

METRO TRANSIT SYSTEM 2009 AUDIT PRESENTATION**Transit and Parking Commission Meeting July 13, 2010****Jodi Dobson, CPA, Manager****Audit Overview**

- > Transit audit completed in conjunction with City of Madison financial and single audits.
- > Management prepares financial statements and Management's Discussion and Analysis (pages 3-14).
- > Auditors' opinion on financial statements and report on compliance and internal controls (pages 1-2 and 38-39)
- > Transit and Parking Commission Role

Audit Highlights

- > 10% increase in fare revenues as a result of increased ridership and the approved fare increase.
- > Operating costs increased by 2.5% over 2008. Employee compensation and benefits increased by 4% while materials and supplies increased by only 3% and purchased services decreased by 5%.
- > Operating subsidies including federal, state and local municipalities increased 3% during 2009 over 2008.
- > In 2009 Metro increased its reserves by \$388,700 which are now at just over \$866,000.
- > Metro incurred \$805,000 in new debt during 2009, refinanced \$1.4 million of existing debt at a lower interest rate, spent \$11.3 million on capital assets and decreased the total cash and investments on hand by \$1.6 million.
- > Recommendations and Other Items:
 - Documentation of year end financial policies and procedures
 - Walk through of specified payroll processes
- > No internal control deficiencies to report.
- > No single audit findings related to transit grants to report.