POSITION</b>	 102,191
 <b>NET POSITION, BEGINNING OF YEAR</b>	 <u>213,038</u>
 <b>NET POSITION, END OF YEAR</b>	 <u>\$ 315,229</u>

The accompanying notes are an integral part of the financial statements.

**CRIS RURAL MASS TRANSIT DISTRICT**  
**STATEMENT OF CASH FLOWS**  
Year Ended June 30, 2013

<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Cash received from customers	\$ 404,131
Cash paid to vendors	(691,826)
Cash paid to employees	<u>(802,998)</u>
Net cash used in operating activities	<u>(1,090,693)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>	
Net payments on line of credit	(180,000)
Cash paid to related entity	(46,621)
Grant proceeds received	<u>1,141,283</u>
Net cash provided by noncapital financing activities	<u>914,662</u>
<b>CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES</b>	
Purchase of capital assets	<u>(3,523)</u>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	(179,554)
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<u>207,586</u>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<u>\$ 28,032</u>
<b>RECONCILIATION OF OPERATING LOSS TO</b>	
<b>NET CASH USED IN OPERATING ACTIVITIES:</b>	
Operating loss	\$ (1,095,232)
Adjustments to reconcile operating loss to net cash used in operating activities:	
Depreciation	1,749
Effects of changes in operating assets and liabilities:	
Prepaid expenses	21,460
Receivables	(21,411)
Accounts payable and accrued liabilities	<u>2,741</u>
<b>NET CASH USED IN OPERATING ACTIVITIES</b>	<u>\$ (1,090,693)</u>

**SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION**

Cash paid during the year for interest was \$20,646.

The accompanying notes are an integral part of the financial statements.

**CRIS RURAL MASS TRANSIT DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
Year Ended June 30, 2013**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The CRIS Rural Mass Transit District's (the District) principal line of business is transportation services for residential customers in Vermilion and Champaign counties. The District uses transportation vehicles owned by Vermilion County and Champaign County. Both Counties contract with the District to provide the transportation services. The primary revenue source of the District is grant funding through Illinois Department of Transportation and user charges. The accounting policies of CRIS Rural Mass Transit District conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant policies.

The financial statements of the District are prepared in accordance with accounting principles generally accepted in the United States of America (GAAP). The Government Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments.

**Use of Estimates in Preparing Financial Statements**

The preparation of financial statements in conformity with generally accepted accounting principles 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 revenue and expenses during the reporting period. Actual results could differ from those estimates.

**Principles Used to Determine Reporting Entity**

The definition of the reporting entity is based primarily on the notion of financial accountability. A primary government is financially accountable for the organizations that make up its legal entity. It is also financially accountable for legally separate organizations if its officials appoint a voting majority of an organization's governing body and either it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the primary government. A primary government may also be financially accountable for governmental organizations that are fiscally dependent on it.

The District is not aware of any organization for which the District is financially accountable.

The District is not aware of any entity which would be financially accountable to the District to the extent that they would be considered a component unit of the entity.

**CRIS RURAL MASS TRANSIT DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
Year Ended June 30, 2013**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Measurement Focus, Basis of Accounting, and Basis of Presentation**

Basis of accounting refers to when revenues and expenses are recognized in the accounts and reported in the financial statements.

The District operates as an enterprise fund. Enterprise funds are accounted for on a flow of economic resources measurement focus using the accrual basis of accounting in accordance with generally accepted accounting principles. Revenues are recognized when they are earned, and expenses are recorded at the time liabilities are incurred.

Enterprise funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services in connection with its principal ongoing operations. Operating expenses include the costs of providing the services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting the definition are reported as nonoperating revenues and expenses.

**Cash and Cash Equivalents**

The District considers all liquid investments with a maturity of three months or less when purchased to be cash equivalents.

**Receivables**

The District receives support from various state, federal, and local agencies in the form of grants, contributions and fees for service arrangements. These receivable amounts are not collateralized or secured and are considered to be fully collectible.

**Capital Assets**

Depreciation in enterprise funds is charged as an expense against its operations. Depreciation has been provided on a straight-line basis over the respective useful lives of the equipment, which range from 5 to 7 years. The District uses a capitalization threshold of \$300. Equipment is recorded at cost, net of accumulated depreciation.

**Impairment of Long-Lived Assets**

The District reviews long-lived assets for impairment whenever events or changes in circumstances indicate the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future undiscounted net cash flows expected to be generated by the asset. Assets to be disposed of are reported at the lower of carrying amount or the fair value less costs to sell.

**CRIS RURAL MASS TRANSIT DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
Year Ended June 30, 2013**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Compensated Absences**

In accordance with the generally accepted accounting principles, no liability is recorded for non-vesting rights to receive personal day benefits. A liability for vacation days is recorded as the employee's right to vacation days accumulates. The unused vacation days do not expire but are limited on an annual basis by the Board of Directors. The District considers the liability for accrued compensated absences to be entirely a current liability.

**Revenues**

Charges for services are recognized as revenue based on the transportation services provided. Income from funding sources is recognized as grant revenue over the period of the grant and as the grant is earned. Any grant funding received in advance is deferred until it is earned.

**NOTE 2 - RECEIVABLES**

Receivables are summarized as follows:

IDOT DOAP Funds	\$599,433
JARC	68,023
Danville Mass Transit	32,186
Crosspoint	11,357
Worksource	10,540
Champaign County Nursing Home	4,628
Other	<u>9,126</u>
<b>Total</b>	<b><u>\$735,293</u></b>

**NOTE 3 - CHANGES IN CAPITAL ASSETS**

A summary of changes in capital assets for the fiscal year ended June 30, 2013 follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Office equipment	\$ 8,223	\$ 3,523	\$ -	\$ 11,746
Less accumulated depreciation	<u>(2,097)</u>	<u>(1,749)</u>	<u>-</u>	<u>(3,846)</u>
<b>Total</b>	<b><u>\$ 6,126</u></b>	<b><u>\$ 1,774</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 7,900</u></b>

**CRIS RURAL MASS TRANSIT DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
Year Ended June 30, 2013**

**NOTE 4 - RELATED PARTIES**

CRIS Healthy Aging (the Agency) is a related party to the District due to common board members. The District's administrative operations are within the same building in Vermilion County and uses the same accounting and administrative staff. During the start-up phase of the District, funds were borrowed from CRIS Healthy Aging for services and expenses already incurred but not yet reimbursed by various funding agencies. Funds borrowed were drawn from the CRIS Healthy Aging line of credit at a local bank. The amount due to CRIS Healthy Aging Center will be paid back upon receipt of funds by the District. Total due to CRIS Healthy Aging as of June 30, 2013 was \$53,878. CRIS Healthy Aging guarantees the line of credit of the District and the District guarantees CRIS Healthy Aging's line of credit.

**NOTE 5 - LEASE COMMITMENTS**

The District entered into a lease agreement for a copier, which expires March 31, 2016. The monthly lease payments are \$147. Future minimum lease payments under this lease as of June 30, 2013 are as follows, by fiscal year:

2014	\$ 1,764
2015	1,764
2016	<u>1,323</u>
<b>Total</b>	<b><u>\$ 4,851</u></b>

The District has entered into a lease agreement for the building and parking space, which expires February 28, 2016. The monthly lease payments are \$1,166 and \$552 for office space and parking, respectively.

Future minimum lease payments under this lease are as follows, by fiscal year:

2014	\$ 20,616
2015	20,616
2016	<u>13,744</u>
<b>Total</b>	<b><u>\$ 54,976</u></b>

The District has renewed a lease agreement for use of a parking garage, which expires August 31, 2014. The original lease commenced on September 1, 2009. The monthly lease payments vary by date of the lease and range from \$3,795 to \$4,300 through August 2014.

**CRIS RURAL MASS TRANSIT DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
Year Ended June 30, 2013**

**NOTE 5 - LEASE COMMITMENTS (CONTINUED)**

Future minimum lease payments under this lease are as follows, by fiscal year:

2014	\$ 51,350
2015	<u>8,600</u>
<b>Total</b>	<b><u>\$ 59,950</u></b>

The District has an additional month-to-month lease agreement for office space with CRIS Healthy Aging Center, a related entity. Monthly lease payments are \$825.

Total rent expense was \$80,364 for period ended June 30, 2013.

**NOTE 6 - NOTE PAYABLE TO BANK**

The District maintains a line of credit in the amount of \$550,000 that matures September 15, 2013. Interest on balances drawn are payable at the *Wall Street Journal* prime rate plus 1.0% (3.25% at June 30, 2013) with a minimum interest rate of 5.35%. The line of credit is secured by substantially all of the Agency's and the District's assets. As of June 30, 2013, the District had an outstanding balance of \$282,603 on this line of credit. The District has subsequently extended the terms of the line of credit with the bank to September 15, 2014.

**NOTE 7 - SIMPLE IRA PLAN**

The District sponsors a Simple IRA Retirement Plan. The plan is available to all employees after one year of full-time employment. Part-time employees earning at least \$5,000 per year become eligible to participate in the program on October 1, following one full year of employment. The District matches employee contributions up to 3% of an employee's annual salary. The District made contributions to the plan totaling \$5,718 in 2013.

**NOTE 8 - SUBSEQUENT EVENTS**

Management evaluated subsequent events through December 4, 2013, the date the financial statements were available to be issued. Events or transactions occurring after June 30, 2013, but prior to December 4, 2013 that provided additional evidence about conditions that existed at June 30, 2013, have been recognized in the financial statements for the year ended June 30, 2013. Events or transactions that provided evidence about conditions that did not exist at June 30, 2013 but arose before the financial statements were available to be issued have not been recognized in the financial statements for the year ended June 30, 2013.

This information is an integral part of the accompanying financial statements.

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**SUPPLEMENTARY INFORMATION**

**CRIS RURAL MASS TRANSIT DISTRICT  
 SUPPLEMENTARY INFORMATION  
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES  
 IN NET POSITION - CHAMPAIGN COUNTY  
 Year Ended June 30, 2013**

<b>OPERATING REVENUES</b>	
Charges for services	\$ <u>50,940</u>
<b>OPERATING EXPENSES</b>	
Administrative	73,637
Operations and maintenance	440,517
Depreciation	<u>-</u>
Total operating expenses	<u>514,154</u>
Net loss from operating activities	<u>(463,214)</u>
<b>NON-OPERATING REVENUES</b>	
IDOT operating assistance grants	472,538
Other grants	10,213
Miscellaneous revenue	<u>368</u>
Total non-operating revenues	<u>483,119</u>
<b>CHANGE IN NET POSITION</b>	19,905
<b>NET POSITION, BEGINNING OF YEAR</b>	<u>31,752</u>
<b>NET POSITION, END OF YEAR</b>	<u>\$ 51,657</u>

**CRIS RURAL MASS TRANSIT DISTRICT  
 SUPPLEMENTARY INFORMATION  
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES  
 IN NET POSITION - VERMILION COUNTY  
 Year Ended June 30, 2013**

<b>OPERATING REVENUES</b>	
Charges for service	\$ <u>374,602</u>
<b>OPERATING EXPENSES</b>	
Administrative	119,751
Operations and maintenance	885,120
Depreciation	<u>1,749</u>
Total operating expenses	<u>1,006,620</u>
Net loss from operating activities	<u>(632,018)</u>
<b>NON-OPERATING REVENUES</b>	
IDOT operating assistance grants	656,725
Other grants	56,471
Miscellaneous revenue	<u>1,108</u>
Total non-operating revenues	<u>714,304</u>
<b>CHANGE IN NET POSITION</b>	82,286
<b>NET POSITION, BEGINNING OF YEAR</b>	<u>181,286</u>
<b>NET POSITION, END OF YEAR</b>	<u>\$ 263,572</u>

Champaign County  
Section 5311 Annual Financial Report - Champaign County  
Operating Period July 1, 2012 to June 30, 2013  
Contract Number 4314

Revenue

Line Item	Description	Total
401	Passenger Fares/ Donations	\$26,948.95
402	Special Transit Fares	
405	Charter Service	
406	Auxiliary Transportation	
407	Non-Transportation Revenue	
440	Other:	
	<b>Total Revenue</b>	<b>\$26,948.95</b>
	Less: Non- 5311 Operating Revenues	
	<b>Section 5311 Operating Revenue</b>	<b>\$26,948.95</b>

Expenses

Line Item	Eligible Expenses	Actual Administrative Expenses	Actual Operating Expenses	Total
501	Labor	\$83,589.27	\$152,241.66	\$235,830.93
502	Fringe Benefits	17,630.91	41,534.19	\$59,165.10
503	Services	22,179.83	39,417.57	\$61,597.40
504.01	Fuel and Oil	0.00	80,453.31	\$80,453.31
504.02	Tires and Tubes	0.00	2,049.55	\$2,049.55
504.99	Other Materials	3,305.63	0.00	\$3,305.63
505	Utilities	6,596.45	0.00	\$6,596.45
506	Casualty and Liability	14,778.49	0.00	\$14,778.49
507	Taxes	69.20	0.00	\$69.20
508	Purchase of Service	0.00	0.00	\$0.00
509	Miscellaneous	8,367.06	0.00	\$8,367.06
511	Interest Expense	6,660.05	0.00	\$6,660.05
512	Lease and Rentals	0.00	20,613.96	\$20,613.96
	Other:			
	<b>Total Expenses</b>	<b>\$163,176.89</b>	<b>\$336,310.24</b>	<b>\$499,487.13</b>

Rev. 02/26/10

**Champaign County  
Section 5311 Grant Reimbursement - Champaign County  
FY\_13\_\_**

	Administrative Expenses	Operating Expenses	Total	
1) Expenses:	163176.89	336310.24	499487.13	
2) Less: Ineligible Expenses			0.00	
3) Net Eligible Expenses ((1)-(2))	163176.89	336310.24	499487.13	
4) Less: Section 5311 Operating Revenues (From Page 1)		26948.95	26948.95	
5) Section 5311 Operating Deficit ((3)-(4))		309361.29		
6) Section 5311 Deficit ((3)-(4))			472538.18	
7) Section 5311 Reimbursement %	x 80%	x 50%		
				<b>Grant</b>
A) Eligible Reimbursement Per Percentages	130541.51	154680.65		<b>Total</b>
				285222.16
B) Funding Limits per Contract				153871.00
C) Maximum Section 5311 Reimbursement: (Lesser of Totals for (A) or (B))			153871.00	153871.00
D) Less: IDOT Payments- Section 5311 Reimbursement to Grantee				153871.00
E) Amount (Over) Under Paid ((C)-(D))				0.00
F) Grantee Local Match Requirement (Operating Deficit-(C))			318667.18	

GRANTEE MATCH SOURCES	AMOUNTS
Downstate Operating Grant	\$318,667.18
Local Contracts	
In-Kind Services, Subsidies, Donations	
<b>TOTAL LOCAL MATCH</b>	<b>\$318,667.18</b>
(Must equal or exceed (F))	

I certify that the costs claimed for reimbursement are adequately supported and the approved cost allocation plan (if applicable) has been followed as provided in the project budget.

Prepared By: \_\_\_\_\_  
 Title: Kathy Cooksey  
 CPA Approval: Associate Administrator  
 Date: See Independent auditors' report

**CRIS Rural Mass Transit District**  
**Section 5311 Annual Financial Report - Vermilion County**  
**Operating Period July 1, 2012 to June 30, 2013**  
**Contract Number 4304**

**Revenue**

<b>Line Item</b>	<b>Description</b>	<b>Total</b>
401	Passenger Fares/ Donations	\$13,352.90
402	Special Transit Fares	\$83,976.99
405	Charter Service	
406	Auxiliary Transportation	
407	Non-Transportation Revenue	
440	Other:	
	<b>Total Revenue</b>	<b>\$97,329.89</b>
	<b>Less: Non- 5311 Operating Revenues</b>	
	<b>Section 5311 Operating Revenue</b>	<b>\$97,329.89</b>

**Expenses**

<b>Line Item</b>	<b>Eligible Expenses</b>	<b>Actual Administrative Expenses</b>	<b>Actual Operating Expenses</b>	<b>Total</b>
501	Labor	\$108,185.34	\$247,858.74	\$356,044.08
502	Fringe Benefits	30,502.55	56,287.12	\$86,789.67
503	Services	16,102.10	38,360.92	\$54,463.02
504.01	Fuel and Oil	0.00	109,776.62	\$109,776.62
504.02	Tires and Tubes	0.00	7,438.47	\$7,438.47
504.99	Other Materials	4,918.56	0.00	\$4,918.56
505	Utilities	3,972.38	0.00	\$3,972.38
506	Casualty and Liability	28,702.48	0.00	\$28,702.48
507	Taxes	99.00	0.00	\$99.00
508	Purchase of Service	0.00	0.00	\$0.00
509	Miscellaneous	5,092.72	0.00	\$5,092.72
511	Interest Expense	13,986.18	0.00	\$13,986.18
512	Lease and Rentals	9,900.00	49,850.00	\$59,750.00
	Other:			
	<b>Total Expenses</b>	<b>\$221,461.31</b>	<b>\$509,571.87</b>	<b>\$731,033.18</b>

**CRIS Rural Mass Transit District  
Section 5311 Grant Reimbursement - Vermillion County  
FY\_13\_\_**

	<b>Administrative Expenses</b>	<b>Operating Expenses</b>	<b>Total</b>	
1) Expenses:	221461.31	509571.87		
			731033.18	
2) Less: Ineligible Expenses				0.00
3) Net Eligible Expenses ((1)-(2))	221461.31	509571.87		731033.18
4) Less: Section 5311 Operating Revenues (From Page 1)		97329.89		97329.89
5) Section 5311 Operating Deficit ((3)-(4))		412241.98		
6) Section 5311 Deficit ((3)-(4))				633703.29
7) Section 5311 Reimbursement %	x 80%	x 50%		
A) Eligible Reimbursement Per Percentages	177169.05	206120.99		<b>Grant Total</b> 383290.04
B) Funding Limits per Contract				143028.00
C) Maximum Section 5311 Reimbursement: (Lesser of Totals for (A) or (B))			143028.00	143028.00
D) Less: IDOT Payments- Section 5311 Reimbursement to Grantee				143028.00
E) Amount (Over) Under Paid ((C)-(D))				0.00
F) Grantee Local Match Requirement (Operating Deficit-(C))			490675.29	

<b>GRANTEE MATCH SOURCES</b>	<b>AMOUNTS</b>
Downstate Operating Grant	\$490,675.29
Local Contracts	
In-Kind Services, Subsidies, Donations	
<b>TOTAL LOCAL MATCH</b>	<b>\$490,675.29</b>
(Must equal or exceed (F))	

I certify that the costs claimed for reimbursement are adequately supported and the approved cost allocation plan (if applicable) has been followed as provided in the project budget.

