IndyGo

2008 Comprehensive Annual Financial Report

14.4% increase in overall ridership!

Indianapolis Public Transporation Corporation, State of Indiana. Comprehensive Annual Financial Report for the year ending December 31, 2008. A component unit of the consolidated City of Indianapolis-Marion County Government Reporting Entity.

COMPREHENSIVE ANNUAL
2008 FINANCIAL REPORT

IndyGo[SM]

Indianapolis Public Transportation Corporation
A Component Unit of the Consolidated
City of Indianapolis – Marion County
Reporting Entity

Michael A. Terry, President & CEO
Wayne Oteham, VP/C.F.O./Controller

COMPREHENSIVE
ANNUAL
FINANCIAL REPORT
INDIANAPOLIS, INDIANA

FOR THE YEAR ENDING
DECEMBER 31, 2008

TABLE OF CONTENTS

SECTION ONE - INTRODUCTORY

SECTION TWO - FINANCIAL

SECTION THREE - STATISTICAL (Unaudited)

SECTION ONE – INTRODUCTORY

Newly designed Paratransit vehicles hit the streets in 2008.

IndyGo[SM]

June 30, 2009

The Board of Directors
Indianapolis Public Transportation Corporation
Indianapolis, Indiana

We submit to you the Comprehensive Annual Financial Report (CAFR) of the Indianapolis Public Transportation Corporation (IPTC) for the year ended December 31, 2008. IPTC is a component unit of the Consolidated City of Indianapolis – Marion County Reporting Entity. The IPTC Controller, management team and staff prepared this report. Responsibility for both the accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, rests with the Controller and Management team of IPTC. The data, as presented, is accurate in all material respects. It is presented in a manner designed to set forth the financial position and results of operations of IPTC. Disclosures necessary to enable the reader to gain the maximum understanding of IPTC's financial affairs are included.

Organization

The Indianapolis Public Transportation Corporation (IPTC) is a Municipal Corporation as defined by the "Urban Mass Transportation Act of 1965," adopted in 1965 by the Indiana General Assembly. In 1973, the company was chartered by city ordinance to provide public transportation for the City of Indianapolis, Marion County, the Town of Speedway and the City of Beech Grove.

A seven member Board of Directors establishes operating policy for IPTC. The Mayor of the City of Indianapolis and the City-County Council of the City of Indianapolis and Marion County, Indiana appoint the Board, which is bipartisan. The Mayor appoints three members, with the Council appointing four.

The Board of Directors develops policies regarding operations, contracts, safety, financing, organization and structure of the Corporation. To affect these policies, members of the Corporation Board meet regularly in public session. These meetings include presentations by the management staff regarding the operational and financial status of the Corporation.

Significant Accomplishments: Kicking the year off, IPTC added an additional 20,000 hours of local bus service and a new circulator route to city streets, giving residents one more reason to ride the bus. The public responded with record ridership numbers, leading to an impressive 14.4% jump in passenger trips in 2008 over 2007 totals. The year-end total garnered 9,607,946 rides over the 8,395,777 trips provided in 2007. Even as gas prices decreased, ridership remained steady with people searching for ways to lower their commuting costs while securing convenient, reliable transportation each and every day.

Operational Efficiencies

- $30M capital investment over last four years to improve infrastructure and operational efficiencies.
- Unveiled a new IndyGo Commuter Express (ICE) Route in Carmel, the second of its kind for our regional area, with plans for a third express route in early 2009. This route is funded for three years with a $1.8 million federal CMAQ

(Congestion Mitigation & Air Quality) grant and provides rush hour, weekday service.

- Began in-house testing of and training on new Accounting/Management software to monitor and control costs (formerly DOS based system).
- Continued to leverage federal funds available for investment in our community.
    - Facility upgrades
        - Rehab/Renovate Administration and bus facility
    - Technology upgrades
        - Communication system including Computer Aided Dispatch/Automatic Vehicle Location (CAD/AVL)
    - Acquired new Paratransit Vehicles.
    - Installed new bus shelters (ADA accessible).

Project Safe Place

- In April 2008, IPTC partnered with the Children's Bureau, Inc. to become a mobile Project Safe Place provider.
- Project Safe Place is for children who are in danger and need immediate assistance.
- IndyGo joins other Safe Places like fire departments, libraries and YMCA's.

