

CAPITAL METROPOLITAN TRANSPORTATION AUTHORITY RETIREMENT PLAN FOR BARGAINING UNIT  
EMPLOYEES OF STARTRAN, INC.

REPORT TO THE MEMBERS OF THE FINANCE AUDIT AND ADMINISTRATION COMMITTEE OF THE BOARD  
OF DIRECTORS

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## Retirement Plans: Audit for the Year Ended December 31, 2020

December 8, 2021

To: The Members of the Finance Audit and Administration  
Committee of the Board of Directors Capital Metropolitan  
Transportation Authority

Dear Committee Members:

We are pleased to present this report related to our audit of the  
financial statements of the Capital Metropolitan Transportation  
Authority Retirement Plan for Bargaining Unit Employees of  
StarTran, Inc. as of and for the year ended December 31, 2020.



# AUDIT OVERVIEW AND SCOPE

- We conducted our audit in accordance with auditing standards generally accepted in the United States.
- The Plan's Trustees are responsible for the preparation and fair presentation of financial statements to conform with generally accepted accounting principles (GAAP) as prescribed by the Governmental Accounting Standards Board (**GASB**) and for 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.
- Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion.
- We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

# Significant Estimates

Significant Estimates	Basis for Estimates
Net Pension Liability	The Plan has an actuarial valuation performed annually for funding and financial reporting purposes in accordance with Governmental Accounting Standards Board (GASB) Statement No. 67, <i>Financial Reporting for Pension Plans</i> , an Amendment of GASB Statement No. 25
Fair Value of Investments	<p>Money market funds, common stocks and mutual funds are valued at the net asset value of the shares held by the Plan at year end and/or quoted market prices. Government securities and corporate bonds are valued using quotes from independent trading activity and other relevant information, including market interest rate curves, referenced credit spreads and estimated prepayment rates, where applicable.</p> <p>There were no significant transfers in and/or out of the fair value categories during 2020.</p>

# RESULTS OF THE INDEPENDENT AUDIT

The Plans' financial statement audit results:

- Opinion on the financial statements: **Unmodified**
- The financial statements present fairly, in all material respects, the fiduciary net position of the Plan as of December 31, 2020, and the changes in fiduciary net position for the year in conformity with accounting principles generally accepted in the United States.
- **No reportable deficiencies** on internal control were noted



# QUESTIONS AND ANSWERS

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*Thank you for your time and attention.*