Prepared By:  
 Title: Kathy Cooksey  
 CPA Approval: Associate Administrator  
 Date: See Independent auditors' report

**CRIS RURAL MASS TRANSIT DISTRICT  
 SUPPLEMENTARY INFORMATION - VERMILION COUNTY  
 SCHEDULE OF REVENUES AND INCOME AND OPERATING EXPENSES  
 UNDER DOWNSTATE OPERATING ASSISTANCE GRANT OP-13-38-JL**

Year Ended June 30, 2013

(Page 1 of 2)

**OPERATING REVENUES AND INCOME**

401	Passenger fares for transit services	\$ 16,350
402	Special transit fares	83,977
403	School bus service	-
404	Freight tariffs	-
405	Total charger service revenues	-
406	Auxiliary revenue	-
407	Non-transportation revenue	-
407.99	Sec. 5307 force acct. & admin. cost reimbursement	-
410	Local special fare assistance	-
411	State cash grants & reimbursements	-
412	State special fare assistance	-
413	Fed. Cash grants & reimbursements	143,028
413.99	Sec. 5307 capital funds for state eligible operating expenses	33,251
440	Subsidy from other sectors of operations	-
	<b>Total operating revenues</b>	<u><b>276,606</b></u>

**OPERATING EXPENSES**

501	Labor	391,103
502	Fringe benefits	96,789
503	Professional services	56,945
504	Materials & supplies	132,523
505	Utilities	4,211
506	Casualty & liability	28,702
507	Taxes	99
508	Net purchased transportation	-
509	Miscellaneous expenses	6,195
511	Interest expense	13,986
512	Leases, rentals, and purchase-lease payments	59,750
	<b>Total operating expenses</b>	<u><b>790,303</b></u>
	<b>Ineligible expenses:</b>	
	APTPA and IPTA dues	-
	Other	-
	Less total ineligible expenses	<u>-</u>
	<b>Total eligible operating expenses</b>	<u><b>\$ 790,303</b></u>

**CRIS RURAL MASS TRANSIT DISTRICT**  
**SUPPLEMENTARY INFORMATION - VERMILION COUNTY**  
**SCHEDULE OF REVENUES AND INCOME AND OPERATING EXPENSES**  
**UNDER DOWNSTATE OPERATING ASSISTANCE GRANT OP-13-38-JL**  
**Year Ended June 30, 2013**  
**(Page 2 of 2)**

<b>Total eligible operating expenses</b>	<b>\$ <u>790,303</u></b>
<b>Total operating revenue &amp; income</b>	<b><u>276,606</u></b>
<b>Deficit</b>	<b><u>513,697</u></b>
<b>65% of eligible expense</b>	<b><u>513,697</u></b>
<b>Maximum contract amount</b>	<b><u>614,790</u></b>
<b>FY13 Downstate Operating Assistance</b> (Deficit, 65% of eligible expense, or maximum contract amount, whichever is less)	<b><u>513,697</u></b>
<b>FY13 Downstate Operating Assistance Received</b> (prior to close of fiscal year)	<b><u>232,930</u></b>
<b>FY13 Downstate Operating Assistance Receivable</b> (at close of fiscal year and subsequently received)	<b><u>280,767</u></b>
<b>FY13 Downstate Operating Assistance (Over) Under Paid</b>	<b><u>\$ -</u></b>

**Prepared By: Kathy Cooksey**

**Title: Associate Administrator**

**CPA Approval: See Independent Auditors' Report**

**Date: See Independent Auditors' Report**

**CRIS RURAL MASS TRANSIT DISTRICT**  
**SUPPLEMENTARY INFORMATION - CHAMPAIGN COUNTY**  
**SCHEDULE OF REVENUES AND INCOME AND OPERATING EXPENSES**  
**UNDER DOWNSTATE OPERATING ASSISTANCE GRANT OP-13-43-IL**  
**Year Ended June 30, 2013**  
**(Page 1 of 2)**

**OPERATING REVENUES AND INCOME**

401	Passenger fares for transit services	\$ 26,949
402	Special transit fares	-
403	School bus service	-
404	Freight tariffs	-
405	Total charger service revenues	-
406	Auxiliary revenue	-
407	Non-transportation revenue	-
407.99	Sec. 5307 force acct. & admin. cost reimbursement	-
410	Local special fare assistance	-
411	State cash grants & reimbursements	-
412	State special fare assistance	-
413	Fed. Cash grants & reimbursements	153,871
413.99	Sec. 5307 capital funds for state eligible operating expenses	-
440	Subsidy from other sectors of operations	-
	<b>Total operating revenues</b>	<b><u>180,820</u></b>

**OPERATING EXPENSES**

501	Labor	235,831
502	Fringe benefits	59,165
503	Professional services	61,597
504	Materials & supplies	85,809
505	Utilities	6,598
506	Casualty & liability	14,779
507	Taxes	69
508	Net purchased transportation	-
509	Miscellaneous expenses	8,367
511	Interest expense	6,660
512	Leases, rentals, and purchase-lease payments	20,614
	<b>Total operating expenses</b>	<b><u>499,487</u></b>
	<b>Ineligible expenses:</b>	
	APTPA and IPTA dues	-
	Other	-
	<b>Less total ineligible expenses</b>	<b><u>-</u></b>
	<b>Total eligible operating expenses</b>	<b><u>\$ 499,487</u></b>

**CRIS RURAL MASS TRANSIT DISTRICT**  
**SUPPLEMENTARY INFORMATION - CHAMPAIGN COUNTY**  
**SCHEDULE OF REVENUES AND INCOME AND OPERATING EXPENSES**  
**UNDER DOWNSTATE OPERATING ASSISTANCE GRANT OP-13-43-IL**  
**Year Ended June 30, 2013**  
**(Page 2 of 2)**

<b>Total eligible operating expenses</b>	<b>\$ 499,487</b>
<b>Total operating revenue &amp; income</b>	<b>180,820</b>
<b>Deficit</b>	<b>318,667</b>
<b>65% of eligible expense</b>	<b>324,667</b>
<b>Maximum contract amount</b>	<b>525,100</b>
<b>FY13 Downstate Operating Assistance</b> (Deficit, 65% of eligible expense, or maximum contract amount, whichever is less)	<b>318,667</b>
<b>FY13 Downstate Operating Assistance Received</b> (prior to close of fiscal year)	<b>-</b>
<b>FY13 Downstate Operating Assistance Receivable</b> (at close of fiscal year and subsequently received)	<b>318,667</b>
<b>FY13 Downstate Operating Assistance (Over) Under Paid</b>	<b>\$ -</b>

**Prepared By: Kathy Cooksey**

**Title: Associate Administrator**

**CPA Approval: See Independent Auditors' Report**

**Date: See Independent Auditors' Report**

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**INTERNAL CONTROL AND COMPLIANCE REPORT**



CliftonLarsonAllen

CliftonLarsonAllen LLP  
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**Independent Auditors' Report on  
Internal Control Over Financial Reporting  
and on Compliance and Other Matters Based on an Audit of Financial  
Statements Performed in Accordance  
with Government Auditing Standards**

CRIS Rural Mass Transit District  
Danville, 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 CRIS Rural Mass Transit District, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise CRIS Rural Mass Transit District's basic financial statements, and have issued our report thereon dated December 4, 2013.

**Internal Control Over Financial Reporting**

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and responses we identified a deficiency in internal control that we consider to be a material weakness.

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. We consider the deficiency described in the accompanying schedule of findings and responses as item 2013-001 to be a material weakness.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether CRIS Rural Mass Transit 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*.

**CRIS Rural Mass Transit District's Response to Findings**

CRIS Rural Mass Transit District's response to the finding identified in our audit is described in the accompanying Schedule of Findings and Responses. CRIS Rural Mass Transit District's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

**Purpose of this Report**

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



Danville, Illinois  
December 4, 2013

**CRIS RURAL MASS TRANSIT DISTRICT  
SCHEDULE OF FINDINGS AND RESPONSES  
Year Ended June 30, 2013**

**Findings Relating to Internal Control Over Financial Reporting and Compliance**

**Finding No. 2013-001 – Financial Statement Preparation and Accrual Adjustments**

*Criteria or specific requirement:*

The District and management share the ultimate responsibility for the District's internal control system. While it is acceptable to outsource various accounting functions, the responsibility for internal control cannot be outsourced.

*Condition:*

The District has engaged independent public accountants to assist the District in preparing the financial statements and accompanying disclosures. In addition, several adjustments were required to be posted to the financial records in order for them to be in accordance with generally accepted accounting principles. As independent auditors, we cannot be considered part of the District's internal control system.

*Context:*

The District currently relies on the independent auditors to assist in the preparation of the financial statements and disclosures. In addition, the District relies on the auditor to propose adjustments to the financial records so they are in conformance with generally accepted accounting principles. The District does not have internal resources to fully perform these functions completely and accurately.

*Effect:*

It is possible that a misstatement of the District's financial statements could occur and not be prevented or detected by the District's internal control over financial reporting.

*Cause:*

The District does not have internal staff that have been provided training related to developments and complexities of generally accepted accounting principles, including all financial statement disclosures and accrual adjustments.

*Recommendation:*

We make no recommendation as to whether management should or should not invest in additional personnel or additional training for existing personnel to acquire the capacity to maintain the level of expertise necessary to maintain the accounting records in accordance with generally accepted accounting principles and prepare the financial statements in accordance with generally accepted accounting principles including all disclosures.

*Views of responsible officials and planned corrective action:*

The auditors' recommendation has been duly noted by the CRIS Rural Mass Transit District. However, the District does not feel it is economically feasible to correct this situation.

**CRIS RURAL MASS TRANSIT DISTRICT  
SCHEDULE OF STATUS OF PRIOR PERIOD FINDINGS  
Year Ended June 30, 2013**

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**Finding No. 2012-1**

**FINANCIAL STATEMENT PREPARATION AND ACCRUAL ADJUSTMENTS**

*Condition:*

The District has engaged independent public accountants to assist the District in preparing the financial statements and accompanying disclosures. In addition, several adjustments were required to be posted to the financial records in order for them to be in accordance with generally accepted accounting principles. As independent auditors, we cannot be considered part of the District's internal control system.

This finding is repeated as 2013-001.



**CHAMPAIGN-URBANA  
MASS TRANSIT DISTRICT  
Urbana, Illinois**

**FINANCIAL STATEMENTS  
June 30, 2013 and 2012**



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## Independent Auditors' Report

Board of Trustees  
Champaign-Urbana Mass Transit District  
Urbana, Illinois

### ***Report on the Financial Statements***

We have audited the accompanying financial statements of the Champaign-Urbana Mass Transit District (the District), as of and for the years ended June 30, 2013 and 2012, and the related notes to the financial statements, which collectively comprise the entity's basic financial statements as listed in the table of contents.

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

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

### ***Auditors' Responsibility***

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

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

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

***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the District as of June 30, 2013 and 2012, and the respective changes in financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

***Other Matters***

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the schedules of funding progress, 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.

***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying schedules of operating expenses are presented for the purpose of additional analysis and are not a required part of the basic financial statements. The accompanying downstate operating assistance grant schedules are presented for purposes of additional analysis as required by the Illinois Department of Transportation and are not a required part of the basic financial statements. The schedule of expenditures of federal awards, as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, is also presented for purposes of additional analysis and is not a required part of the basic financial statements.

These schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated October 31, 2013 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 result of that testing, and not to provide an opinion on 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.

*CliftonLarsonAllen LLP*

Champaign, Illinois  
October 31, 2013

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

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

Questions concerning any of the information provided in this report or requests for additional information should be addressed to Mr. William Volk, Managing Director, Champaign-Urbana Mass Transit District, 1101 East University, Urbana, Illinois 61802-2009.

### **Financial Highlights – Fiscal Year 2013**

- The District's financial condition remained stable and strong during Fiscal Year 2013.
- State of Illinois Assistance continued to be fully funded at 65% of eligible operating expenses.

### **Financial Highlights – Fiscal Year 2012**

- The District's financial condition remained stable and strong during Fiscal Year 2012.
- State of Illinois Assistance continued to be fully funded at 65% of eligible operating expenses.

### **Using This Annual Report**

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

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

The statement of revenues, expenses, and changes in net position provides the performance of the District over its fiscal year, which is the twelve-month period ended June 30. This statement presents the detail of how the net position presented on the balance sheet changed over the fiscal year. All activities that increase or decrease net position are reflected on this statement when they occur rather than when the related cash flow occurs.

The cash flow statement presents the increase or decrease in cash and cash equivalents during the fiscal year resulting from the operating, financing, and investing activities of the District. This statement simply presents the increases and decreases in cash and cash equivalents without regard to related revenues/receivables and expenses/liabilities.

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

#### The District as a Whole

The District's net position increased from the prior year — increasing from \$70.2 million to \$72.4 million. Our analysis below focuses on the net position (Table 1) and changes in net position (Table 2) of the District.

	<u>2013</u>	<u>2012</u>	<u>2011</u>
Current and other assets	\$ 19.9	\$ 18.5	\$ 20.0
Capital assets	<u>58.8</u>	<u>57.8</u>	<u>53.7</u>
Total assets	<u>78.7</u>	<u>76.3</u>	<u>73.7</u>
Current and other liabilities	5.8	5.6	8.9
Long-term liabilities	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>
Total liabilities	<u>6.3</u>	<u>6.1</u>	<u>9.4</u>
Net position			
Net investment in capital assets, related debt	58.8	57.8	51.0
Unrestricted	<u>13.6</u>	<u>12.4</u>	<u>13.3</u>
<b>Total net position</b>	<b><u>\$ 72.4</u></b>	<b><u>\$ 70.2</u></b>	<b><u>\$ 64.3</u></b>

**Fiscal Year 2013** - The District's net position increased by 3.2% (\$72.4 million compared to \$70.2 million for fiscal 2012). Total assets increased by \$2.4 million. Current and other assets increased by \$1.4 million and capital assets increased by \$1.0 million.

Current liabilities increased by \$0.2 million while long-term liabilities remained constant.

Unrestricted net position, the part of net position that can be used to finance day-to-day operations without constraints established by enabling legislation or other legal requirements, increased by \$1.2 million.

**Fiscal Year 2012** - The District's net position increased by 9.2% (\$70.2 million compared to \$64.3 million for fiscal 2011). Total assets increased by \$2.6 million. Current and other assets decreased by \$1.5 million and capital assets increased by \$4.1 million.

Current liabilities decreased by \$3.3 million while long-term liabilities remained constant.

Unrestricted net position, the part of net position that can be used to finance day-to-day operations without constraints established by enabling legislation or other legal requirements, decreased by \$0.9 million.

**Table 2**  
**Changes in Net Position**  
**(In Millions)**

	<u>2013</u>	<u>2012</u>	<u>2011</u>
Operating revenues			
Revenues from transportation services	\$ 6.8	\$ 6.7	\$ 6.0
Other operating revenues	<u>1.1</u>	<u>.9</u>	<u>0.9</u>
Total operating revenues	<u>7.9</u>	<u>7.6</u>	<u>6.9</u>
Operating expenses			
Operations	19.7	19.0	17.3
Maintenance	5.2	4.7	5.1
General administration and Illinois Terminal	5.8	5.3	5.2
Depreciation	<u>6.6</u>	<u>5.4</u>	<u>3.8</u>
Total operating expenses	<u>37.3</u>	<u>34.4</u>	<u>31.4</u>
Operating loss	<u>(29.4)</u>	<u>(26.8)</u>	<u>(24.5)</u>
Non-operating revenue			
Taxes	7.0	6.6	6.6
Assistance grants	<u>23.1</u>	<u>22.4</u>	<u>20.2</u>
Total non-operating revenues	<u>30.1</u>	<u>29.0</u>	<u>26.8</u>
Income before other revenue	0.7	2.2	2.3
Other revenues			
Capital grants	<u>1.5</u>	<u>3.7</u>	<u>12.2</u>
Increase in net position	2.2	5.9	14.5
Net position, beginning of year	<u>70.2</u>	<u>64.3</u>	<u>49.8</u>
Net position, end of year	<u>\$ 72.4</u>	<u>\$ 70.2</u>	<u>\$ 64.3</u>

**Fiscal Year 2013** - The District's operating revenue increased by 3.9% (\$0.3 million) while operating expenses minus depreciation increased by 5.7% (\$1.7 million).

Factors that led to the increases included:

- A 3.5% increase in Operations expenses (\$0.7 million). Increased labor and fringe benefit expenses (\$0.6 million) constituted the bulk of the increase. Fuel and Lubricants remained constant.
- Maintenance expenses increased by \$0.5 million. Increased labor and fringe benefit expenses (\$0.3 million) constituted the bulk of the increase. Revenue Vehicle repairs increased by \$0.2 million. In future years, as our fleet age increases, we may see increased vehicle repairs.
- General Administration and Illinois Terminal expenses increased by 0.5 million.

**Fiscal Year 2012** - The District's operating revenue increased by 10.1% (\$.7 million) while operating expenses minus depreciation increased by 5.1% (\$1.4 million).

Factors that led to the increases included:

- An increase of \$.7 million in Revenue for Transportation Services was matched by a \$.1 million increase in Other Operating Expenses.
- A 9.8% increase in Operations expenses (\$1.7 million). Increased labor and fringe benefit expenses (\$1.4 million) constituted the bulk of the increase. Fuel and Lubricants increased by \$.3 million.
- Maintenance expenses decreased by \$.4 million. Decreased Revenue Vehicle Repairs (decreased \$.3 million), as a result of 11 new buses, offset increases in other areas.
- General Administration expenses remained flat.

## Budgetary Highlights

**Fiscal Year 2013** - The Board of Trustees approved the District's budget for fiscal year 2013 on June 27, 2012 with various capital budget amendments through-out the year. The budget included operating expenses of \$38.7 million excluding depreciation. This included \$6.9 million of debt service.

- Operating revenue including investment income was \$8.0 million or the same as the Fiscal Year 2013 budget.
- Operating expenses, less depreciation, was \$30.8 million with an additional total of \$5.0 million of eligible debt service. Total operating expenses were \$1.1 million under budget.

**Fiscal Year 2012** - The Board of Trustees approved the District's budget for fiscal year 2012 on June 29, 2011 with various capital budget amendments through-out the year. The budget included operating expenses of \$34.6 million excluding depreciation. This included \$5.8 million of debt service.

- Operating revenue including investment income was \$7.5 million or the same as the Fiscal Year 2012 budget.
- Operating expenses, less depreciation, was \$29.1 million with an additional total of \$5.3 million of eligible debt service. Total operating expenses were \$.6 million under budget.

## Capital Asset Administration

At the end of fiscal year 2013, the District had \$58.8 million invested in a broad range of capital assets (see Table 3 below). This is an increase of \$1.0 million over fiscal year 2012.

### Fiscal Year 2013 Major Additions Include

Revenue vehicles	\$ 6,236,831
Big Broadband	584,676
Passenger Shelters	<u>536,660</u>

**Total** \$ 7,358,167

The District's fiscal year 2013 capital budget calls for \$1.0 million in local dollars as well as \$6.9 million of State of Illinois debt service operating funds. Some of the more significant Fiscal Year 2013 capital projects from these sources include:

Big broadband	\$ 540,000
Architectural and engineering	150,000
CAD/AVL	150,000
Facility improvements	150,000
Lease buyouts	<u>10,000</u>
<b>Total</b>	<u>\$ 1,000,000</u>

More detailed information about the District's capital assets is presented in Notes 2 and 6 to the financial statements.

**Fiscal Year 2012 Major Additions Include (In Millions)**

Revenue vehicles	\$	7.3
Construction in progress – various projects		6.1
Building improvements		2.2
Radio equipment		.01
Fareboxes		.05
Other equipment		.05
Service vehicles		0.1
<b>Total</b>	<b>\$</b>	<b>16.8</b>

**Long-term Debt Activity**

**Fiscal Year 2013** - The District's only long-term debt (early retirement plan liability) did not change significantly during the year. Future increases in the accrual for the early retirement plan cannot be predicted as participation is at the discretion of eligible employees.

It is unclear whether the District will take on additional long-term debt in the coming years for the acquisition of property, construction and equipment.

**Fiscal Year 2012** - The District's long-term debt (early retirement plan liability) did not change significantly during the year.

It is not expected that the District will take on additional long-term debt in the coming years for the acquisition of property and equipment. Future increases in the accrual for the early retirement plan cannot be predicted as participation is at the discretion of eligible employees.

**Economic Factors and Next Year's Budget**

- The State of Illinois budget contained a total of \$27.5 million for operating assistance to the District for the fiscal year 2014 including \$6.4 million of debt service.
- The District's budget for fiscal year 2014 includes projected operating expenses of \$41.6 million, excluding depreciation. A total of \$6.4 million is included in the budget as debt service funded by State of Illinois Operating Assistance with \$4.0 million of the total debt service for the purchase of land.