Environmental Impact (Greening Transit)

- Operated two hybrid electric 40' buses
    - Allison Transmission
    - Remy Power Source
    - Cummins Engine
- Converted to Ultra-low Sulfur Diesel fuel with 10% bio-blend (Indiana Soy Ester).
- Installed particulate filters on 1/3 of bus fleet, reducing particulate emissions by 90%.
- Installed new efficient furnace which burns used bus oil saving heating fuel and recycling costs.
- Recycled bus wash water through filter system, resulting in the use of less water.
- Utilized new fuel additives and lubricants to increase mileage and lengthen time between oil changes, saving labor and oil.

Goals for 2009 and Beyond:

- Implement CAD/AVL on all buses.
- Launch trip-planning software for the IndyGo.net website.
- Launch new IndyGo Commuter Express route in Greenwood.
- Open a new state of the art radio room/dispatch center.
- Introduce a new bus stop bench program.
- Plan and implement stimulus/ARRA funding projects including the procurement of new Fixed Route buses and IndyGo facility infrastructure improvements.
- Continue to meet the needs of our customers by providing quality public transportation services.
- Unveil key initiatives of the company's Wellness Program including opening an onsite health clinic.

IPTC management is responsible for establishing and maintaining internal controls designed to ensure assets are protected from loss, theft, or misuse and to ensure adequate accounting data are compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America. Internal controls are designed to provide reasonable, but not absolute assurance that these objectives are met. The concept of reasonable assurance recognizes: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

Budgetary Control

The Board of Directors adopts a budget in August of each year for the next calendar year. Budgetary control is maintained for certain funds, at the object level of expenditures by the encumbrance of purchase orders against available appropriations. That budget becomes the day-to-day control document of expenditures at the department level. Changes within major account classifications require board approval, while departments are allowed authority to transfer between minor line items within the major accounts.

Cash Management

At all times, minimum cash balances are maintained. Investments of temporary idle funds are in demand deposits, money market deposits, repurchase agreements, U.S. treasury bills or similar government issues until funds are needed for expenditures. All deposits are fully insured by the FDIC or the Indianapolis Public Deposits Insurance Fund, a multiple financial institution collateral pool. As of December 31, 2008, excess funds were invested in demand deposit accounts with Indiana financial institutions. Please review Management's Discussion and Analysis for more information.

Risk Management

Risk management activities at IPTC are an ongoing program of loss prevention, safety inspections, claims processing and payment, and placement of risk insurance coverage combined with self-insurance retention, all designed to maximize the protection of assets of IPTC. A schedule of risk coverage is included in the Statistical Section, Schedule 15 of this report, and additional information is contained in the Financial Section, notes to financial statement.

In December 1986, the IndyGo Board of Directors approved the establishment of an Excess Liability Reserve, for the purpose of paying personal injury and property damage claims in excess of $100,000. An actuarial study conducted in April 1987, recommended funding levels of between $590,000 and $1,550,000, depending on the confidence level selected. As of December 31, 2008, the Excess Liability Reserve was $1,690,810.

Significant additional self-insured retentions in effect are as follows: Workers Compensation $300,000 per occurrence; property damage to autos and buses – entirely self-insured. The tort claim liability was capped at $500,000 per occurrence during 2008. This liability increased to $700,000 per occurrence beginning January 1, 2009.

Independent Audit

The Indiana Urban Mass Transportation Act of 1965 requires the Controller to annually submit the records for audit by Independent Certified Public Accountants designated by the Board of Directors. As a recipient of federal financial assistance, IndyGo is also required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1996 and U. S. Office of Management and Budget Circular A- 133, *Audits of State Local*

Governments and Non- Profits Organizations. The public accounting firm of Crowe Horwath, LLP (formerly Crowe Chizek and Company, LLP) performed the annual audit, and in addition performed the audit required by the federal Single Audit Act of 1996 and related OMB Circular A- 133. Generally accepted auditing standards set forth in the General Accounting Office's *Government Auditing Standards* were used by the auditors in conducting their engagement. The auditors' report on the financial statements with accompanying notes is included in Section Two of this report. Information related to the single audit report, including a schedule of expenditures of federal awards, the independent auditors' report on internal controls and compliance with applicable laws and regulations, and a schedule of findings and questioned costs are included in a separately issued single audit report.

OTHER INFORMATION

Audit Committee

Based on recommendations from the Federal Transit Administration, it was suggested that the IndyGo Board of Directors develop an Audit Committee. Gary F. Hentschel was reappointed to serve as Chairman of the IndyGo audit committee for a term of one year. Mr. Hentschel appointed Dennis E. Faulkenberg to serve on the audit committee.

Certificate of Achievement

The Government Finance Officer's Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Indianapolis Public Transportation Corporation (IndyGo) for its Comprehensive Annual Financial Report for the year ended December 31, 2007. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such reports must satisfy both accounting principals generally accepted in the United States of American and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year. We believe our current report continues to conform to the Certificate of Achievement for Excellence Reporting Program requirements, and we are submitting this report to the GFOA to determine its eligibility for another certificate.

Acknowledgement

The report presented herein could not have been prepared without the assistance of many persons. We appreciate the assistance received from our independent auditors, Crowe Horwath, LLP, in the preparation of this report. Appreciation is also expressed to the City of Indianapolis Controllers Office, the Marion County Auditor's Office, the Indianapolis Economic Development Corporation for their assistance in the Annual Report graphics and demographics and the management and staff of IndyGo.

Respectfully submitted,

Wayne Oteham
VP/CFO/Controller

Michael A. Terry
President/CEO

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Indianapolis Public Transportation Corporation - IndyGo, Indiana

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2007

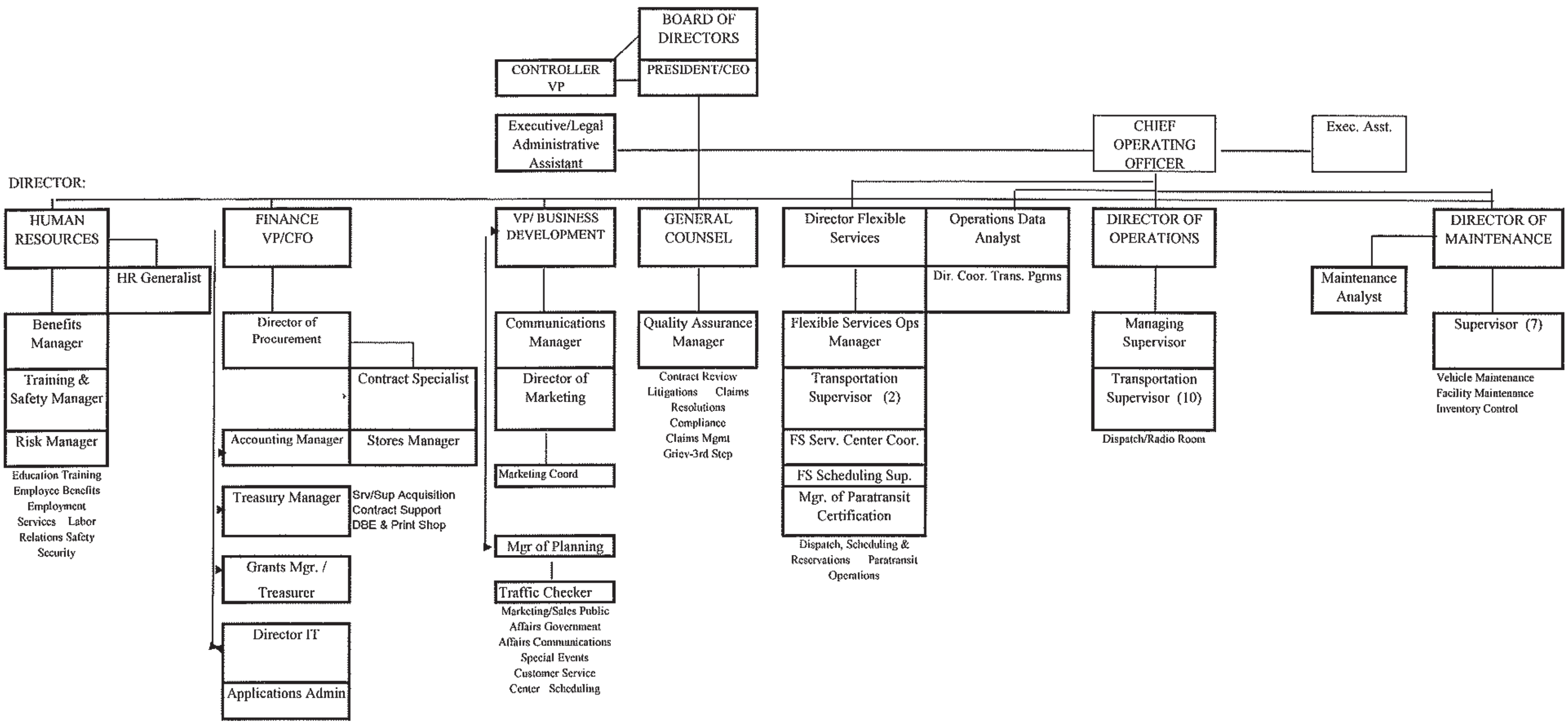
A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.