**CHAMPAIGN URBANA MASS TRANSIT DISTRICT  
BALANCE SHEETS  
June 30, 2013 and 2012**

**ASSETS**

	<u>2013</u>	<u>2012</u>
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 2,465,718	\$ 4,534,727
Investments	101,738	101,183
Receivables:		
Property tax	3,344,526	3,119,238
State operating grant	4,800,295	-
Other	516,245	194,486
Inventories	866,966	879,139
Prepaid expenses	<u>90,269</u>	<u>773,379</u>
Total current assets	<u>12,185,757</u>	<u>9,602,152</u>
<b>PROPERTY AND EQUIPMENT</b>		
Land and construction in progress, not being depreciated	2,145,072	2,305,520
Other property and equipment, net of depreciation	<u>56,696,164</u>	<u>55,580,046</u>
Total property and equipment	<u>58,841,236</u>	<u>57,885,566</u>
<b>OTHER ASSETS</b>		
Capital reserves:		
Cash and cash equivalents	7,740,396	8,783,845
Investments held under incentive plan	<u>20,774</u>	<u>45,554</u>
Total other assets	<u>7,761,170</u>	<u>8,829,399</u>
 <b>TOTAL ASSETS</b>	 <u>\$ 78,788,163</u>	 <u>\$ 76,317,117</u>

**LIABILITIES AND NET POSITION**

	<u>2013</u>	<u>2012</u>
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 759,881	\$ 366,403
Operating assistance grant payable	572,221	572,221
Accrued expenses	3,385,429	3,532,478
Unredeemed yearly passes and tokens	118,720	110,285
Obligations under incentive and early retirement plans, current portion	120,867	175,554
Workers' compensation liability	171,451	181,330
Other current liabilities	<u>706,928</u>	<u>663,272</u>
Total current liabilities	5,835,497	5,601,543
<b>LONG-TERM LIABILITIES</b>		
Obligation under early retirement plan, net of current	<u>500,000</u>	<u>510,000</u>
Total liabilities	<u>6,335,497</u>	<u>6,111,543</u>
<b>NET POSITION</b>		
Net investment in capital assets	58,841,236	57,885,566
Unrestricted	<u>13,611,430</u>	<u>12,320,008</u>
Total net position	<u>72,452,666</u>	<u>70,205,574</u>
 <b>TOTAL LIABILITIES AND NET POSITION</b>	 <u>\$ 78,788,163</u>	 <u>\$ 76,317,117</u>

The accompanying notes are an integral part of the financial statements.

**CHAMPAIGN-URBANA MASS TRANSIT DISTRICT**  
**STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**Years Ended June 30, 2013 and 2012**

	<u>2013</u>	<u>2012</u>
<b>OPERATING REVENUES</b>		
Yearly passes	\$ 5,289,479	\$ 5,147,383
Full adult fares	692,866	690,490
Rental of equipment and buildings	725,633	720,228
Student fares and school bus service	486,699	476,589
ADA services	245,431	260,073
Advertising	260,045	180,432
Half-Fare cab	106,545	90,527
Miscellaneous	<u>165,205</u>	<u>106,477</u>
 Total operating revenues	 <u>7,971,903</u>	 <u>7,672,179</u>
<b>OPERATING EXPENSES</b>		
Operations	19,719,358	19,057,488
Maintenance	5,247,504	4,753,254
General administration	4,609,956	4,137,306
Illinois Terminal	1,183,200	1,139,263
Depreciation	<u>6,577,119</u>	<u>5,354,948</u>
 Total operating expenses	 <u>37,337,137</u>	 <u>34,442,259</u>
 Operating loss	 <u>(29,365,234)</u>	 <u>(26,770,080)</u>
<b>NON-OPERATING REVENUES</b>		
Property taxes	6,770,348	6,432,971
State replacement taxes	208,810	204,366
State of Illinois assistance grants	23,058,840	22,387,128
Federal assistance grants	103,191	-
Investment income	<u>5,590</u>	<u>8,363</u>
 Total non-operating revenues	 <u>30,146,779</u>	 <u>29,032,828</u>
 Income before other revenues	 781,545	 2,262,748
<b>OTHER REVENUES</b>		
Capital grants	<u>1,465,547</u>	<u>3,671,788</u>
 <b>CHANGE IN NET POSITION</b>	 2,247,092	 5,934,536
 <b>NET POSITION, BEGINNING OF YEAR</b>	 <u>70,205,574</u>	 <u>64,271,038</u>
 <b>NET POSITION, END OF YEAR</b>	 <u>\$ 72,452,666</u>	 <u>\$ 70,205,574</u>

The accompanying notes are an integral part of the financial statements.

**CHAMPAIGN-URBANA MASS TRANSIT DISTRICT**  
**STATEMENTS OF CASH FLOWS**  
**Years Ended June 30, 2013 and 2012**

	<u>2013</u>	<u>2012</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from customers	\$ 7,942,362	\$ 7,740,782
Payments to vendors	(16,460,075)	(17,757,432)
Payments to employees	<u>(13,380,706)</u>	<u>(12,779,475)</u>
Net cash used in operating activities	<u>(21,898,419)</u>	<u>(22,796,125)</u>
<b>CASH FLOWS FROM NON-CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
State operating assistance grant proceeds received	18,258,545	25,164,644
Federal operating assistance grant proceeds received	103,191	-
Tax proceeds received	<u>6,753,870</u>	<u>6,630,452</u>
Net cash provided by non-capital and related financing activities	<u>25,115,606</u>	<u>31,795,096</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Federal and state capital grant proceeds received	1,173,329	3,671,788
Purchases of property and equipment	(7,532,789)	(9,527,330)
Advances of principal on lines of credit	5,023,021	5,744,438
Repayments of principal on lines of credit	(5,023,021)	(8,423,246)
Proceeds from note payable	4,920,000	-
Payment on note payable	<u>(4,920,000)</u>	<u>-</u>
Net cash used in capital and related financing activities	<u>(6,359,460)</u>	<u>(8,534,350)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from sales and maturities of investments	170,922	276,344
Purchase of investments	(146,697)	(253,609)
Interest received	<u>5,590</u>	<u>8,363</u>
Net cash provided by investing activities	<u>29,815</u>	<u>31,098</u>
<b>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(3,112,458)</b>	<b>495,719</b>
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<u><b>13,318,572</b></u>	<u><b>12,822,853</b></u>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<u><b>\$ 10,206,114</b></u>	<u><b>\$ 13,318,572</b></u>

	<u>2013</u>	<u>2012</u>
<b>RECONCILIATION OF OPERATING LOSS TO</b>		
<b>NET CASH USED IN OPERATING ACTIVITIES</b>		
Operating loss	\$ (29,365,234)	\$ (26,770,080)
Adjustments to reconcile operating loss to net cash used in operating activities:		
Depreciation	6,577,119	5,354,948
(Increase) decrease in assets:		
Receivables	(29,541)	68,603
Inventories	12,173	(205,915)
Prepaid expenses	683,110	(645,903)
Increase (decrease) in liabilities:		
Accounts payable and accrued expenses	236,550	(569,823)
Unredeemed yearly passes and tokens	8,435	(52,943)
Obligations to employees under early retirement and incentive plans	(64,687)	(71,618)
Other current liabilities	43,656	96,606
Net adjustments	<u>7,466,815</u>	<u>3,973,955</u>
<b>NET CASH USED IN OPERATING ACTIVITIES</b>	<b><u>\$ (21,898,419)</u></b>	<b><u>\$ (22,796,125)</u></b>

Noncash financing activities in 2013 consist of financing the purchase of buses for \$4,920,000. Certain reclassifications of 2012 cash flow figures were made to be consistent with the 2013 presentation.

<b>RECONCILIATION OF CASH AND CASH EQUIVALENTS TO</b>		
<b>BALANCE SHEET</b>		
Cash and cash equivalents	\$ 2,465,718	\$ 4,534,727
Capital reserves-cash and cash equivalent	<u>7,740,396</u>	<u>8,783,845</u>
<b>TOTAL</b>	<b><u>\$ 10,206,114</u></b>	<b><u>\$ 13,318,572</u></b>

The accompanying notes are an integral part of the financial statements.

**CHAMPAIGN-URBANA MASS TRANSIT DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2013 and 2012**

**NOTE 1 - NATURE OF OPERATIONS AND THE REPORTING ENTITY**

The Champaign-Urbana Mass Transit District (the District) is a governmental unit that provides public transportation for the people of Champaign-Urbana, Illinois. The District operates as an enterprise fund, which accounts for operations in a manner similar to private business enterprises - where the intent of the governing body (the Board of Trustees) is that the costs (expenses, including depreciation) of providing services to the general public on a continuing basis be financed or recovered in part through user charges.

The reporting entity of the District was determined based on the oversight responsibility and scope of the public services provided. Oversight responsibility is measured by the extent of financial interdependency, control over the selection of the governing authority and management, ability to significantly influence operations, and accountability for fiscal matters. Based on these criteria, there are no agencies or other units that have been or should be combined with the financial statements of the District.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the District are prepared in accordance with accounting principles generally accepted in the United States of America (GAAP). The Government Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments. GAAP includes all relevant GASB pronouncements plus other sources of accounting and financial reporting guidance noted in GASB Statement 55, *The Hierarchy of GAAP for State and Local Governments*.

For purposes of preparing the statements of cash flows, restricted and unrestricted currency, demand deposits, and money market accounts are considered cash and cash equivalents.

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

**CHAMPAIGN-URBANA MASS TRANSIT DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2013 and 2012**

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

The District levies property taxes each year, on all taxable real property located within the District's boundaries, on or before the last Tuesday in December. The 2012 tax levy was passed by the Board of Trustees on December 5, 2012. Property taxes attach as an enforceable lien on property as of January 1 and are payable in two installments on June 1 and September 1. The District receives significant distributions of tax receipts approximately one month after these due dates. Revenue from property taxes is recognized in the period for which it was levied. Property tax revenue for the years ended June 30, 2013 and 2012 was from the 2012 and 2011 levies, respectively. Property tax receivables have been reduced to the estimated amount to be collected based on historical collection experience. Property taxes paid by constituents may be contested. The District has recorded unearned revenue of \$657,048 for the years ended June 30, 2013 and 2012, that represents property taxes collected from two constituents that have contested their property tax payments. The unearned revenue is included in other current liabilities on the balance sheets.

Revenue from the corporate personal property replacement tax is recognized in the period when the taxes have been collected by the State of Illinois.

Operating revenues include all revenues from the provision of a service by the District. These services include the provision of public transportation, the rental of facilities and land, and the leasing of advertising signage on revenue vehicles. All other revenues are considered non-operating or other revenues.

Operating grant revenue is recognized as it is earned. Capital grant revenue is recorded as capital grant expenditures as incurred.

Inventories are stated at the lower of average cost or market. Cost is determined on a first-in, first-out (FIFO) basis.

Property and equipment are recorded at cost. Major additions and those expenditures that substantially increase the useful life of an asset are capitalized. The District's capitalization threshold for property and equipment is \$5,000 per unit. Maintenance, repairs, and minor additions and expenditures are expensed when incurred. The District provides for depreciation using the straight-line method over the estimated useful lives of the assets.

**CHAMPAIGN-URBANA MASS TRANSIT DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2013 and 2012**

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

The District calculates the liability for unused sick leave using the vesting method. The District considers the liability for accrued compensated absences to be a current liability.

The proceeds from the sale of yearly passes are deferred when received, and the revenue is recorded evenly throughout the period for which the passes apply.

Assets that are not available to finance general obligations of the District are reported as restricted on the balance sheets. The District's policy is to apply restricted resources first when an expense is incurred for a purpose for which restricted and unrestricted net assets are available.

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**NOTE 3 - CASH AND CASH EQUIVALENTS AND INVESTMENTS**

**Custodial Credit Risk – Bank Deposits**

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District's investment policy addresses custodial credit risk by requiring the diversification of the deposits so that losses at any one institution will be minimized. At June 30, 2013, \$360,572 of the District's bank balance of \$1,141,639 was exposed to custodial credit risk and was uncollateralized. At June 30, 2012, \$147,751 of the District's bank balance of \$4,390,599 was exposed to custodial credit risk, and was fully collateralized.

**Credit Risk and Interest Rate Risk – External Investment Pools**

The credit risk of investments is addressed by the District's investment policy by limiting investments to instruments, bonds, corporate obligations, municipal corporation obligations, and government obligations carrying an "investment grade" rating within the upper two tiers of ratings issued by Moody's (Aa or better) or Standard and Poor's (AA or better).

Interest rate risk is addressed by the District's investment policy by preferentially targeting investments with maturities of 180 days and limiting the percentage of investments with maturities over two years, over one year, and under sixty days.

**CHAMPAIGN-URBANA MASS TRANSIT DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2013 and 2012**

**NOTE 3 - CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)**

**Credit Risk and Interest Rate Risk – External Investment Pools (Continued)**

At June 30, 2013, the District held \$4,460,758 in the Illinois Funds Money Market and Prime Funds, which reconciled to a book balance of \$4,460,758. At June 30, 2012 the District held \$13,389,599 in the Illinois Funds Money Market and Prime Funds, which reconciled to a book balance of \$7,489,600. The fair value of the District's position in these funds is equal to the value of the District's fund shares. The portfolios are regulated by oversight of the Treasurer of the State of Illinois and private rating agencies. These portfolios have AAAM ratings from Standard and Poor's, which is the highest rating for an external investment pool. The assets of the funds are mainly invested in securities issued by the United States government or agencies related to the United States. Assets of the funds not invested in United States government securities are fully collateralized by pledged securities. The time to maturity of the investments in these external investment pools averages less than one year.

**Investment Detail**

Investments include certificates of deposit with original maturities in excess of three months. Investments are carried at fair value (which for certificates of deposit is essentially cost) and included in current and other assets on the balance sheet. As of June 30, 2013 and 2012, the District had the following investments and maturities:

		<u>June 30, 2013</u> Investment Maturities in Years Less than	
	<u>Fair Value</u>	<u>1 Year</u>	<u>1 to 5 Years</u>
Certificates of deposit	<u>\$ 122,512</u>	<u>\$ 122,512</u>	<u>\$ -</u>
		<u>June 30, 2012</u> Investment Maturities in Years Less than	
	<u>Fair Value</u>	<u>1 Year</u>	<u>1 to 5 Years</u>
Certificates of deposit	<u>\$ 146,737</u>	<u>\$ 146,737</u>	<u>\$ -</u>

**Custodial Credit Risk – Investments**

At June 30, 2013, the District had no custodial credit risk.

**CHAMPAIGN-URBANA MASS TRANSIT DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2013 and 2012**

**NOTE 3 - CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)**

**Interest Rate Risk – Investments**

As a means of limiting its risk to fair value losses arising from rising interest rates, the District's investment policy calls for investments to be structured so that securities mature to meet cash requirements for ongoing operations and for investing operating funds primarily in shorter-term securities, money market mutual funds, and similar investment pools. The District's investment policy calls for investments to be preferentially invested in instruments with maturities of 180 days. Specifically, the policy limits investments in instruments with maturities over two years and one year to ten percent and twenty percent, respectively, of the District's total investments. At June 30, 2013, the District held no investments in instruments with maturities in excess of two years and no investments with maturities over one year. The policy also limits to fifteen percent the investments in instruments with maturities of sixty days or less. At June 30, 2013, the District held no investments under sixty days.

**Concentration of Credit Risk – Investments and Cash Equivalents**

The District's investment policy calls for diversification by limiting the investment in any one issuer, except for government backed securities, to twelve percent of the District's investments and cash equivalents. At June 30, 2013, the District had no investments or cash equivalents greater than 5 percent of total investments and cash equivalents with any issuer.

**NOTE 4 - ACCOUNTS RECEIVABLE**

Accounts receivable consists of the following:

	<u>2013</u>	<u>2012</u>
Property taxes	\$ 3,344,526	\$ 3,119,238
State operating grant	4,800,295	-
Federal capital grant	292,218	-
Employees	7,800	8,522
University of Illinois	41,300	39,313
Trade	134,632	108,942
Interest	-	434
State replacement tax	<u>40,295</u>	<u>37,275</u>
<b>Total accounts receivable</b>	<b><u>\$ 8,661,066</u></b>	<b><u>\$ 3,313,724</u></b>

**CHAMPAIGN-URBANA MASS TRANSIT DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2013 and 2012**

**NOTE 4 - ACCOUNTS RECEIVABLE (CONTINUED)**

**Operating Assistance Grants**

During the years ended June 30, 2013 and 2012, the Illinois Department of Transportation (IDOT) reimbursed the District for up to sixty-five percent, of the District's eligible operating expenses. The amount of reimbursements is limited to the maximum amount specified in the grant agreements. The District is required to return to IDOT any unspent grant amounts. The final estimated grant amount for each fiscal year is subject to review and approval of the eligible expenses by IDOT.

As of June 30, 2013 and 2012, the estimated amounts due to and from IDOT, respectively, are as follows:

	<u><b>2013</b></u>	<u><b>2012</b></u>
Fiscal year 2013 grant agreement	\$ 4,800,295	\$ -
Fiscal year 2012 grant agreement	<u>(572,221)</u>	<u>(572,221)</u>
<b>Net amount due from IDOT</b>	<u><b>\$ 4,228,074</b></u>	<u><b>\$ (572,221)</b></u>

The \$572,221 due to IDOT under the fiscal year 2012 grant agreement is shown as operating assistance grant payable at June 30, 2013.

The \$4,800,295 due to the District from IDOT under the fiscal year 2013 grant agreement is shown as operating assistance grant receivable at June 30, 2013.

**CHAMPAIGN-URBANA MASS TRANSIT DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2013 and 2012**

**NOTE 5 - INVENTORIES**

Inventories consist of the following:

	<u>2013</u>	<u>2012</u>
Materials and supplies	\$ 783,805	\$ 792,226
Fuel and lubricant	<u>83,161</u>	<u>86,913</u>
<b>Total</b>	<b><u>\$ 866,966</u></b>	<b><u>\$ 879,139</u></b>

**NOTE 6 - PROPERTY AND EQUIPMENT, NET**

Property and equipment, and the changes therein, consist of the following, for each fiscal year:

	<u>June 30,</u> <u>2012</u>	<u>Additions</u>	<u>Disposals</u>	<u>June 30,</u> <u>2013</u>
Assets not being depreciated:				
Land	\$ 1,475,159	\$ -	\$ -	\$ 1,475,159
Construction in progress	830,361	6,151,022	6,311,470	669,913
Assets being depreciated:				
Land improvements	223,552	-	71,508	152,044
Office, garage, and building facilities	35,445,926	781,457	275,519	35,951,864
Revenue vehicles	47,826,066	6,236,831	4,282,690	49,780,207
Service vehicle	446,089	3,374	64,255	385,208
Passenger shelters	1,381,261	536,660	10,823	1,907,098
Other equipment	<u>5,018,098</u>	<u>134,913</u>	<u>107,035</u>	<u>5,045,976</u>
Total property and equipment	92,646,512	13,844,257	11,123,300	95,367,469
Less accumulated depreciation	<u>(34,760,946)</u>	<u>(6,577,119)</u>	<u>4,811,832</u>	<u>(36,526,233)</u>
<b>Property and equipment, net</b>	<b><u>\$ 57,885,566</u></b>	<b><u>\$ 7,267,138</u></b>	<b><u>\$ 6,311,468</u></b>	<b><u>\$58,841,236</u></b>

**CHAMPAIGN-URBANA MASS TRANSIT DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2013 and 2012**

**NOTE 6 - PROPERTY AND EQUIPMENT, NET (CONTINUED)**

	<u>June 30, 2011</u>	<u>Additions</u>	<u>Disposals</u>	<u>June 30, 2012</u>
Assets not being depreciated:				
Land	\$ 1,475,159	\$ -	\$ -	\$ 1,475,159
Construction in progress	1,988,771	6,156,046	7,314,456	830,361
Assets being depreciated:				
Land improvements	223,552	-	-	223,552
Office, garage, and building facilities	33,283,726	2,250,349	88,149	35,445,926
Revenue vehicles	40,426,115	7,399,951	-	47,826,066
Service vehicle	304,714	142,533	1,158	446,089
Passenger shelters	1,302,919	78,438	96	1,381,261
Other equipment	<u>4,242,178</u>	<u>814,473</u>	<u>38,553</u>	<u>5,018,098</u>
Total property and equipment	83,247,134	16,841,790	7,442,412	92,646,512
Less accumulated depreciation	<u>(29,533,950)</u>	<u>(5,354,948)</u>	<u>127,952</u>	<u>(34,760,946)</u>
<b>Property and equipment, net</b>	<b><u>\$53,713,184</u></b>	<b><u>\$11,486,842</u></b>	<b><u>\$ 7,314,460</u></b>	<b><u>\$57,885,566</u></b>

**NOTE 7 - ACCRUED COMPENSATED ABSENCES LIABILITY**

The total liability accrued by the District for unpaid compensated absences, included in accrued expenses on the balance sheet, was \$2,773,377 and \$2,934,552 at June 30, 2013 and 2012, respectively.

District employees earn various types of compensated absences. Operators and maintenance personnel receive vacation leave and earned time leave. Salaried employees receive vacation leave and sick leave. The District adopted a Retirement Health Savings Plan (RHSP). By its adoption, the District amended policies relating to hours of unused vacation, sick leave, and earned time.