GOVERNMENT FINANCE OFFICERS ASSOCIATION OF THE UNITED STATES AND CANADA CORPORATION SEAL CHICAGO

President

Executive Director

IndyGo - Indianapolis Public Transportation Corporation 2008



INDIANAPOLIS PUBLIC TRANSPORTATION CORPORATION - IndyGo

Board of Directors, Principal Officials and Management

Name	Approximate Length of Service	Occupation
Appointed Board of Directors		
Dennis Faulkenberg, Chair (Council)	4 1/2 yrs	President APPIAN
Tommie L. Jones, Vice Chair (Mayor)	9 1/2 yrs	Retired Professional Educator Decatur Township School District
Gary F. Hentschel, Treasurer & Secretary (Mayor)	6 1/2 yrs	President Key Bank-Central Indiana District
Danny M. Crenshaw (Council)	6 yrs	Insurance Agent/Owner Crenshaw Insurance Agency
Andrew Klineman (Mayor)	1 yr	Senior Legal Counsel Buckingham Companies
Gregory Bedan (Council)	3 yrs	Third House Advocacy Group Consultant, Government Affairs
Alan Rowland (Council)	4 mos.	Education Manager Computing Technology Industry Association (CompTIA)
IPTC Principal Management Staff		
Michael A. Terry	5 1/2 yrs	President/CEO
Janice E. Kreuscher	6 1/2 yrs	General Counsel
Wayne Oteham	8 yrs	VP/CFO/Controller
Vacant		VP Business Development
Trevor Ocock	2 yrs	VP/ COO

Above information is as of 12/31/08

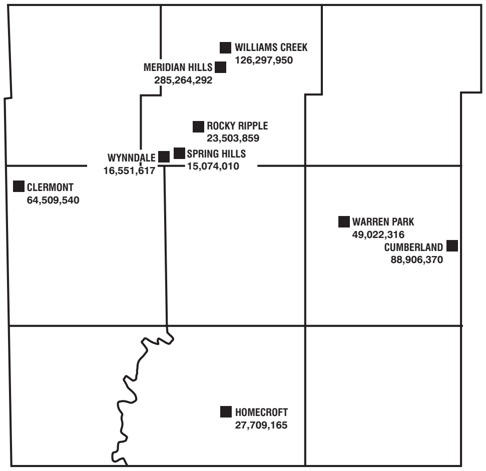
Map Key

- ROUTE 2 - EAST 34TH STREET
- ROUTE 3 - MICHIGAN STREET
- ROUTE 4 - FORT HARRISON *(2)*
- ROUTE 5 - E. 25TH/NORTH HARDING
- ROUTE 8 - WASHINGTON STREET
- ROUTE 10 - 10TH STREET
- ROUTE 11 - EAST 16TH STREET *(1) (2)*
- ROUTE 12 - BEECHCREST
- ROUTE 14 - PROSPECT
- ROUTE 15 - RIVERSIDE
- ROUTE 16 - BEECH GROVE *(2)*
- ROUTE 17 - COLLEGE
- ROUTE 18 - NORA *(2)*
- ROUTE 19 - CASTLETON
- ROUTE 21 - EAST 21ST STREET *(2)*
- ROUTE 22 - SHELBY *(1, 2)*
- ROUTE 24 - MARS HILL *(2)*
- ROUTE 25 - WEST 16TH STREET *(2)*
- ROUTE 26 - KEYSTONE CROSSTOWN *(2)*
- ROUTE 28 - ST. VINCENT
- ROUTE 30 - 30TH STREET CROSSTOWN *(1) (2)*
- ROUTE 31 - GREENWOOD
- ROUTE 34 - MICHIGAN ROAD *(2)*
- ROUTE 37 - PARK 100
- ROUTE 38 - LAFAYETTE SQUARE
- ROUTE 39 - EAST 38TH STREET
- ROUTE 50 - RED LINE *(2)*
- ROUTE 55 - ENGLISH *(1) (2)*
- ROUTE 87 - EASTSIDE CIRCULATOR *(2)*
- ROUTE 200 - ICE CARMEL* *(1) (2)*
- ROUTE 204 - ICE GREENWOOD* *(1) (2)*
- ROUTE 205 - GREEN LINE DOWNTOWN/ AIRPORT EXPRESS*
- ROUTE 210 - ICE FISHERS* *(1) (2)*
- ■■■ DENOTES SELECTED TRIPS SEE ROUTE SCHEDULE FOR INFORMATION