Operators and maintenance employees are eligible to be paid for up to one week of unused vacation each calendar year. Any unused vacation earned as of June 30 each year and not used or paid out as of December 31<sup>st</sup>, will be deposited into the employee's personal RHSP account, and is recorded as a benefit expense to the District. Any salaried employee's unused vacation, earned as of June 30 each year, above a 12 week accumulation limit, not used by December 31<sup>st</sup>, will be deposited in the employee's RHSP account. All employees are eligible for payout of their remaining unused vacation at separation from the District.

**CHAMPAIGN-URBANA MASS TRANSIT DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2013 and 2012**

**NOTE 7 - ACCRUED COMPENSATED ABSENCES LIABILITY (CONTINUED)**

Any salaried employee's sick hours above 750 hours, earned as of June 30 of each year and not used by December 31<sup>st</sup>, will be deposited into the employee's personal RHSP account and recorded as benefit expense to the District. Salaried employees who have five years or more of continuous service for the District are eligible to be paid for unused sick leave at separation from the District. The percentage paid at separation ranges from 10 percent after five years of service up to 50 percent after twenty years of service.

Any operator or maintenance earned time balances for a full-time employee cannot exceed 336 hours and for a part-time employee 168 hours. Earned time balances above these levels will be deposited in the employee's personal RHSP account and recorded as benefit expense to the District. Operators and maintenance employees are eligible for payout of all their remaining unused earned time at separation from the District.

**NOTE 8 - LINES OF CREDIT**

As of June 30, 2013, the District has one line of credit, with a borrowing limit of \$4,000,000. The line of credit matures on November 29, 2013 and bears interest at a varying rate equal to LIBOR plus 2.50 basis points with a minimum rate of 3.0 percent. The rate was 3.0 percent at June 30, 2013. This line of credit is secured by substantially all assets of the District. As of June 30, 2013, there was an outstanding balance of \$-0-.

As of June 30, 2012, the District had two lines of credit, each of which had a borrowing limit of \$3,000,000. The first line of credit matured on November 30, 2012 with interest at a varying rate equal to LIBOR plus 3.25 basis points with a minimum rate of 4.0 percent. The rate was 4.0 percent at June 30, 2012. This line of credit was secured by substantially all assets of the District. As of June 30, 2012, there was an outstanding balance of \$-0-. The second line of credit matured on August 5, 2012 with interest at 4.0 percent. As of June 30, 2012, there was an outstanding balance of \$-0-. The line of credit was secured by a security interest in the District's deposit accounts.

**NOTE 9 - NOTE PAYABLE**

During the year, the District entered into a debt agreement for the purchase of capital assets. The loan was for \$4,920,000 to be paid in full by June 30, 2013, with interest at 2.6%. As of June 30, 2013, the outstanding balance of this loan was \$-0- as the loan was fully paid.

**NOTE 10 - RESTRICTED NET ASSETS**

At June 30, 2013 and 2012, the District had no restricted net assets.

**CHAMPAIGN-URBANA MASS TRANSIT DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2013 and 2012**

**NOTE 11 - UNRESTRICTED NET ASSETS**

Unrestricted net assets consist of the following:

	<u>2013</u>	<u>2012</u>
Board designated for capital reserves	\$ 7,740,396	\$ 8,783,845
Undesignated	<u>5,871,034</u>	<u>3,536,163</u>
<b>Total unrestricted net assets</b>	<b><u>\$13,611,430</u></b>	<b><u>\$12,320,008</u></b>

**NOTE 12 - LEASE REVENUE**

The District is the lessor of office and retail space under operating leases expiring in various years through 2025. All of these leases are within non-transportation related sections of facilities that are used for both transportation and non-transportation purposes. The cost and carrying value of these facilities (including the transportation and non-transportation sections) was \$37,579,068 and \$24,359,961, respectively, at June 30, 2013.

Minimum future rentals to be received on non-cancelable leases are as follows:

<b>Fiscal Year Ending June 30</b>	
2014	\$ 591,725
2015	516,756
2016	499,584
2017	258,250
2018	192,498
Thereafter	<u>422,951</u>
<b>Total</b>	<b><u>\$ 2,481,764</u></b>

Minimum future rentals do not include percentage-of-sales contingent rentals contained in the retail space leases. Only the minimum required rental is included above for these retail space leases.

**CHAMPAIGN-URBANA MASS TRANSIT DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2013 and 2012**

**NOTE 13 - LEASE COMMITMENTS**

The District leases furniture, equipment, and vehicles under various non-cancelable operating leases, expiring at various times between December 2013 and April 2016. Future minimum lease payments under these operating leases are as follows:

<b>Fiscal Year Ending June 30</b>	
2014	\$ 122,384
2015	93,680
2016	<u>70,260</u>
<b>Total</b>	<b><u>\$ 286,324</u></b>

Total rental expense for operating leases for the years ended June 30, 2013 and 2012 was \$84,290 and \$126,067, respectively.

**NOTE 14 - OBLIGATIONS UNDER INCENTIVE AND EARLY RETIREMENT PLANS**

**Incentive Plan**

The District has an incentive plan to encourage the tenure of the current Managing Director. The plan calls for the District to place funds into an interest-bearing account each year through 2014 if the Managing Director is employed at that date. It also calls for annual distributions through 2014. The District's value in the incentive plan account totaled \$20,774 and \$45,554 as of June 30, 2013 and 2012, respectively. The liability recorded for this incentive plan was \$20,867 and \$45,554 as of June 30, 2013 and 2012, respectively.

**Early Retirement Plan**

The District maintains an early retirement plan whereby participating employees receive lump sum or periodic payments in exchange for their early retirement from full-time employment with the District. Eligibility requirements are that employees have at least ten years service with the District; are eligible to receive pensions from IMRF; are at the top wage rate in their category at retirement; and are between the ages of sixty and sixty-five at retirement. For the years ended June 30, 2013 and 2012, the District has recorded an expense of \$150,481 and \$202,109, respectively, including the present value of expected future payments at June 30 using an interest rate of 1.0012 percent. The District had a liability of \$600,000 and \$640,000, respectively, related to this plan at June 30, 2013 and 2012 and is included on the balance sheet in obligations under incentive and early retirement plans.

**CHAMPAIGN-URBANA MASS TRANSIT DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2013 and 2012**

**NOTE 14 - OBLIGATIONS UNDER INCENTIVE AND EARLY RETIREMENT PLANS  
(CONTINUED)**

Projected future payments for the early retirement plan liability are as follows:

<b>Fiscal Year Ending June 30</b>	
2014	\$ 100,525
2015	169,883
2016	229,853
2017	<u>102,223</u>
Total value of projected payments	602,484
Plus discounting at 0.12 percent	<u>(2,484)</u>
<b>Total</b>	<b><u>\$ 600,000</u></b>

The following is a summary of changes in incentive and early retirement plan obligations for the years ended June 30, 2013 and 2012:

	<u>June 30, 2012</u>	<u>Provision</u>	<u>Payment</u>	<u>June 30, 2013</u>	<u>Due Within One Year</u>
Incentive and early retirement plans	<u>\$ 685,554</u>	<u>\$ 178,914</u>	<u>\$ 243,601</u>	<u>\$ 620,867</u>	<u>\$ 120,867</u>
	<u>June 30, 2011</u>	<u>Provision</u>	<u>Payment</u>	<u>June 30, 2012</u>	
Incentive and early retirement plans	<u>\$ 757,172</u>	<u>\$ 221,278</u>	<u>\$ 292,896</u>	<u>\$ 685,554</u>	

**NOTE 15 - PENSION FUND COMMITMENTS**

*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 affiliated with the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer plan. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained on-line at [www.imrf.org](http://www.imrf.org).

**CHAMPAIGN-URBANA MASS TRANSIT DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2013 and 2012**

**NOTE 15 - PENSION FUND COMMITMENTS (CONTINUED)**

*Funding Policy* – As set by statute, the District’s regular plan members are required to contribute 4.50 percent of their annual covered salary. The statutes require employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer contribution rate for calendar year 2012 used by the District was 12.53 percent, respectively, of annual covered payroll. 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.

*Annual Pension Cost* – The required contribution and actual contribution for calendar year 2012 was \$1,886,143.

<u>Calendar Year</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation (NPO)</u>
12/31/12	\$ 1,866,143	100%	\$ -
12/31/11	1,775,050	100%	-
12/31/10	1,593,142	97%	50,081

The net pension obligation for the District as of June 30, 2013 and 2012 is as follows:

	<u>2013</u>	<u>2012</u>
Annual required contribution	\$ 1,866,143	\$ 1,775,050
Interest on the NPO	-	-
Adjustments to the ARC	-	-
Annual pension cost	<u>1,866,143</u>	<u>1,775,050</u>
Actual contribution	<u>(1,866,143)</u>	<u>1,825,131</u>
Increase (decrease) to the NPO	-	(50,081)
Beginning of year NPO	-	<u>50,081</u>
<b>End of year NPO</b>	<u>\$ -</u>	<u>\$ -</u>

**CHAMPAIGN-URBANA MASS TRANSIT DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2013 and 2012**

**NOTE 15 - PENSION FUND COMMITMENTS (CONTINUED)**

The required contribution for calendar 2012 and 2011 was determined as part of the December 31, 2010 and 2009 actuarial valuations using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2010, included (a) 7.5 percent investment rate of return (net of administrative and direct investment expenses), (b) projected salary increases of 4.00 percent a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4 to 10 percent per year depending on age and service, attributable to seniority/merit, and (d) post retirement benefit increases of 3 percent annually. The actuarial value of the District's regular plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with a 20 percent corridor between the actuarial and market value of assets. The District's regular plan's unfunded actuarial accrued liability at December 31, 2010 is being amortized as a level percentage of projected payroll on an open 30 year basis.

*Funded Status and Funding Progress* – As of December 31, 2012, the most recent actuarial valuation date, the regular plan was 68.16 percent funded. The actuarial accrued liability for benefits was \$41,578,726 and the actuarial value of assets was \$28,338,394, resulting in an underfunded actuarial liability (UAAL) of \$13,240,332. The covered payroll (annual payroll of active employees covered by the plan) was \$15,053,015 and the ratio of the UAAL to the covered payroll was 87.96 percent.

The schedule of funding progress, presented as required supplementary information following the notes to the basic financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

The District provides no other post-employment benefit that is financially significant.

**NOTE 16 - SELF INSURANCE**

The District is a member of the Illinois Public Transit Risk Management Association (IPTRMA), an insurance risk pool. Through IPTRMA, the District has pooled its risk for public liability/property damage and vehicle liability claims with other local transit districts in Illinois. The District's capital contribution to the IPTRMA loss reserve fund is considered to be a prepayment of future claims in excess of insured amounts and is amortized over the period for which the capital contribution relates. At June 30, 2013 and 2012, the District had prepaid balances of \$-0- and \$695,123, respectively. Losses and claims recognized for the years ended June 30, 2013 and 2012 totaled \$487,023 and \$445,147, respectively, including the amortization of the District's capital contribution to IPTRMA. There have been no settlement amounts that have exceeded insurance and IPTRMA loss reserve fund coverage in the past three years.

**CHAMPAIGN-URBANA MASS TRANSIT DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2013 and 2012**

**NOTE 16 - SELF INSURANCE (CONTINUED)**

The following table is a summary of the coverage in effect for the members of IPTRMA for the period July 1, 2013 through July 1, 2014:

<u>Coverage Type</u>	<u>Self-Insured Retention</u>	<u>Coverage Limits</u>	<u>Insurance Company</u>
Package: General liability	\$ 25,000	\$5,000,000/occurrence and annual	Illinois Union Insurance Company
Auto liability	\$ 500,000	\$5,000,000/accident	Illinois Union Insurance Company
Property	\$ -	\$80,763,590/occurrence	Federal Insurance & Chubb
Excess liability	\$ -	\$10,000,000/occurrence and annual	Catlin Insurance Company
Public officials/employment practices	\$ -	\$5,000,000/occurrence and annual	Illinois Union Insurance Company

The District is self-insured for worker's compensation and employer's liability claims. Losses and claims are accrued as incurred. At June 30, 2013 and 2012, the District had a claims liability balance of \$171,451 and \$181,330, respectively, for expected additional claims payable. Losses and claims recognized for the years ended June 30, 2013 and 2012 totaled \$219,961 and \$504,318, respectively. The District purchases insurance coverage for worker's compensation to cover claims in excess of \$400,000 with a statutory aggregate limit for worker's compensation and a \$2,000,000 aggregate limit for employer's liability.

**NOTE 17 - MAJOR CUSTOMER**

Yearly passes revenue for the years ended June 30, 2013 and 2012 includes contracts with the University of Illinois for (a) faculty/staff bus service and (b) student bus services and campus circular program.

The revenue recognized related to these contracts for the years ended June 30, 2013 and 2012 was \$4,999,421 and \$4,817,756, respectively. At June 30, 2013 and 2012, amounts due from the University of Illinois included in accounts receivable were \$41,300 and \$39,313, respectively.

**CHAMPAIGN-URBANA MASS TRANSIT DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2013 and 2012**

**NOTE 18 - COMMITMENTS**

Through the date of the auditors' report, the District has entered into the following significant contractual commitments.

<u>Purpose</u>	<u>Contract Amount</u>	<u>Incurred Through June 30, 2013</u>	<u>Remaining Commitment</u>
Solar Panels	\$ 1,130,560	\$ -	\$ 1,130,560
High Speed Doors	197,000	-	197,000
LED Lighting Project	300,680	-	300,680
Chiller Rehab	236,950	-	236,950
INIT Software Upgrades	132,095	-	132,095
Concrete Replacement	<u>265,443</u>	<u>236,913</u>	<u>28,530</u>
Total	<u>\$ 2,262,728</u>	<u>\$ 236,913</u>	<u>\$ 2,025,815</u>

**NOTE 19 - CONTINGENCIES**

The District is the defendant in various litigations that cover a wide range of matters. The potential liability for these claims is estimated at between \$25,000 and \$775,000, and is expected to be covered by the IPTRMA loss reserve fund and insurance coverage. As of June 30, 2013 and 2012, the District has not recorded a liability for these claims.

The District is also involved in several worker compensation claims with current and former employees. As of June 30, 2013 and 2012, the District has recorded a liability of \$171,451 and \$181,330, respectively, for anticipated additional claims expense as stated in Note 16. An estimate of any additional potential loss cannot be made.

**NOTE 20 - FUTURE CHANGE IN ACCOUNTING PRINCIPLES**

The Governmental Accounting Standards Board (GASB) has issued new accounting standards that may restate portions of these financial statements in future periods. Listed below are the statements and short summary of the standard's objective. The impact to the District has not yet been determined.

New accounting standards effective for the June 30, 2014 financial statements include:

GASB Statement No. 61, *The Financial Reporting Entity: Omnibus - an amendment of GASB Statement No. 14 and No. 34*, issued November 2010. The objective of this statement is to improve financial reporting for a governmental financial reporting entity. This statement modifies certain requirements for inclusion of component units in the financial reporting entity.

**CHAMPAIGN-URBANA MASS TRANSIT DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2013 and 2012**

**NOTE 20 - FUTURE CHANGE IN ACCOUNTING PRINCIPLES (CONTINUED)**

GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, issued March 2012. The objective of this statement is to establish accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities.

GASB Statement No. 66, *Technical Corrections - 2012 - an Amendment of GASB Statements No. 10 and No. 62*, issued March 2012. The objective of this statement is to improve accounting and financial reporting for a governmental financial reporting entity by resolving conflicting guidance that resulted from the issuance of two pronouncements, Statements No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, and No. 62, Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements.

New accounting standards effective for the June 30, 2015 financial statements include:

GASB issued Statement No. 68, *Financial Reporting for Pension Plans - an amendment of GASB Statement No. 27*, issued June 2012. This statement replaces the requirements of Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers*, as well as the requirements of Statement No. 50, *Pension Disclosures*, as they relate to pensions that are provided through pension plans administered as trusts or equivalent arrangements that meet certain criteria.

GASB Statement No. 69, *Government Combinations and Disposals of Government Operations*, issued January 2013. The objective of this Statement is to improve financial reporting by addressing accounting and financial reporting for governmental combinations and disposals of government operations.

**NOTE 21 - SUBSEQUENT EVENTS**

Management evaluated subsequent events through October 31, 2013, the date the financial statements were available to be issued. Events or transactions occurring after June 30, 2013, but prior to October 31, 2013 that provided additional evidence about conditions that existed at June 30, 2013, have been recognized in the financial statements for the year then ended June 30, 2013. Events or transactions that provided evidence about conditions that did not exist at June 30, 2013 but arose before the financial statements were available to be issued have not been recognized in the financial statements for the year ended June 30, 2013.

The accompanying notes are an integral part of the financial statements.

**CHAMPAIGN-URBANA MASS TRANSIT DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF FUNDING PROGRESS**

**(UNAUDITED)**

**June 30, 2013**

<b>Actuarial Valuation Date</b>	<b>Actuarial Value of Assets (a)</b>	<b>Actuarial Accrued Liability (AAL) -Entry Age (b)</b>	<b>Unfunded AAL (UAAL) (b-a)</b>	<b>Funded Ratio (a/b)</b>	<b>Covered Payroll (c)</b>	<b>UAAL as a Percentage of Covered Payroll ((b-a)/c)</b>
12/31/12	\$ 28,338,394	\$ 41,578,726	\$ 13,240,332	68.16%	\$ 15,053,015	87.96%
12/31/11	28,028,241	41,425,328	13,397,087	67.66%	14,466,589	92.61%
12/31/10	27,874,886	38,574,962	10,700,076	72.26%	13,535,620	79.05%

On a market value basis, the actuarial value of assets as of December 31, 2012 is \$29,309,038. On a market basis, the funded ratio would be 70.49 percent.

**CHAMPAIGN-URBANA MASS TRANSIT DISTRICT**  
**SCHEDULES OF OPERATING EXPENSES**  
**Years Ended June 30, 2013 and 2012**

	<u>2013</u>	<u>2012</u>
<b>Operations</b>		
<b>Wages:</b>		
Operators	\$ 7,813,845	\$ 7,487,542
Street supervisors and dispatchers	733,580	792,234
Other supervisors	378,792	375,491
Clerical	179,971	180,964
Labor credit	(1,400)	(1,400)
Total wages	<u>9,104,788</u>	<u>8,834,831</u>
<b>Fringe Benefits:</b>		
Paid absences	2,148,285	2,119,803
Health and dental insurance	1,882,554	1,606,984
Illinois Municipal Retirement Fund	1,811,715	1,336,601
Social Security tax	823,752	832,124
Workers' compensation insurance and claims	102,916	422,240
Uniform allowances	20,197	44,046
Unemployment insurance	43,954	46,763
Early retirement plan	150,481	202,109
Other fringe benefits	44,960	55,733
Total fringe benefits	<u>7,028,814</u>	<u>6,666,403</u>
<b>Services:</b>		
ADA	505,363	486,968
Taxi	211,884	180,562
Printing	78,713	85,021
Other services	17,651	27,808
Total services	<u>813,611</u>	<u>780,359</u>
<b>Materials and Supplies Consumed:</b>		
Fuel and lubrications	2,581,270	2,539,042
Tires and tubes	141,232	119,959
Small equipment	19,812	20,425
Other materials and supplies consumed	15,137	39,032
Total materials and supplies consumed	<u>2,757,451</u>	<u>2,718,458</u>
<b>Miscellaneous:</b>		
Leased equipment	6,868	40,757
Other	7,826	16,680
Total miscellaneous	<u>14,694</u>	<u>57,437</u>
<b>TOTAL OPERATIONS</b>	<b><u>\$ 19,719,358</u></b>	<b><u>\$ 19,057,488</u></b>

**CHAMPAIGN-URBANA MASS TRANSIT DISTRICT**  
**SCHEDULES OF OPERATING EXPENSES**  
**Years Ended June 30, 2013 and 2012**

	<u>2013</u>	<u>2012</u>
<b>Maintenance</b>		
<b>Wages:</b>		
Mechanics	\$ 1,003,341	\$ 949,795
Cleaners	655,460	559,196
Supervisors and clerical	367,414	362,264
Total wages	<u>2,026,215</u>	<u>1,871,255</u>
<b>Fringe Benefits:</b>		
Health and dental insurance	518,515	465,681
Paid absences	357,724	339,276
Illinois Municipal Retirement Fund	305,638	268,745
Social Security tax	174,342	164,085
Workers' compensation insurance and claims	160,091	122,616
Uniform and tools allowance	28,038	24,307
Unemployment insurance	11,945	11,161
Other fringe benefits	26,703	29,205
Total fringe benefits	<u>1,582,996</u>	<u>1,425,076</u>
<b>Services:</b>		
Contract maintenance	96,440	84,985
Other services	4,262	2,824
Total services	<u>100,702</u>	<u>87,809</u>
<b>Materials and Supplies Consumed:</b>		
Revenue vehicles repairs	1,075,627	903,500
Buildings and grounds repairs	123,460	138,982
Service supplies	51,320	51,111
Fuel and lubricants	119,894	126,909
Service vehicles repairs	13,668	16,547
Shop tools	53,688	29,363
Passenger shelter repairs	27,094	25,309
Garage equipment repairs	35,900	31,027
Other materials and supplies consumed	15,138	21,065
Total materials and supplies consumed	<u>1,515,789</u>	<u>1,343,813</u>
<b>Miscellaneous:</b>		
Leased equipment	19,935	19,082
Other	1,867	6,219
Total miscellaneous	<u>21,802</u>	<u>25,301</u>
<b>TOTAL MAINTENANCE</b>	<b><u>\$ 5,247,504</u></b>	<b><u>\$ 4,753,254</u></b>

**CHAMPAIGN-URBANA MASS TRANSIT DISTRICT**  
**SCHEDULES OF OPERATING EXPENSES**  
**Years Ended June 30, 2013 and 2012**

	<u>2013</u>	<u>2012</u>
<b>General Administration</b>		
<b>Wages:</b>		
Supervisors	\$ 1,488,090	\$ 1,331,993
Clerical	217,087	187,289
Total wages	<u>1,705,177</u>	<u>1,519,282</u>
<b>Fringe Benefits:</b>		
Health and dental insurance	247,096	202,394
Illinois Municipal Retirement Fund	193,701	167,953
Social Security tax	102,805	102,125
Unemployment insurance	3,817	3,719
Workers' compensation insurance and claims	421	808
Other fringe benefits	16,856	(4,530)
Total fringe benefits	<u>564,696</u>	<u>472,469</u>
<b>Services:</b>		
Professional and technical	591,012	425,819
Contract maintenance	273,846	236,119
Printing	1,104	1,440
Other services	58,387	42,826
Total services	<u>924,349</u>	<u>706,204</u>
<b>Materials and Supplies Consumed:</b>		
Small equipment	7,047	17,881
Buildings and grounds repair	120	14,180
Office supplies	31,938	42,173
Total materials and supplies consumed	<u>39,105</u>	<u>74,234</u>
<b>Casualty and Liability Costs:</b>		
Uninsured public liability	358,916	311,057
Public liability and property damage insurance	292,081	283,673
Physical damage insurance	37,761	33,595
Insurance and property damage recoveries	(34,067)	(55,024)
Other insurance	32,999	26,714
Total casualty and liability costs	<u>687,690</u>	<u>600,015</u>

**CHAMPAIGN-URBANA MASS TRANSIT DISTRICT  
SCHEDULES OF OPERATING EXPENSES  
Years Ended June 30, 2013 and 2012**

	<u>2013</u>	<u>2012</u>
<b>Miscellaneous:</b>		
Utilities	\$ 286,548	\$ 294,376
Leased equipment	57,487	66,228
Advertising	154,314	134,070
Property taxes	-	1,039
Dues and subscriptions	49,941	44,980
Travel and meetings	61,246	61,307
Advertising services	79	-
Interest expense	33,231	129,760
Other	46,093	33,342
Total miscellaneous	<u>688,939</u>	<u>765,102</u>
 <b>TOTAL ADMINISTRATION</b>	 <u>\$ 4,609,956</u>	 <u>\$ 4,137,306</u>
 <b>Illinois Terminal</b>		
<b>Wages:</b>		
Supervisors	\$ 101,983	\$ 95,788
Cleaners	133,701	137,734
Security	129,755	129,251
Clerical	114,400	119,716
Total wages	<u>479,839</u>	<u>482,489</u>
 <b>Fringe Benefits:</b>		
Health and dental insurance	120,690	109,458
Illinois Municipal Retirement Fund	66,141	60,366
Social Security tax	39,736	36,956
Uniform and tool allowances	3,180	4,004
Other fringe benefits	1,622	1,483
Total fringe benefits	<u>231,369</u>	<u>212,267</u>
 <b>Services:</b>		
Contract maintenance	35,392	37,971
Professional services	2,776	7,901
Other services	245	3,404
Total services	<u>38,413</u>	<u>49,276</u>

**CHAMPAIGN-URBANA MASS TRANSIT DISTRICT**  
**SCHEDULES OF OPERATING EXPENSES**  
**Years Ended June 30, 2013 and 2012**

	<u>2013</u>	<u>2012</u>
<b>Materials and Supplies Consumed:</b>		
Buildings and grounds repairs	\$ 95,453	\$ 112,565
Services supplies	25,259	22,882
Shop tools	13,818	16,858
Other materials and supplies consumed	11,691	6,347
Total materials and supplies consumed	<u>146,221</u>	<u>158,652</u>
 <b>Miscellaneous:</b>		
Utilities	174,852	150,872
Other	112,506	85,707
Total miscellaneous	<u>287,358</u>	<u>236,579</u>
 <b>TOTAL ILLINOIS TERMINAL</b>	 <u>\$ 1,183,200</u>	 <u>\$ 1,139,263</u>
 <b>Depreciation</b>		
Revenue vehicles, fareboxes, and radios	\$ 4,466,025	\$ 3,808,673
Office and garage facilities	1,392,958	1,029,472
Office and garage equipment	238,856	208,024
Service vehicles	80,654	48,688
Other equipment	398,626	260,091
 <b>TOTAL DEPRECIATION</b>	 <u>\$ 6,577,119</u>	 <u>\$ 5,354,948</u>

**CHAMPAIGN-URBANA MASS TRANSIT DISTRICT**  
**SCHEDULE OF REVENUE AND EXPENSES**  
**UNDER DOWNSTATE OPERATING ASSISTANCE GRANT OP-13-01-JL**  
**Year Ended June 30, 2013**

**Operating Revenue and Income:**

401	Passenger Fares for Transit Services	\$ 1,146,819
402	Special Transit Fares	5,205,146
403	School Bus Service	469,055
406	Auxiliary Revenue	305,028
407	Non-Transportation Revenue	851,445
411	State Grants and Reimbursements	18,745
413	Federal Grants and Reimbursements	<u>103,191</u>

**Total Operating Revenue and Income** **\$ 8,099,429**

**Operating Expenses:**

501	Labor	\$ 13,316,019
502	Fringe Benefits	9,407,875
503	Professional Services	1,159,828
504	Materials and Supplies Consumed	4,427,948
505	Utilities	461,400
506	Casualty and Liability	721,757
507	Taxes	30,618
508	Special Transit Services	717,247
509	Miscellaneous Expense	433,872
511	Short Term Debt Obligation	33,231
512	Leases, Rentals, and Purchase-Lease Payments	84,290
517	Debt Service on Equipment/Facilities	<u>5,022,476</u>
	<b>Total Operating Expenses</b>	<b><u>35,816,561</u></b>

**Less: Ineligible Expenses**

Expenses Related to the Non-Transportation Areas of Illinois Terminal	(91,081)
Other Miscellaneous Expenses of 1101 East University	(91,161)
Professional Services Not Related to Transportation Services	(61,256)
Expenses Reimbursed through Federal/State Operating Grants	(122,465)
APTA and IPTA Dues	<u>(4,300)</u>
<b>Total Ineligible Expenses</b>	<b><u>(370,263)</u></b>

**Total Eligible Operating Expenses** **\$ 35,446,298**

Total Eligible Operating Expenses \$ 35,446,298  
Total Operating Revenue and Income 8,099,429

**Deficit** **\$ 27,346,869**

**Sixty-Five Percent of Eligible Expense** **\$ 23,040,094**

**CHAMPAIGN-URBANA MASS TRANSIT DISTRICT  
SCHEDULE OF REVENUE AND EXPENSES  
UNDER DOWNSTATE OPERATING ASSISTANCE GRANT OP-13-01-IL  
Year Ended June 30, 2013**

**CONTINUED**

<b>Maximum Contract Amount</b>	<b><u>\$ 24,969,600</u></b>
Eligible Downstate Operating Assistance (Deficit or Sixty-Five Percent of Eligible Expense or Maximum Contract Amount, Whichever is Less)	\$ 23,040,094
Fiscal Year 2013 Downstate Operating Assistance Received (Through June 30, 2013)	18,239,799
Fiscal Year 2013 Downstate Operating Assistance Received (Subsequent to June 30, 2013)	<u>4,657,495</u>
<b>Fiscal Year 2013 Downstate Operating Assistance Over Paid</b>	<b><u>\$ 142,800</u></b>



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

The Board of Trustees  
Champaign Urbana Mass Transit District  
Urbana, 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 Champaign Urbana Mass Transit District (the District), as of and for the year ended June 30, 2013, 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 31, 2013.

***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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. 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. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs that we consider to be a significant deficiency (Finding 2013-001).

***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*.

***District's Response to the Finding***

The District's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The District's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

***Purpose of this Report***

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

*CliftonLarsonAllen LLP*

Champaign, Illinois  
October 31, 2013



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS  
THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR  
FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE, IN  
ACCORDANCE WITH OMB CIRCULAR A-133**

The Board of Trustees  
Champaign Urbana Mass Transit District  
Urbana, Illinois

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

We have audited the Champaign Urbana Mass Transit District's (the District) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2013. The District's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

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

***Auditors' Responsibility***

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 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 each major federal program. However, our audit does not provide a legal determination of the District's compliance.

***Opinion on Each 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 each of its major federal programs for the year ended June 30, 2013.

**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 each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, 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 and therefore, material weaknesses or significant deficiencies may exist that we have not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified certain deficiencies in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as Findings 2013-002 and 2013-003, that we consider to be significant deficiencies.

The District's responses to the internal control over compliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The District's responses were not subject to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on them.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the result of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

*CliftonLarsonAllen LLP*

Champaign, Illinois  
October 31, 2013

**CHAMPAIGN-URBANA MASS TRANSIT DISTRICT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
Year Ended June 30, 2013**

<u>Federal Grantor/ Program Title</u>	<u>CFDA Number</u>	<u>Grant Number</u>	<u>Total Awards Expended</u>
<b>U.S. Department of Transportation -</b>			
<b>Federal Transit Administration Direct:</b>			
Clean Fuel Funding	20.519	* IL-58-0003	\$ 1,000,867
Strategic Plan Update	20.505	IL-80-0004 & IL-80-0006	74,977
<b>Passed through Illinois Department of Transportation</b>			
Safe Routes to School	20.205	SRTS-3666(011)	<u>28,215</u>
<b>TOTAL</b>			<u>\$ 1,104,059</u>

\* Denotes a major program

**CHAMPAIGN-URBANA MASS TRANSIT DISTRICT  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
Year Ended June 30, 2013**

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**NOTE 1 - GENERAL**

The accompanying schedule of expenditures of federal awards presents the activity of federal award programs of Champaign-Urbana Mass Transit District (the District).

**NOTE 2 - BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards is presented on the accrual basis of accounting. The information on this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

**NOTE 3 - FEDERAL NON-CASH ASSISTANCE**

The District did not receive any federally provided insurance or federal loan or loan guarantees.

**NOTE 4 - SUBRECIPIENTS**

The District did not have any subrecipients for the fiscal year.

**CHAMPAIGN-URBANA MASS TRANSIT DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year Ended June 30, 2013**

**Section I – Summary of Auditors' Results**

**Financial Statements**

Type of auditors' report issued:

Unmodified

Internal control over financial reporting:

- Material weakness(es) identified?  yes  no
- Significant deficiency(ies) identified that are not considered to be material weaknesses?  yes  none reported
- Noncompliance material to financial statements noted?  yes  no

**Federal Awards**

Internal control over major programs:

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

Type of auditors' report issued on compliance for major programs:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of OMB Circular A-133?  yes  no

Identification of major programs:

**CFDA Number(s)**

**Name of Federal Program or Cluster**

20.519

Clean Fuel Funding

Dollar threshold used to distinguish between type A and type B programs: \$ 300,000

Auditee qualified as low-risk auditee?  yes  no

**CHAMPAIGN-URBANA MASS TRANSIT DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year Ended June 30, 2013**

**Section II – Financial Statement Findings**

**FINDING NO. 2013-001 – FINANCIAL STATEMENT PREPARATION**

*Criteria or Specific Requirement:* The District is responsible for preparation of financial statements in accordance with generally accepted accounting principles.

*Condition:* The District engages CliftonLarsonAllen LLP to assist in preparing its financial statements and accompanying disclosures. However, as independent auditors, CliftonLarsonAllen LLP cannot be considered part of the District's internal control system.

*Context:* The Board of Directors and management share the ultimate responsibility for the District's internal control system.

*Effect:* This situation is very common for entities the size of the District. While it is acceptable to outsource various accounting functions, the responsibility for internal control cannot be outsourced to the external auditors.

*Cause:* Currently, the District's personnel do not have sufficient governmental financial statement reporting experience and training to prepare the District's financial statements, including any new disclosure requirements.

*Recommendation:* Management is aware of the internal control deficiency in financial statement reporting in accordance with generally accepted accounting principles. Management should continue to weigh the costs versus benefits of investing in additional personnel or additional training for existing personnel to acquire the capacity to maintain the level of expertise necessary to prepare financial statements in accordance with generally accepted accounting principles, including all disclosures.

*Views of Responsible Officials and Planned Corrective Action:*

The Champaign-Urbana Mass Transit District has been in existence since August 1971 and has been through many audits and Triennial Reviews by the Federal Transit Administration. Until last year, management had not been aware of any deficiencies in financial statement reporting. Due to the many upper level management personnel retiring in the next few years, in July 2012 the District hired a Chief Financial Officer to oversee all functions in the Accounting Department. The Chief Financial Officer will work with CliftonLarsonAllen to identify continuing education training opportunities that will address new accounting, and financial statement reporting and disclosure requirements.

**CHAMPAIGN-URBANA MASS TRANSIT DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year Ended June 30, 2013**

**Section III – Federal Award Findings and Questioned Costs**

**FINDING NO. 2013-002 – FINANCIAL STATEMENT PREPARATION**

**CLEAN FUEL FUNDING  
CFDA #20.519  
U.S. DEPARTMENT OF TRANSPORTATION  
QUESTIONED COSTS - NONE**

See Financial Statement Finding 2013-001

**CHAMPAIGN-URBANA MASS TRANSIT DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year Ended June 30, 2013**

**Section III - Federal Award Findings and Questioned Costs (Continued)**

**FINDING NO. 2013-003 – REPORTING**

**CLEAN FUEL FUNDING  
CFDA #20.519  
DEPARTMENT OF TRANSPORTATION  
QUESTIONED COSTS - NONE**

*Criteria or Specific Requirement:* Proper internal controls require a formal review process.

*Condition:* During review of the client's controls over financial reporting, we noted that there is no formal, documented review of the quarterly financial reports.

*Context:* This was noted on all quarterly reports tested.

*Effect:* Lack of adequate reviews could allow for errors or irregularities not being detected on a timely basis.

*Cause:* Lack of implementation of review processes over the financial reporting process.

*Recommendation:* We recommend a policy be established in which a member of management, other than the preparer, review all financial reports. This review process should be completed prior to the report submission, and it should be documented. Compliance with the policy should be monitored.

*Views of Responsible Officials and Planned Corrective Action:*

*Procedures for authorizing official to review and approve all Federal award financial reporting have been implemented in November 2013.*

**CHAMPAIGN-URBANA MASS TRANSIT DISTRICT  
SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS  
Year Ended June 30, 2013**

**FINDING NO. 2012-1 – FINANCIAL STATEMENT PREPARATION**

*Condition:* The District engages CliftonLarsonAllen LLP to assist in preparing its financials statements and accompanying disclosures. However, as independent auditors, CliftonLarsonAllen LLP cannot be considered part of the District's internal control system.

*Condition still exists.*

**FINDING NO. 2012-2 – AUDIT ADJUSTMENTS**

*Condition:* Various account balances were determined to be inaccurate during review of supporting documentation, resulting in material audit adjustments at the end of the year.

*Condition has been corrected.*

**FINDING NO. 2012-3 – FINANCIAL STATEMENT PREPARATION**

**FEDERAL TRANSIT CLUSTER  
CFDA #20.507  
DEPARTMENT OF TRANSPORTATION  
QUESTIONED COSTS - NONE**

*Condition:* The District engages CliftonLarsonAllen LLP to assist in preparing its financials statements and accompanying disclosures. However, as independent auditors, CliftonLarsonAllen LLP cannot be considered part of the District's internal control system.

*Condition still exists for Clean Fuel Funding Grant, CFDA #20.519.*

**FINDING NO. 2012-4 – AUDIT ADJUSTMENTS**

**FEDERAL TRANSIT CLUSTER  
CFDA #20.507  
DEPARTMENT OF TRANSPORTATION  
QUESTIONED COSTS - NONE**

*Condition:* Various account balances were determined to be inaccurate during review of supporting documentation, resulting in material audit adjustments at the end of the year.

*Condition has been corrected.*

**CHAMPAIGN-URBANA MASS TRANSIT DISTRICT  
SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS (CONTINUED)  
Year Ended June 30, 2013**

**FINDING NO. 2012-5 – CASH MANAGEMENT AND REPORTING**

**FEDERAL TRANSIT CLUSTER  
CFDA #20.507  
DEPARTMENT OF TRANSPORTATION  
QUESTIONED COSTS – NONE**

*Condition:* During review of the client's controls over cash draw downs and financial reporting, we noted that there is no formal, documented review of the requests for funds or the quarterly financial reports.

*Financial reporting condition still exists for Clean Fuel Funding Grant, CFDA #20.519. No issues were noted in testing of cash management.*

**FINDING NO. 2012-6 – EQUIPMENT AND PROPERTY MANAGEMENT**

**FEDERAL TRANSIT CLUSTER  
CFDA #20.507  
DEPARTMENT OF TRANSPORTATION  
QUESTIONED COSTS – NONE**

*Condition:* The District is leasing space in its maintenance facility to another transit provider without prior approval of FTA.

*Condition has been corrected.*

**FINDING NO. 2012-7 - NONCOMPLIANCE WITH THE SEPARATION OF ARRA FUNDING**

**FEDERAL TRANSIT CLUSTER  
CFDA #20.507  
DEPARTMENT OF TRANSPORTATION  
QUESTIONED COSTS - NONE**

*Condition:* During review of the client's general ledger system, it was noted that ARRA funded activities are not being maintained separately from non-ARRA funded activities.

*Condition has been corrected.*

**CHAMPAIGN-URBANA MASS TRANSIT DISTRICT  
SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS (CONTINUED)  
Year Ended June 30, 2013**

---

**FINDING NO. 2012-8 - PROCUREMENT**

**FEDERAL TRANSIT CLUSTER  
CFDA #20.507  
DEPARTMENT OF TRANSPORTATION  
QUESTIONED COSTS - NONE**

*Condition:* The District has not submitted DBE program or goal information to the FTA for approval for several years.

*Condition has been corrected.*

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**Attachment VI**

**Certified Copy of Public Notice for Public Hearing in  
Support of This Application**

**(Attach in this Section)**

# CERTIFICATE OF PUBLICATION IN

## The News-Gazette

---

The undersigned, THE NEWS-GAZETTE, INC. by its authorized agent, does hereby certify that said corporation is the publisher of The News-Gazette and that the same is the daily secular newspaper of general circulation published in Champaign, Champaign County, Illinois, and said newspaper is a newspaper as defined by 715 ILCS 5/5 (1992) and 715 ILCS 10/1 (1992); said publisher further certifies that the annexed notice was published in said newspaper, on the following date(s):

05/25/2014

### NOTICE OF PUBLIC HEARING

Said publisher further certifies that the date of the first paper containing the said notice was on the first date hereinabove set forth and that the date of the last paper continuing the said notice was on the last date hereinabove set forth.

The News-Gazette, Inc.

Publisher of The News-Gazette

By: \_\_\_\_\_

Authorized Agent

Publisher's fee \$94.82  
Ad # 1230539

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**Notice of Public Hearing**

**RE: Illinois Department of Transportation State Fiscal Year 2015 Section 5311 Non-Metro Public Transportation Capital/Operating Assistance and Intercity Bus Grant Application and Downstate Urban Area Operating Assistance Grant Application.**

Notice is hereby given that a public hearing will be held by the CRIS Rural Mass Transit District.

Date: June 13, 2014

Time: 1:30 p.m.

Location: Rantoul Recreation Meeting Room - 100 E. Flessner, Rantoul, IL

For the purpose of considering a project for financial assistance is being sought from the Illinois Department of Transportation, pursuant to the Illinois Department of Transportation's general authority to make such grants. Description of Project: Application for financial assistance to provide transportation services to the elderly, general public, and individuals with disabilities in Champaign County, Illinois. At the hearing, CRIS Rural Mass Transit District will afford an opportunity for interested persons or agencies to be heard with respect to the social, economic, and environmental aspects of the project. Interested persons may submit orally or in writing evidence and recommendations with respect to said project. The CRIS Rural Mass Transit District requests that any hearing impaired person wishing to attend this Public Hearing notify Kathy Cooksey, (217) 443-2287, at least one week before the scheduled hearing date so that arrangements can be made to provide an interpreter. A copy of the application for the state grant for the proposed project will be made available for public inspection by appointment at CRIS Rural Mass Transit District, 801 East University Ave, Urbana, IL 61802, (217) 344-4267.

Amy Merchant  
CEO, CRIS Rural Mass Transit District  
801 East University Ave, Urbana, IL 61802

**1230539 5/25**

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**Attachment VII**

**Copy of Minutes of Public Hearing in Support of this  
Application**

**(Attach in this Section)**

**FY2015 Section 5311 Grant Minutes**  
**Champaign County**

A public meeting pertaining to the Champaign County FY2015 Section 5311/ DOAP application was scheduled for Friday June 13, 2014, starting at 1:30 pm at the Rantoul Recreation Meeting Room located at 100 E. Flessner Ave, Rantoul IL 61866 in the northern section of the County. Present at the meeting was the Leslie Woodrum, Director of Communications for CRIS Rural Mass Transit District and Tina-Marie Ansong, Performance Compliance and Oversight Monitor for Champaign County. Let it be noted that no one from the public called or attended the public meeting.



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Tina-Marie Ansong  
Performance Compliance and Oversight Monitor  
Champaign County

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**Attachment VIII**

**DOWNSTATE FISCAL YEAR 2015 STATE OF ILLINOIS  
OPERATING ASSISTANCE APPLICATION SECTION**

***Note: Electronic Version of this Application Form is Available in  
Microsoft Word & Excel format in the attached files:***

**Attachment VIII FILES**

**2015 DOAP Application DD.doc  
2015 OP-10D-5311.xls**

**2015 Audit Schedule.xls (For Future Use)**

DOWNSTATE  
STATE OF ILLINOIS  
DEPARTMENT OF TRANSPORTATION

APPLICATION FORM OP-1  
COVER LETTER

\*\*\*\*\*

FOR IDOT OFFICE USE ONLY

Grant Applic. Number \_\_\_\_\_ Expenses \_\_\_\_\_

Date Received \_\_\_\_\_ Revenues \_\_\_\_\_

Appropriation \_\_\_\_\_ Deficit \_\_\_\_\_

65% of Expenses \_\_\_\_\_

\*\*\*\*\*

Application for operating assistance grants under Article II of the Downstate Public Transportation Act (30 ILCS 740/1-1 et seq.) for costs incurred during the period July 1, 2014 through June 30, 2015 (FY2015).

APPLICANT'S NAME: Champaign County

STREET ADDRESS: 1776 E Washington Street

Urbana IL 61802 217-384-3772  
CITY STATE ZIP CODE TELEPHONE NUMBER

The applicant hereby applies to the State of Illinois through the Division of Public & Intermodal Transportation for grants under Article II of the Downstate Public Transportation Act (30 ILCS 740/1-1 et seq.).

I hereby certify that I have reviewed this Application including all attached exhibits and information, and have found it to be true and correct.

\_\_\_\_\_  
Signature (same as #1 on Form OP-2)

County Administrator  
Title (same as #1 on Form OP-2)

\_\_\_\_\_  
Date





FORM OP-3

SUMMARY OF TOTALS FOR REVENUES AND EXPENSES

Total Eligible Expense reported on 5311 Exhibit B (Column A, pg. 9 of OP-5 Tab)	\$ <u>662,152</u> (a)
Total Eligible Revenue reported on 5311 Exhibit B (Column A, pg. 7 of OP-5 Tab)	\$ <u>52,400</u> (b)
Section 5311 Funding requested in 5311 Application	\$ <u>153,871</u> (c)
Downstate Operating Assistance Deficit (a) – (b)	\$ <u>609,752</u> (d)
65% of Eligible Operating Expenses	\$ <u>430,398</u> (e)
Downstate Operating Assistance requested (lesser of (d) or (e))	\$ <u>430,398</u>

\*\*\*\*\*

I hereby certify that the total operating revenues and expenses reported in this Form are estimated to be incurred in the provision of public transportation services within the State of Illinois during FISCAL YEAR 2015. Expenses determined to be ineligible under such regulations for State Operating Assistance have been deducted as ineligible expenses.

Prepared by: Tina-Marie Ansong

Certified by: \_\_\_\_\_  
(same as #3 on Form OP-2)

Date: \_\_\_\_\_

**FORM OP-6B: VEHICLE USE, & OP-6C: PASSENGERS**  
(Page 1 of 1)

6B. VEHICLE USE:	Estimated FY2015 Revenue Vehicle Miles (1)	Estimated FY2015 Peak Vehicles Required	Estimated FY2015 Revenue Vehicle Hours (1)
Regular Route			
Special Routes			
Paratransit Service Provided by Participant	297,000	8	13,600
Paratransit Service from Purchase of Service Contracts			13,600
<b>TOTAL</b>	<b>297,000</b>	<b>8</b>	<b>13,600</b>

(1) This should not include deadhead miles or hours

6C PASSENGERS	Estimated FY2015
Adult	9,400
Child	
Senior Citizens and Disabled (Reduced Fare)	10,200
Student (Reduced Fare)	
Token, Ticket or Pass	
Paratransit Service Provided by Participant	
Paratransit Service from Purchase of Service Contracts	
<b>TOTAL PASSENGERS</b>	<b>19,600</b>

Transfers should be counted and included as separate trips in the appropriate category

---

**Exhibit A**

**Standard Form 424**

***Note: Electronic Version of this Form is Available in  
Adobe Acrobat format in the attached files:***

**SF424.pdf**

# APPLICATION FOR FEDERAL ASSISTANCE

OMB Approval No. 0348-0043

		<b>2. DATE SUBMITTED</b>	Applicant Identifier
<b>1. TYPE OF SUBMISSION:</b> Application <input type="checkbox"/> Construction <input checked="" type="checkbox"/> Non-Construction		<b>3. DATE RECEIVED BY STATE</b>	State Application Identifier
		<b>4. DATE RECEIVED BY FEDERAL AGENCY</b>	Federal Identifier
<b>5. APPLICANT INFORMATION</b>			
Legal Name: Champaign County		Organizational Unit: Champaign County Regional Planning Commission (CCRPC)	
Address (give city, county, State, and zip code): 1776 E Washington Street Urbana IL, 61802		Name and telephone number of person to be contacted on matters involving this application (give area code) Tina-Marie Ansong 217-531-8285	
<b>6. EMPLOYER IDENTIFICATION NUMBER (EIN):</b> 3 7 — 6 0 0 6 9 1 0		<b>7. TYPE OF APPLICANT: (enter appropriate letter in box)</b> <input type="checkbox"/> A. State <input type="checkbox"/> B. County <input type="checkbox"/> C. Municipal <input type="checkbox"/> D. Township <input type="checkbox"/> E. Interstate <input type="checkbox"/> F. Intermunicipal <input type="checkbox"/> G. Special District <input checked="" type="checkbox"/> H. Independent School Dist. <input type="checkbox"/> I. State Controlled Institution of Higher Learning <input type="checkbox"/> J. Private University <input type="checkbox"/> K. Indian Tribe <input type="checkbox"/> L. Individual <input type="checkbox"/> M. Profit Organization <input type="checkbox"/> N. Other (Specify) _____	
<b>8. TYPE OF APPLICATION:</b> <input type="checkbox"/> New <input checked="" type="checkbox"/> Continuation <input type="checkbox"/> Revision If Revision, enter appropriate letter(s) in box(es) <input type="checkbox"/> <input type="checkbox"/> A. Increase Award B. Decrease Award C. Increase Duration D. Decrease Duration Other(specify): _____		<b>9. NAME OF FEDERAL AGENCY:</b> Federal Transit Administration	
<b>10. CATALOG OF FEDERAL DOMESTIC ASSISTANCE NUMBER:</b> 2 0 — 5 0 9 TITLE: Section 5311 Operating Assistance Program		<b>11. DESCRIPTIVE TITLE OF APPLICANT'S PROJECT:</b> Transportation operating assistance grant for non-urbanized areas in the state of Illinois and a grant for Rural Public Transportation Assistance Program	
<b>12. AREAS AFFECTED BY PROJECT (Cities, Counties, States, etc.):</b> Non-urbanized cities and counties in the downstate area			
<b>13. PROPOSED PROJECT</b>		<b>14. CONGRESSIONAL DISTRICTS OF:</b> 15th	
Start Date 7/1/14	Ending Date 6/30/15	a. Applicant Champaign County	b. Project Rural Public Transportation
<b>15. ESTIMATED FUNDING:</b>		<b>16. IS APPLICATION SUBJECT TO REVIEW BY STATE EXECUTIVE ORDER 12372 PROCESS?</b>	
a. Federal	\$ .00	a. YES. THIS PREAPPLICATION/APPLICATION WAS MADE AVAILABLE TO THE STATE EXECUTIVE ORDER 12372 PROCESS FOR REVIEW ON:  DATE _____  b. No. <input type="checkbox"/> PROGRAM IS NOT COVERED BY E. O. 12372 <input type="checkbox"/> OR PROGRAM HAS NOT BEEN SELECTED BY STATE FOR REVIEW	
b. Applicant	\$ .00		
c. State	\$ .00		
d. Local	\$ .00		
e. Other	\$ .00		
f. Program Income	\$ .00		
g. TOTAL	\$ .00		
		<b>17. IS THE APPLICANT DELINQUENT ON ANY FEDERAL DEBT?</b> <input type="checkbox"/> Yes If "Yes," attach an explanation. <input type="checkbox"/> No	
<b>18. TO THE BEST OF MY KNOWLEDGE AND BELIEF, ALL DATA IN THIS APPLICATION/PREAPPLICATION ARE TRUE AND CORRECT, THE DOCUMENT HAS BEEN DULY AUTHORIZED BY THE GOVERNING BODY OF THE APPLICANT AND THE APPLICANT WILL COMPLY WITH THE ATTACHED ASSURANCES IF THE ASSISTANCE IS AWARDED.</b>			
a. Type Name of Authorized Representative Debra Busey		b. Title County Administrator	c. Telephone Number 217-278-5605
d. Signature of Authorized Representative		e. Date Signed	

---

## **Exhibit B**

### **Proposed FY2015 Budget**

***Note: Electronic Version of this Form is Available in  
Microsoft Excel format in the attached file:***

**Exhibit B - Proposed FY2015 Budget.xls**

NOTE: ONLY ENTER DATA IN HIGHLIGHTED CELLS

**GRANTEE:** Champaign County-CRIS Rural MTD

**Exhibit B**

*Note: Only enter data in highlighted cells*

**FINANCIAL DATA**

**PROPOSED**

**FY 2015 BUDGET**

**REVENUES:**

<u>Item</u>	<u>Description</u>	<u>AGENCY TOTAL (ALL TRANSIT)</u>	<u>SECTION 5311 TOTAL BUDGETED</u>	<u>PROJECT INCOME (Proposed)</u>	<u>LOCAL MATCH (Proposed)</u>
401.01	Full Adult Fare	\$7,750	\$7,750	\$7,750	
401.02	Senior Citizen Fares	3,250	3,250	3,250	
401.03	Student Fares		0		
401.04	Child Fares	0	0	0	
401.05	Disabled Rider Fares	0	0	0	
401.06	Parking Lot Fares		0		
401.99	Other Rider Fares		0		
402.00	Special Transit Fares	2,100	2,100		2,100
403.00	School Bus Service		0		
404.00	Freight Tariffs		0		
405.00	Charter Service Revenues		0		
406.00	Auxiliary Revenues		0		
407.01	Sales of Maintenance Service		0		
407.02	Rental of Revenue Vehicles		0		
407.03	Rental of Buildings & Property		0		
407.99	Other Non-transportation Revenue		0		
408.00	Taxes Levied by Transit System		0		
409.00	Local Cash Grants		0		
410.01	Local Disabled Fare Assistance		0		
410.02	Local Senior Fare Assistance		0		
410.03	Local Student Fare Assistance		0		
410.99	Other Local Special Fare Assistance		0		
411.00	State Cash Grants	61,328	61,328		61,328
412.00	State Special Fare Assistance		0		
413.00	Federal Cash Grants (Section 18)	90,624	0		
413.99	Other Federal Financial Assistance		0		
414.00	Interest Income		0		
430.01	Contributed Services - Allowable		0		
430.03	Contributed Services - Unallowable				
430.04	Contra Account for 430.03				
431.00	Contributed Cash		0		
440.00	Subsidy From Other Sources		0		
		<b>AGENCY TOTAL (ALL TRANSIT)</b>	<b>SECTION 5311 TOTAL BUDGETED</b>	<b>PROJECT INCOME (Proposed)</b>	<b>LOCAL MATCH (Proposed)</b>
(Exclude grey areas from total)		<b>\$74,428</b>	<b>\$74,428</b>	<b>\$11,000</b>	<b>\$63,428</b>
<b>TOTAL REVENUE 401 - 440</b>					

NOTE: ONLY ENTER DATA IN HIGHLIGHTED CELLS

PROPOSED

(continued) FY 2015

Champaign County-CRIS Ru

Exhibit B

**EXPENSES:**

<u>Item</u>	<u>Description</u>	<u>AGENCY TOTAL (ALL TRANSIT)</u>	<u>SECTION 5311 TOTAL BUDGETED</u>	<u>SECTION 5311 ADMINISTRATION (Proposed)</u>	<u>SECTION 5311 OPERATING (Proposed)</u>
<b>LABOR:</b>					
501.01	Operator's Salaries & Wages	\$54,719	\$54,719		\$54,719
501.02	Training Salaries & Wages		0		
501.03	Dispatcher's Salaries & Wages	4,374	4,374		4,374
501.04	Administrative Salaries & Wages	14,314	14,314	14,314	
501.99	Other Salaries & Wages	6,562	6,562	0	6,562
	<b>TOTAL</b>	<b>\$79,969</b>	<b>\$79,969</b>	<b>\$14,314</b>	<b>\$65,655</b>
<b>FRINGE BENEFITS:</b>					
502.01	FICA	\$6,118	\$6,118	\$1,095	\$5,023
502.02	Pensions & Long Term Disability	600	600	540	60
502.03	Health Insurance	4,300	4,300	4,300	
502.04	Dental Plans		0		
502.05	Life Insurance		0		
502.06	Short Term Disability		0		
502.07	Unemployment Insurance	2,671	2,671	701	1,970
502.08	Worker's Compensation	7,500	7,500	1,384	6,116
502.09	Sick Leave		0		
502.10	Holiday		0		
502.11	Vacation		0		
502.12	Other Paid Absence		0		
502.13	Uniform Allowance	0	0	0	0
502.99	Other Fringe Benefits		0		
	<b>TOTAL</b>	<b>\$21,189</b>	<b>\$21,189</b>	<b>\$8,020</b>	<b>\$13,169</b>
<b>SERVICES:</b>					
503.01	Management Services		\$0		
503.02	Advertising Services		0		
503.03	Professional & Technical Services	6,025	6,025	3,875	2,150
503.04	Temporary Services		0		
503.05	Contract Maintenance	13,200	13,200	1,400	11,800
503.06	Custodial Services		0		
503.07	Security Services		0		
503.99	Other Services		0		
	<b>TOTAL</b>	<b>\$19,225</b>	<b>\$19,225</b>	<b>\$5,275</b>	<b>\$13,950</b>

NOTE: ONLY ENTER DATA IN HIGHLIGHTED CELLS

**PROPOSED**

**(continued) FY 2015**

**Champaign County-CRIS Ru**

**Exhibit B**

**EXPENSES:**

<u>Item</u>	<u>Description</u>	<u>AGENCY TOTAL (ALL TRANSIT)</u>	<u>SECTION 5311 TOTAL BUDGETED</u>	<u>SECTION 5311 ADMINISTRATION (Proposed)</u>	<u>SECTION 5311 OPERATING (Proposed)</u>
<b>MATERIALS &amp; SUPPLIES:</b>					
504.01	Fuel & Lubricants Consumed	\$20,000	\$20,000		\$20,000
504.02	Tires & Tubes Consumed	1,750	1,750		1,750
504.03	Inventory Purchases	475	475	\$475.00	
504.99	Other Materials & Supplies		0		
	<b>TOTAL</b>	<b>\$22,225</b>	<b>\$22,225</b>	<b>\$475</b>	<b>\$21,750</b>
<b>UTILITIES:</b>					
505.02	Telephone	\$900	\$900	\$900	
505.99	Other, i.e. Natural Gas, Electric, etc.	1,002	1,002	1,002	
	<b>TOTAL</b>	<b>\$1,902</b>	<b>\$1,902</b>	<b>\$1,902</b>	<b>\$0</b>
<b>CASUALTY &amp; LIABILITY:</b>					
506.01	Physical Damage Insurance	\$5,792	\$5,792	\$5,792	
506.03	Liability & Property Insurance	2,200	2,200	2,200	
506.04	Uninsured Settlements		0		
506.05	Provisions for Uninsured Settlements		0		
506.06	Recoveries of Settlements		0		
506.08	Other Corporate Insurance	0	0	0	
506.99	Other Insurance		0		
	<b>TOTAL</b>	<b>\$7,992</b>	<b>\$7,992</b>	<b>\$7,992</b>	<b>\$0</b>
<b>TAXES:</b>					
507.00	<b>TOTAL</b>		<b>\$0</b>		
<b>PURCHASED TRANSPORTATION:</b>					
508.00	<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>		
<b>MISCELLANEOUS:</b>					
509.01	Dues & Subscriptions	\$0	\$0	\$0	
509.02	Travel & Meetings	2,750	2,750	2,750	
509.03	Bridge, Tunnel, & Highway Tolls		0		
509.04	Entertainment Expense				
509.05	Charitable Donations				
509.06	Fines & Penalties				
509.07	Bad Debt Expense				
509.08	Advertising/Promotion Media	2,500	2,500	2,500	
509.99	Other Miscellaneous Expense		0		
	<b>TOTAL (Excluding Grey Areas)</b>	<b>\$5,250</b>	<b>\$5,250</b>	<b>\$5,250</b>	<b>\$0</b>

NOTE: ONLY ENTER DATA IN HIGHLIGHTED CELLS

**PROPOSED EXPENSES**

(continued) FY 2015 Campaign County-CRIS Rural MTD

Exhibit B

Item	Description	AGENCY TOTAL (ALL TRANSIT)	SECTION 5311 TOTAL BUDGETED	SECTION 5311 ADMINISTRATION (Proposed)	SECTION 5311 OPERATING (Proposed)
<b>INTEREST:</b>					
511.01	Long Term Debt Obligation		\$0		
511.02	Short Term Debt Obligation	2,100	2,100	2,100	
	<b>TOTAL</b>	<b>\$2,100</b>	<b>\$2,100</b>	<b>\$2,100</b>	<b>\$0</b>
<b>LEASES &amp; RENTALS:</b>					
512.01	Transit Way Structures, etc.		\$0		
512.02	Passenger Stations		0		
512.03	Passenger Parking Facilities		0		
512.04	Passenger Revenue Vehicles		0		
512.05	Service Vehicles		0		
512.06	Operating Yards or Stations	5,200	5,200		5,200
512.07	Maintenance Facilities		0		
512.10	Data Processing Facilities		0		
512.11	Revenue Collection Facilities		0		
512.12	Other Administrative Facilities		0		
	<b>TOTAL</b>	<b>\$5,200</b>	<b>\$5,200</b>	<b>\$0</b>	<b>\$5,200</b>
<b>DEPRECIATION &amp; AMORTIZATION</b>					
513.00	<b>TOTAL</b>				
<b>CONTRIBUTED SERVICES</b>					
530.00	<b>TOTAL</b>				
<b>INELIGIBLE EXPENSES</b>					
550.00	<b>TOTAL</b>				
<b>DIRECT EXPENSE SUB-TOTAL</b>		<b>\$165,052</b>	<b>\$165,052</b>	<b>\$45,328</b>	<b>\$119,724</b>
<b>ICR</b>	<b>Indirect Cost Rate</b>	0.00%	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
		<b>AGENCY TOTAL (ALL TRANSIT)</b>	<b>SECTION 5311 TOTAL BUDGETED</b>	<b>SECTION 5311 ADMINISTRATION (Proposed)</b>	<b>SECTION 5311 OPERATING (Proposed)</b>
(Exclude grey areas from total)					
<b>TOTAL EXPENSES 501 - 530 &amp; ICR</b>		<b>\$165,052</b>	<b>\$165,052</b>	<b>\$45,328</b>	<b>\$119,724</b>

Please identify all anticipated Contracts or Services of \$10,000 or more to a single vendor.

Contracts and Service Agreements	\$ Amount
	0
	0
	0
etc...	
	<b>\$0</b>

NOTE: ONLY ENTER DATA IN HIGHLIGHTED CELLS

**GRANTEE: Champaign County-CUMTD**

**Exhibit B**

*Note: Only enter data in highlighted cells*

**FINANCIAL DATA**

**PROPOSED**

**FY 2015 BUDGET**

**REVENUES:**

Item	Description	AGENCY TOTAL (ALL TRANSIT)	SECTION 5311 TOTAL BUDGETED	PROJECT INCOME (Proposed)	LOCAL MATCH (Proposed)
401.01	Full Adult Fare	\$23,250	\$23,250	\$23,250	
401.02	Senior Citizen Fares	9,750	9,750	9,750	
401.03	Student Fares		0		
401.04	Child Fares		0		
401.05	Disabled Rider Fares		0		
401.06	Parking Lot Fares		0		
401.99	Other Rider Fares		0		
402.00	Special Transit Fares	6,300	6,300		6,300
403.00	School Bus Service		0		
404.00	Freight Tariffs		0		
405.00	Charter Service Revenues		0		
406.00	Auxiliary Revenues		0		
407.01	Sales of Maintenance Service		0		
407.02	Rental of Revenue Vehicles		0		
407.03	Rental of Buildings & Property		0		
407.99	Other Non-transportation Revenue		0		
408.00	Taxes Levied by Transit System		0		
409.00	Local Cash Grants		0		
410.01	Local Disabled Fare Assistance		0		
410.02	Local Senior Fare Assistance		0		
410.03	Local Student Fare Assistance		0		
410.99	Other Local Special Fare Assistance		0		
411.00	State Cash Grants	321,746	321,746		321,746
412.00	State Special Fare Assistance		0		
413.00	Federal Cash Grants (Section 18)	63,247	0		
413.99	Other Federal Financial Assistance		0		
414.00	Interest Income		0		
430.01	Contributed Services - Allowable		0		
430.03	Contributed Services - Unallowable				
430.04	Contra Account for 430.03				
431.00	Contributed Cash		0		
440.00	Subsidy From Other Sources		0		
		<b>AGENCY TOTAL (ALL TRANSIT)</b>	<b>SECTION 5311 TOTAL BUDGETED</b>	<b>PROJECT INCOME (Proposed)</b>	<b>LOCAL MATCH (Proposed)</b>
(Exclude grey areas from total)		<b>\$361,046</b>	<b>\$361,046</b>	<b>\$33,000</b>	<b>\$328,046</b>

Revised 2/18/14

NOTE: ONLY ENTER DATA IN HIGHLIGHTED CELLS

PROPOSED

(continued) FY 2015

Champaign County-CUN

Exhibit B

**EXPENSES:**

Item	Description	AGENCY TOTAL (ALL TRANSIT)	SECTION 5311 TOTAL BUDGETED	SECTION 5311 ADMINISTRATION (Proposed)	SECTION 5311 OPERATING (Proposed)
<b>LABOR:</b>					
501.01	Operator's Salaries & Wages	\$168,085	\$168,085		\$168,085
501.02	Training Salaries & Wages	5,000	5,000	5,000	
501.03	Dispatcher's Salaries & Wages	13,720	13,720		13,720
501.04	Administrative Salaries & Wages	37,000	37,000	37,000	
501.99	Other Salaries & Wages	23,510	23,510		23,510
	<b>TOTAL</b>	<b>\$247,315</b>	<b>\$247,315</b>	<b>\$42,000</b>	<b>\$205,315</b>
<b>FRINGE BENEFITS:</b>					
502.01	FICA	\$18,500	\$18,500	\$3,330	\$15,170
502.02	Pensions & Long Term Disability	32,000	32,000	5,760	26,240
502.03	Health Insurance	18,500	18,500	10,650	7,850
502.04	Dental Plans		0		
502.05	Life Insurance		0		
502.06	Short Term Disability		0		
502.07	Unemployment Insurance	3,050	3,050	475	2,575
502.08	Worker's Compensation	10,000	10,000	110	9,890
502.09	Sick Leave		0		
502.10	Holiday		0		
502.11	Vacation		0		
502.12	Other Paid Absence		0		
502.13	Uniform Allowance	1,600	1,600		1,600
502.99	Other Fringe Benefits		0		
	<b>TOTAL</b>	<b>\$83,650</b>	<b>\$83,650</b>	<b>\$20,325</b>	<b>\$63,325</b>
<b>SERVICES:</b>					
503.01	Management Services		\$0		
503.02	Advertising Services		0		
503.03	Professional & Technical Services	27,075	27,075	20,625	6,450
503.04	Temporary Services		0		
503.05	Contract Maintenance	40,866	40,866	4,500	36,366
503.06	Custodial Services		0		
503.07	Security Services		0		
503.99	Other Services		0		
	<b>TOTAL</b>	<b>\$67,941</b>	<b>\$67,941</b>	<b>\$25,125</b>	<b>\$42,816</b>

Revised 2/18/14

NOTE: ONLY ENTER DATA IN HIGHLIGHTED CELLS

PROPOSED

(continued) FY 2015

Champaign County-CUV

Exhibit B

**EXPENSES:**

Item	Description	AGENCY TOTAL (ALL TRANSIT)	SECTION 5311 TOTAL BUDGETED	SECTION 5311 ADMINISTRATION (Proposed)	SECTION 5311 OPERATING (Proposed)
<b>MATERIALS &amp; SUPPLIES:</b>					
504.01	Fuel & Lubricants Consumed	\$60,000	\$60,000		\$60,000
504.02	Tires & Tubes Consumed	5,250	5,250		5,250
504.03	Inventory Purchases	1,425	1,425	\$1,425.00	
504.99	Other Materials & Supplies		0		
	<b>TOTAL</b>	<b>\$66,675</b>	<b>\$66,675</b>	<b>\$1,425</b>	<b>\$65,250</b>
<b>UTILITIES:</b>					
505.02	Telephone	\$2,700	\$2,700	\$2,700	
505.99	Other, i.e. Natural Gas, Electric, etc.	3,006	3,006	3,006	
	<b>TOTAL</b>	<b>\$5,706</b>	<b>\$5,706</b>	<b>\$5,706</b>	<b>\$0</b>
<b>CASUALTY &amp; LIABILITY:</b>					
506.01	Physical Damage Insurance	\$380	\$380		\$380
506.03	Liability & Property Insurance		0		
506.04	Uninsured Settlements		0		
506.05	Provisions for Uninsured Settlements		0		
506.06	Recoveries of Settlements		0		
506.08	Other Corporate Insurance		0		
506.99	Other Insurance		0		
	<b>TOTAL</b>	<b>\$380</b>	<b>\$380</b>	<b>\$0</b>	<b>\$380</b>
<b>TAXES:</b>					
507.00	<b>TOTAL</b>		<b>\$0</b>		
<b>PURCHASED TRANSPORTATION:</b>					
508.00	<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>		
<b>MISCELLANEOUS:</b>					
509.01	Dues & Subscriptions		\$0		
509.02	Travel & Meetings	5,000	5,000	5,000	
509.03	Bridge, Tunnel, & Highway Tolls		0		
509.04	Entertainment Expense				
509.05	Charitable Donations				
509.06	Fines & Penalties				
509.07	Bad Debt Expense				
509.08	Advertising/Promotion Media	7,500	7,500	7,500	
509.99	Other Miscellaneous Expense		0		
	<b>TOTAL (Excluding Grey Areas)</b>	<b>\$12,500</b>	<b>\$12,500</b>	<b>\$12,500</b>	<b>\$0</b>

Revised 2/18/14

NOTE: ONLY ENTER DATA IN HIGHLIGHTED CELLS

**PROPOSED EXPENSES**

(continued) FY 2015

Champaign County-CUMTD

Exhibit B

Item	Description	AGENCY TOTAL (ALL TRANSIT)	SECTION 5311 TOTAL BUDGETED	SECTION 5311 ADMINISTRATION (Proposed)	SECTION 5311 OPERATING (Proposed)
<b>INTEREST:</b>					
511.01	Long Term Debt Obligation		\$0		
511.02	Short Term Debt Obligation	6,300	6,300	6,300	
	<b>TOTAL</b>	<b>\$6,300</b>	<b>\$6,300</b>	<b>\$6,300</b>	<b>\$0</b>
<b>LEASES &amp; RENTALS:</b>					
512.01	Transit Way Structures, etc.		\$0		
512.02	Passenger Stations		0		
512.03	Passenger Parking Facilities		0		
512.04	Passenger Revenue Vehicles		0		
512.05	Service Vehicles		0		
512.06	Operating Yards or Stations	6,633	6,633		6,633
512.07	Maintenance Facilities		0		
512.10	Data Processing Facilities		0		
512.11	Revenue Collection Facilities		0		
512.12	Other Administrative Facilities		0		
	<b>TOTAL</b>	<b>\$6,633</b>	<b>\$6,633</b>	<b>\$0</b>	<b>\$6,633</b>
<b>DEPRECIATION &amp; AMORTIZATION</b>					
513.00	<b>TOTAL</b>				
<b>CONTRIBUTED SERVICES</b>					
530.00	<b>TOTAL</b>				
<b>INELIGIBLE EXPENSES</b>					
550.00	<b>TOTAL</b>				
	<b>DIRECT EXPENSE SUB-TOTAL</b>	<b>\$497,100</b>	<b>\$497,100</b>	<b>\$113,381</b>	<b>\$383,719</b>
<b>ICR</b>	<b>Indirect Cost Rate</b>	0.00%	\$0	\$0	\$0
		<b>AGENCY TOTAL (ALL TRANSIT)</b>	<b>SECTION 5311 TOTAL BUDGETED</b>	<b>SECTION 5311 ADMINISTRATION (Proposed)</b>	<b>SECTION 5311 OPERATING (Proposed)</b>
(Exclude grey areas from total)					
	<b>TOTAL EXPENSES 501 - 530 &amp; ICR</b>	<b>\$497,100</b>	<b>\$497,100</b>	<b>\$113,381</b>	<b>\$383,719</b>

Please identify all anticipated Revenue Service Contracts or Procurements > \$10,000 or more to a single vendor.

Vendor Contracts and Revenue Service Contracts > \$10,000	\$ Amount
Vehicle Liability Insurance	
Health Insurance	
Workers Comp	
etc...	
	<b>\$0</b>

## **Exhibit C**

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### **FTA Standard Certifications and Assurances**

***Note: Electronic Version of this Form is Available in  
Adobe Acrobat format in the attached files:***

**FFY2014 Certs-TEAM.pdf**

**FTA FISCAL YEAR 2014 CERTIFICATIONS AND ASSURANCES**

**FEDERAL FISCAL YEAR 2014 CERTIFICATIONS AND ASSURANCES FOR  
FEDERAL TRANSIT ADMINISTRATION ASSISTANCE PROGRAMS**  
(Signature page alternative to providing Certifications and Assurances in TEAM-Web)

Name of Applicant: Champaign County

The Applicant agrees to comply with applicable provisions of Groups 01 – 24.   X  

OR

The Applicant agrees to comply with applicable provisions of the Groups it has selected:

<b>Group</b>	<b>Description</b>	
01.	Required Certifications and Assurances for Each Applicant.	_____
02.	Lobbying.	_____
03.	Procurement and Procurement Systems.	_____
04.	Private Section Protections.	_____
05.	Rolling Stock Reviews and Bus Testing.	_____
06.	Demand Responsive Service.	_____
07.	Intelligent Transportation Systems.	_____
08.	Interest and Financing Costs and Acquisition of Capital Assets by Lease.	_____
09.	Transit Asset Management Plan and Public Transportation Agency Safety Plan.	_____
10.	Alcohol and Controlled Substances Testing.	_____
11.	Fixed Guideway Capital Investment Grants Program (New Starts, Small Starts, and Core Capacity) and Capital Investment Program in Effect before MAP-21.	_____
12.	State of Good Repair Program.	_____
13.	Fixed Guideway Modernization Grant Program.	_____
14.	Bus and Bus Facilities Formula Grants Program and Bus and Bus Related Equipment and Facilities Grant Program (Discretionary).	_____
15.	Urbanized Area Formula Grants Programs, Passenger Ferry Grants Program, and Job Access and Reverse Commute (JARC) Program.	_____
16.	Seniors/Elderly/Individuals with Disabilities Programs and New Freedom Program.	_____
17.	Rural/Other Than Urbanized Areas/Appalachian Development/Over-the-Road Bus Accessibility Programs.	_____
18.	Public Transportation on Indian Reservations Programs (also known as the Tribal Transit Programs).	_____
19.	Low or No Emission/Clean Fuels Grant Programs.	_____
20.	Paul S. Sarbanes Transit in Parks Program.	_____
21.	State Safety Oversight Program.	_____
22.	Public Transportation Emergency Relief Program.	_____
23.	Expedited Project Delivery Pilot Program.	_____
24.	Infrastructure Finance Programs.	_____

# FTA FISCAL YEAR 2014 CERTIFICATIONS AND ASSURANCES

## FEDERAL FISCAL YEAR 2014 FTA CERTIFICATIONS AND ASSURANCES SIGNATURE PAGE (Required of all Applicants for FTA funding and all FTA Grantees with an active Capital or Formula Project)

### AFFIRMATION OF APPLICANT

Name of the Applicant: Champaign County

Name and Relationship of the Authorized Representative: Grantee

BY SIGNING BELOW, on behalf of the Applicant, I declare that it has duly authorized me to make these Certifications and Assurances and bind its compliance. Thus, it agrees to comply with all Federal statutes and regulations, and follow applicable Federal guidance, and comply with the Certifications and Assurances as indicated on the foregoing page applicable to each application its Authorized Representative makes to the Federal Transit Administration (FTA) in Federal Fiscal Year 2014, irrespective of whether the individual that acted on his or her Applicant's behalf continues to represent it.

FTA intends that the Certifications and Assurances the Applicant selects on the other side of this document should apply to each Project for which it seeks now, or may later seek FTA funding during Federal Fiscal Year 2014.

The Applicant affirms the truthfulness and accuracy of the Certifications and Assurances it has selected in the statements submitted with this document and any other submission made to FTA, and acknowledges that the Program Fraud Civil Remedies Act of 1986, 31 U.S.C. 3801 *et seq.*, and implementing U.S. DOT regulations, "Program Fraud Civil Remedies," 49 CFR part 31, apply to any certification, assurance or submission made to FTA. The criminal provisions of 18 U.S.C. 1001 apply to any certification, assurance, or submission made in connection with a Federal public transportation program authorized by 49 U.S.C. chapter 53 or any other statute

In signing this document, I declare under penalties of perjury that the foregoing Certifications and Assurances, and any other statements made by me on behalf of the Applicant are true and accurate.

Signature \_\_\_\_\_ Date: \_\_\_\_\_

Name Debra Busey, Champaign County Administrator  
Authorized Representative of Applicant

### AFFIRMATION OF APPLICANT'S ATTORNEY

For (Name of Applicant): Champaign County

As the undersigned Attorney for the above named Applicant, I hereby affirm to the Applicant that it has authority under State, local, or tribal government law, as applicable, to make and comply with the Certifications and Assurances as indicated on the foregoing pages. I further affirm that, in my opinion, the Certifications and Assurances have been legally made and constitute legal and binding obligations on it.

I further affirm that, to the best of my knowledge, there is no legislation or litigation pending or imminent that might adversely affect the validity of these Certifications and Assurances, or of the performance of its FTA Project or Projects.

Signature \_\_\_\_\_ Date: \_\_\_\_\_

Name Barbara Mann  
Attorney for Applicant

Each Applicant for FTA funding and each FTA Grantee with an active Capital or Formula Project must provide an Affirmation of Applicant's Attorney pertaining to the Applicant's legal capacity. The Applicant may enter its signature in lieu of the Attorney's signature, provided the Applicant has on file this Affirmation, signed by the attorney and dated this Federal fiscal year.

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**Exhibit D**

**Board Resolution**

**Acceptance of Section 5311- Downstate Operating Assistance Program for Champaign County rural public transportation**

WHEREAS, the provision of public transit service is essential to the people of Illinois; and

WHEREAS, 49 U.S.C. § 5311 ("Section 5311"), makes funds available to the State of Illinois to help offset certain operating deficits and administrative expenses of a system providing public transit service in non-urbanized areas; and

WHEREAS, the Downstate Public Transportation Act (30 ILCS 740/2-1 *et seq.*) ("Act") authorizes the State of Illinois, acting by and through the Illinois Department of Transportation, to provide grants and make funds available to assist in the development and operation of public transportation systems; and

WHEREAS, grants for said funds will impose certain obligations upon the recipient, including the provision by it of the local share of funds necessary to cover costs not covered by funds provided under Section 5311 or the Act.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BOARD OF *Champaign County*:

Section 1. That an application be made to the Division of Public and Intermodal Transportation, Department of Transportation, State of Illinois, for a financial assistance grant under Section 5311 and the Act for fiscal year 2015, for the purpose of off-setting a portion of the Public Transportation Program operating expenses and deficits of *Champaign County*.

Section 2. That while participating in said operating assistance program the *CRIS Rural Mass Transit District* will provide all required local matching funds for the period July 1, 2014 – September 30, 2014. The source for federal local match will continue to be the Downstate Operating Assistance grant funding available for SFY15. However, to make a good faith effort for a sustainable rural transit system with diverse local match sources, and in an effort to pull down the maximum federal and state funding and increase service to the rural Champaign County area, Champaign County staff and CUMTD staff will work together to seek a diverse mix of other local match funding sources. Champaign County staff will twice a year (by July 1<sup>st</sup> and January 1<sup>st</sup>) identify potential sources of local match revenue currently not being sought by the operator and work with CUMTD to develop a strategy to access these other local funds. CUMTD will be responsible for providing all cost estimates associated with the development of any service contracts

Section 3. That *County Administrator of Champaign County* is hereby authorized and directed to execute and file on behalf of Champaign County such application.

Section 4. That the *County Administrator of Champaign County* is authorized to furnish such additional information as may be required by the Division of Public and Intermodal Transportation and the Federal Transit Administration in connection with the aforesaid application for said grant.

Section 5. That *County Administrator of Champaign County* is hereby authorized and directed to execute and file on behalf of Champaign County a Section 5311-Downstate Operating Assistance Grant Agreement ("Agreement") with the Illinois Department of Transportation and amend such Agreement, if necessary, in order to obtain grant assistance under the provisions of Section 5311 and the Act for fiscal year 2015.

Section 6. That *County Administrator of Champaign County* is hereby authorized to provide such information and to file such documents as may be required to perform the Agreement and to receive the grant for fiscal year 2015

PRESENTED and ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_

\_\_\_\_\_  
*Alan Kurtz*

\_\_\_\_\_  
*Gordy Hulten*  
*Champaign County Clerk*

\_\_\_\_\_  
*Chair, Champaign County Board*  
*Revised 06/7/13*

\_\_\_\_\_  
*(Date)*

## **Exhibit E**

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### **SPECIAL SECTION 5333(b) WARRANTY FOR APPLICATION TO THE SMALL URBAN AND RURAL PROGRAM**

RESOLUTION NO. \_\_\_\_\_

Acceptance of the Special Warranty FY14 Combined Grant Application for Section 5311  
Non-Urban Public Transportation Assistance and Downstate Operating Assistance

WHEREAS, Section 5311 of the Federal Transit Act of 1964, as amended, makes funds available to help offset certain operating deficits of a system providing public transit service in non-urbanized areas; and

WHEREAS, 49 U.S.C. § 5333(b) requires that fair and equitable arrangements must be made to protect the interests of employees affected by such assistance as a condition of receipt of funds under Section 5311; and

WHEREAS, A simplified process for assuring employee protections that accommodates the needs of participants in the Section 5311 program has been agreed upon by the U.S. Department of Labor and the U.S. Department of Transportation by allowing execution of a Special Section 5333(b) Warranty for Section 5311 projects (Special Warranty), which the Secretary of Labor certified on May 31, 1979;

**NOW, THEREFORE, BE IT RESOLVED BY THE CHAMPAIGN COUNTY BOARD:**

**Section 1.** That an application be made to the Division of Public Transportation, Department of Transportation, State of Illinois, for a financial assistance grant under Section 5311 of the Federal Transit Act of 1964, as amended.

**Section 2.** As a condition of the receipt of Section 5311 funds, County Board of Champaign County, IL hereby agrees in writing to the terms and conditions of the Special Warranty (attached) regarding fair and equitable arrangements to protect the interests of employees affected by such assistance.

**PRESENTED and ADOPTED this \_\_\_ day of July, 2014**

\_\_\_\_\_  
Alan Kurtz  
Chair, Champaign County Board

\_\_\_\_\_  
Date

\_\_\_\_\_  
Attest: Gordy Hulten  
Champaign County Clerk

\_\_\_\_\_  
Date

## SPECIAL SECTION 5333(b) WARRANTY FOR APPLICATION TO THE SMALL URBAN AND RURAL PROGRAM

The following language shall be made part of the contract of assistance with the State or other public body charged with allocation and administration of funds provided under 49 U.S.C. Section 5311:

### A. General application

The Public Body ('COUNTY OF CHAMPAIGN') agrees that, in the absence of waiver by the Department of Labor, the terms and conditions of this warranty, as set forth below, shall apply for the protection of the transportation related employees of any employer providing transportation services assisted by the Project ('Recipient'), and the transportation related employees of any other surface public transportation providers in the transportation service area of the Project.

The Public Body shall provide to the Department of Labor and maintain at all times during the Project an accurate, up-to-date listing of all existing transportation providers which are eligible Recipients of transportation assistance funded by the Project, in the transportation service area of the Project, and any labor organizations representing the employees of such providers.

Certification by the Public Body to the Department of Labor that the designated Recipients have indicated in writing acceptance of the terms and conditions of the warranty arrangement will be sufficient to permit the flow of Section 5311 funding in the absence of a finding of non-compliance by the Department of Labor.

### B. Standard Terms and Conditions

(1) The Project shall be carried out in such a manner and upon such terms and conditions as will not adversely affect employees of the Recipient and of any other surface public transportation provider in the transportation service area of the Project. It shall be an obligation of the Recipient and any other legally responsible party designated by the Public Body to assure that any and all transportation services assisted by the Project are contracted for and operated in such a manner that they do not impair the rights and interests of affected employees. The term 'Project,' as used herein, shall not be limited to the particular facility, service or operation assisted by Federal funds, but shall include any changes, whether organizational, or otherwise, which are a result of the assistance provided. The phrase 'as a result of the Project,' shall when used in this arrangement, include events related to the Project occurring in anticipation of, during, and subsequent to the Project and any program of efficiencies or economies related thereto; provided, however, that volume rises and falls of business, or changes in volume and character of employment brought about by causes other than the Project (including any economies or efficiencies unrelated to the Project) are not within the purview of this arrangement.

An employee covered by this arrangement, who is not dismissed, displaced or otherwise worsened in his position with regard to his employment as a result of the Project, but who is dismissed, displaced or otherwise worsened solely because of the total or partial termination of the Project, discontinuance of Project services, or exhaustion of Project funding shall not be deemed eligible for a dismissal or displacement allowance within the meaning of paragraphs (6) and (7) of the Model agreement or applicable provisions of substitute comparable arrangements.

(2) (a) Where employees of a Recipient are represented for collective bargaining purposes, all Project services provided by that Recipient shall be provided under and in accordance with any collective bargaining agreement applicable to such employees which is then in effect.

(2) (b) The Recipient or legally responsible party shall provide to all affected employees sixty (60) days' notice of intended actions which may result in displacements or dismissals or rearrangements of the working forces. In the case of employees represented by a union, such notice shall be provided by certified mail through their representatives. The notice shall contain a full and adequate statement of the proposed changes, and an estimate of the number of employees affected by the intended changes, and the number and classifications of any jobs in the Recipient's employment available to be filled by such affected employees.

(2) (c) The procedures of this subparagraph shall apply to cases where notices involve employees represented by a union for collective bargaining purposes. At the request of either the Recipient or the representatives of such employees negotiations for the purposes of reaching agreement with respect to the applications of the terms and conditions of this arrangement shall commence immediately. If no agreement is reached within twenty (20) days from the commencement of negotiations, any party to the dispute may submit the matter to dispute settlement procedures in accordance with paragraph (4) of this warranty. The foregoing procedures shall be complied with and carried out prior to the institution of the intended action.

(3) For the purpose of providing the statutory required protections including those specifically mandated by 49 U.S.C. Section 5333(b)1, the public Body will assure as a condition of the release of funds that the Recipient agrees to be bound by the terms and conditions of the National (Model) Section 5333(b) Agreement executed July 23, 1975, identified below, provided that other comparable arrangements may be substituted therefor, if approved by the Secretary of Labor and certified for inclusion in these conditions.

(4) Any dispute or controversy arising regarding the application, interpretation, or enforcement of any of the provisions of this arrangement which cannot be settled by and between the parties at interest within thirty (30) days after the dispute or controversy first arises, may be referred by any such party to any final and binding disputes settlement procedure acceptable to the parties, or in the event they cannot agree upon such procedure, to the Department of Labor or an impartial third party designated by the Department of Labor for final and binding determination. The compensation and expenses of the impartial third party, and any other jointly incurred expenses, shall be borne equally by the parties to the proceeding and all other expenses shall be paid by the party incurring them. In the event of any dispute as to whether or not a particular employee was affected by the Project, it shall be his obligation to identify the Project and specify the pertinent facts of the Project relied upon. It shall then be the burden of either the Recipient or other party legally responsible for the application of these conditions to prove that factors other than the Project affected the employees. The claiming employee shall prevail if it is established that the Project had an effect upon the employee even if other factors may also have affected the employee.

(5) The Recipient or other legally responsible party designated by the Public Body will be financially responsible for the application of these conditions and will make the necessary arrangements so that any employee covered by these arrangements, or the union representative of such employee, may file claim of violation of these arrangements with the Recipient within sixty (60) days of the date he is terminated or laid off as a result of the Project, or within eighteen (18) months of the date his position with respect to his employment is otherwise worsened as a result of the Project. In the latter case, if the events giving rise to the claim have occurred over an extended period, the 18-month limitation shall be measured from the last such event. No benefits shall be payable for any period prior to six (6) months from the date of the filing of any claim.

(6) Nothing in this arrangement shall be construed as depriving any employee of any rights or benefits which such employee may have under existing employment or collective bargaining

agreements, nor shall this arrangement be deemed a waiver of any rights or any union or of any represented employee derived from any other agreement or provision of federal, state or local law.

(7) In the event any employee covered by these arrangements is terminated or laid off as a result of the Project, he shall be granted priority of employment or reemployment to fill any vacant position within the control of the Recipient for which he is, or by training or retraining within a reasonable period, can become qualified. In the event training or retraining is required by such employment or reemployment, the Recipient or other legally responsible party designated by the Public Body shall provide or provide for such training or retraining at no cost to the employee.

(8) The Recipient will post, in a prominent and accessible place, a notice stating that the Recipient has received federal assistance under 49 U.S.C. Chapter 53 and has agreed to comply with the provisions of 49 U.S.C. Section 5333(b). This notice shall also specify the terms and conditions set forth herein for the protection of employees. The Recipient shall maintain and keep on file all relevant books and records in sufficient detail as to provide the basic information necessary to the proper application, administration, and enforcement of these arrangements and to the proper determination of any claims arising thereunder.

(9) Any labor organization which is the collective bargaining representative of employees covered by these arrangements, may become a party to these arrangements by serving written notice of its desire to do so upon the Recipient and the Department of Labor. In the event of any disagreement that such labor organization represents covered employees, or is otherwise eligible to become a party to these arrangements, as applied to the Project, the dispute as to whether such organization shall participate shall be determined by the Secretary of Labor.

(10) In the event the Project is approved for assistance under 49 U.S.C. Chapter 53, the foregoing terms and conditions shall be made part of the contract of assistance between the federal government and the Public Body or Recipient of federal funds; provided, however, that this arrangement shall not merge into the contract of assistance, but shall be independently binding and enforceable by an upon the parties thereto, and by any covered employee or his representative, in accordance with its terms, nor shall any other employee protective agreement merge into this arrangement, but each shall be independently binding and enforceable by and upon the parties thereto, in accordance with its terms.

### C. Waiver

As part of the grant approval process, either the Recipient or other legally responsible party designated by the Public Body may in writing seek from the Secretary of Labor a waiver of the statutory required protections. The Secretary will waive these protections in cases, where at the time of the requested waiver, the Secretary determines that there are no employees of the Recipient or of any other surface public transportation providers in the transportation service area who could be potentially affected by the Project. A 30-day notice of proposed waiver will be given by the Department of Labor and in the absence of timely objection, the waiver will become final at the end of the 30-day notice period. In the event of timely objection, the Department of Labor will review the matter and determine whether a waiver shall be granted. In the absence of waiver, these protections shall apply to the Project.

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1Such protective arrangements shall include, without being limited to, such provisions as may be necessary for (1) the preservation of rights, privileges, and benefits (including continuation of pension rights and benefits) under existing collective bargaining agreements or otherwise; (2) the continuation of collective bargaining rights; (3) the protection of individual employees against a worsening of their positions with respect to their employment; (4) assurances of employment to

employees of acquired mass transportation systems and priority of reemployment of employees terminated or laid off; and (5) paid training and retraining programs. Such arrangements shall include provisions protecting individual employees against a worsening of their positions with respect to their employments which shall in no event provide benefits less than those established pursuant to 49 U.S.C. Section 11347 [the codified citation of Section 5(2)(f) of the Act of February 4, 1887 ( 24 Stat. 379), as amended]. Return to original reference point.

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2 For purposes of this warranty agreement, paragraphs (1); (2); (5); (15); (22); (23); (24); (26); (27); (28); and (29) of the Model Section 5333(b) Agreement, executed July 23, 1975 are to be omitted.

**Exhibit F**

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**IDOT Chart of Accounts for the Section 5311 Program  
Account Revenue & Expense Definitions**



FORM 501 OPERATING LABOR SUMMARY  
(Page 2 of 2)

.02 Other Salaries and Wages:

<u>Job Title</u>	<u>No. of Employees in this Position</u>	<u>Estimated FY2015 Salary</u>
Clerk (dispatcher)	2	\$10,936
Accounting Asst	1	\$1,593
Associate Administrator	1	\$5,103
CEO	1	\$6,656
Director of Communication	1	\$962

Total 501.02      25,250

6  
**FORM 501 OPERATING LABOR SUMMARY**  
(Page 1 of 2)

[To Be Submitted on Accrual Method of Accounting]

The amounts shown for each line item total in FORM 501 OPERATING LABOR SUMMARY must agree with the corresponding line item in Form OP-5 and line item 501 in the 5311 Exhibit B (5311 Budget).

501 Labor

.01 **Operator's Salaries and Wages-Champaign Urbana Mass Transit District**

Are your operators unionized?                      YES [ ]      NO [ X ]

If Yes, give expiration date contract \_\_\_\_\_

**NOTE:** PLEASE ATTACH COPY OF MOST RECENT LABOR CONTRACT.

IF THE MOST RECENT CONTRACT IS ON FILE, PLEASE CHECK BOX [ ]

	Number of Operators	FULL TIME Average Hourly Wage	Annual Total Wages
Est. FY 2015	_____	_____	(1) _____
		PART TIME	
	Number of Operators	Average Hourly Wage	Annual Total Wages
Est. FY 2015	14	12.02	(2) 168,085
Est. FY 2015	<u>Operators' overtime</u>		(3) _____
		CATEGORY TOTAL 501.01	<u>168,085</u> (Add 1, 2 & 3)

FORM 501 OPERATING LABOR SUMMARY

.02 Other Salaries and Wages:

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<u>Job Title</u>	<u>No. of Employees in this Position</u>	<u>Estimated FY2015 Salary</u>
Clerk (Dispatcher)	2	\$37,225
Special Services Manager	1	\$22,378
Comptroller (Billing)	1	\$9,281
Customer Service Manager (Social Media/Outreach)	1	\$4,966

Total 501.02      \$73,880

CATEGORY TOTAL 501

\$241,965  
(Add .01 & .02)

## **Exhibit G**

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### **Applicant's Certification of Intent**

## Applicant's Certification Of Intent

**Applicant:** Champaign County  
**Address:** 1776 East Washington Street  
Urbana, IL 61802

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<u>Amy Marchant</u>	<u>CEO</u>	<u>217-344-2287</u>
Contact Person	Title	Telephone

217-344-5450  
Fax Number

peace@ruraltransits.org  
E-Mail Address

The applicant hereby applies to the State of Illinois through the Illinois Department of Transportation, Division of Public Transportation for grants under Article II and Article III of the Downstate Public Transportation Act for operating and administrative assistance for public transportation service.

Officer or Official of Applicant

\_\_\_\_\_  
Signature

Chief Executive Officer  
Officer or Official Title

\_\_\_\_\_  
Date

## Applicant's Certification Of Intent

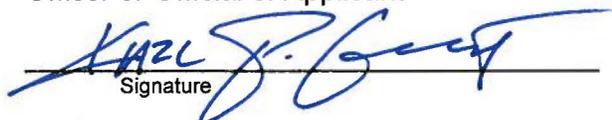
Applicant: Champaign County  
Address: 1776 East Washington Street  
Urbana, IL 61802

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<u>Karl Gnadt</u>	<u>Managing Director</u>	<u>217-384-8188</u>
Contact Person	Title	Telephone
<u>217-384-8215</u>		
Fax Number		
<u>kgnadt@cumtd.com</u>		
E-Mail Address		

The applicant hereby applies to the State of Illinois through the Illinois Department of Transportation, Division of Public Transportation for grants under Article II and Article III of the Downstate Public Transportation Act for operating and administrative assistance for public transportation service.

Officer or Official of Applicant

  
Signature

Managing Director  
Officer or Official Title

7/7/2017  
Date

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**Exhibit H**

**Sample Ordinance**

# Ordinance

ORDINANCE NUMBER \_\_\_\_\_  
AN ORDINANCE TO PROVIDE FOR PUBLIC TRANSPORTATION  
IN CHAMPAIGN COUNTY, ILLINOIS

Whereby, public transportation is an essential public purpose for which public funds may be expended under Article 13, Section 7 of the Illinois Constitution; and

WHEREAS, The County of Champaign wishes to provide public transportation for its citizens and become eligible for grants from the State of Illinois or any department or agency thereof, from any unit of local government, from the Federal government or any department or agency thereof; and

WHEREAS, Illinois Compiled Statutes 740/2-1 et seq. authorizes a county to provide for public transportation within the (county or counties) limits:

NOW, THEREFORE, BE IT ORDAINED by the Chair of the County Board of Champaign County that:

Section 1. Champaign County shall hereby provide public transportation within the Champaign County limits.

Section 2. The County Clerk of the County of Champaign shall file a certified copy of this Ordinance, within sixty days after passage of this ordinance.

Section 3. This Ordinance shall be in full force and effect from and after its passage and approval, as required by law.

Section 4. That *CEO of the CRIS Rural Mass Transit District and the Managing Director of the Champaign Urbana Mass Transit District* are hereby authorized and directed to execute and file on behalf of the Champaign County a Grant Application to the Illinois Department of Transportation.

Section 5. That *CEO of the CRIS Rural Mass Transit District and the Managing Director of the Champaign Urbana Mass Transit District of Champaign County* is hereby authorized and directed to execute and file on behalf of the *County of Champaign* all required Grant Agreements with the Illinois Department of Transportation.

PASSED by the Chair of the Board of Champaign County on the **24<sup>th</sup> day of July, 2014**, and deposited and filed in the office of the County Clerk of said County on that date.

Elected Board Members \_\_\_\_\_

PRESENT \_\_\_\_\_

AYE \_\_\_\_\_

NAY \_\_\_\_\_

\_\_\_\_\_

Clerk of Champaign County, Illinois

APPROVED by Chair of the Champaign County Board, this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_

Chair of Champaign County, Illinois

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**Exhibit I**

**Non-Vehicle Capital Asset Inventory**

***Note: Electronic Version of this Form is Available in  
Microsoft Excel format in the attached file:***



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## **Exhibit J**

### **Vehicle Asset Inventory**

***Note: Electronic Version of this Form is Available in  
Microsoft Excel format in the attached file:***

EXHIBIT J  
COMBINED SECTION 5311 / DOWNSTATE DOAP  
VEHICLE INVENTORY SUMMARY

VIN	TITLE HOLDER OWNER	OPERATOR	BUS FLEET #	CHASSIS YEAR	CHASSIS MANUF.	VEHICLE TYPE and SEATING CAPACITY	VEHICLE LENGTH	STATE GRANT NUMBER	FED GRANT NUMBER	Acquisition COST	Dollars OF FEDERAL Participation	DATE IN SERVICE/ PURCHASE	FTA ELIGIBLE REPLACEMENT DATE	CURRENT MILEAGE	CURRENT VEHICLE CONDITION	DATE OF LAST IDOT INSPECTION	VEHICLE STATUS
<b>Paratransit Vehicles:</b>																	
1FDFE4FS1BDB22613	Champaign County	CRIS	54	2011	2011	Ford Eldorado MD-14		1089CVP	IL-18-X027	58,232.00	58,232.00	11/01/11		78,396	E	02/19/14	A
1FDFE4FS0BDB26667	Champaign County	CRIS	55	2011	2011	Ford Eldorado MD-14		1089CVP	IL-18-X027	58,232.00	58,232.00	11/01/11		77,735	E	02/19/14	A
1FDFE4FS2CDA19153	Champaign County	CRIS	56	2012	2012	Ford Eldorado MD-14		1089CVP	IL-18-X027	58,232.00	58,232.00	03/01/12		72,059	E	02/19/14	A
2C4RDGCG7CR139811	Champaign County	CRIS	57	2012	2012	Braun mini van - 6		1089CVP	IL-18-X027	58,232.00	58,232.00	03/01/12		75,996	E	02/19/14	A
2CFRDGCG9CR139812	Champaign County	CRIS	58	2012	2012	Braun mini van - 6		1089CVP	IL-18-X027	58,232.00	58,232.00	03/01/12		70,807	E	02/19/14	A
1FDEE4FL0EDA86292	Champaign County	CRIS		2014	2014	Ford Starcraft MD-14				58,232.00	58,232.00						
1FDEE4FL3EDA86321	Champaign County	CRIS		2014	2014	Ford Starcraft MD-15				58,232.00	58,232.00						
1FDEE4FL9EDA86288	Champaign County	CRIS		2014	2014	Ford Starcraft MD-16				58,232.00	58,232.00						
<b>Fixed Route Vehicles:</b>																	
<b>ARRA Vehicles:</b>																	
<b>5309 Vehicles:</b> All Vehicles Funded with Federal Sec. 5309 funds and awarded under State of Illinois grant contracts.																	
<b>DISPOSED VEHICLES:</b>																	
VIN	TITLE HOLDER OWNER	OPERATOR	BUS FLEET #	CHASSIS YEAR	CHASSIS MANUFACTUR	VEHICLE TYPE	VEHICLE LENGTH	STATE GRANT NUMBER	FED GRANT NUMBER	Acquisition COST	Dollars OF FEDERAL Participation	DATE IN SERVICE/ PURCHASE	FTA ELIGIBLE REPLACEMENT DATE	CURRENT MILEAGE	CURRENT VEHICLE CONDITION	DATE OF DISPOSITION	VEHICLE STATUS

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**Exhibit K**

**Year End NTD Operating Data Report for FY2015**