(1) Routes that do not run on Saturday
(2) Routes that do not run on Sunday.
* Routes not noted on map

Indianapolis Public Transportation Corporation
Taxing Districts

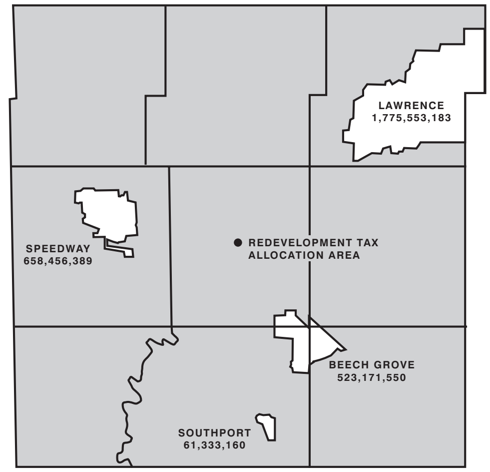
MAP 1



MARION COUNTY
AND INCLUDED TOWNS

	True Value Assessed Valuation
Marion County	43,704,676,004
Included towns (9)	696,839,119

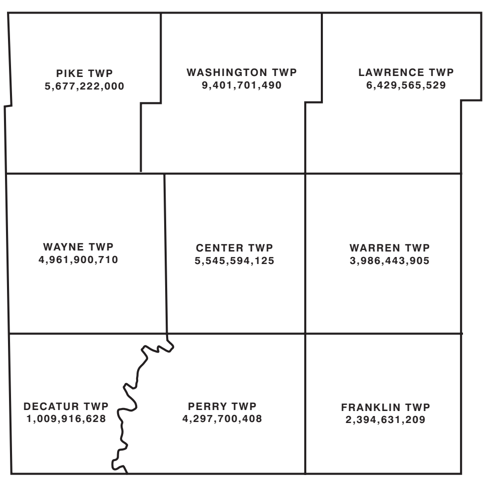
MAP 2



CONSOLIDATED
CITY OF INDIANAPOLIS

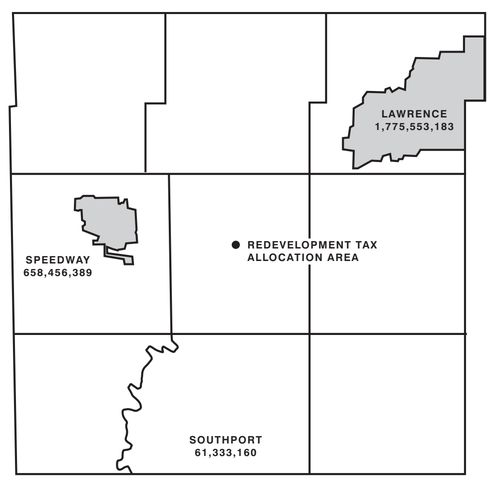
	Assessed Valuation
City of Indianapolis	40,686,161,722
Exluded Cities and Towns	3,018,514,282

MAP 3



TOWNSHIP
(ASSESSED VALUATIONS)

MAP 4



IPTC TAXING DISTRICT

IPTC	41,209,333,272
Exluded Cities and Towns	2,495,342,732

[1] The assessed value figures are those certified by State Department of Local Government Finance as of May 13, 2009
[2] Map 4 represents the taxing district of IPTC, not including excluded cities and towns.

SECTION TWO – FINANCIAL

Earth Day Celebration

Clean Air Press Conference

Juan Battle (IndyGo Director of Operations), Senator Richard Lugar, Fred Davie (IndyGo Professional Coach Operator) and Michael Terry (IndyGo President &CEO).

INDIANAPOLIS PUBLIC TRANSPORTATION CORPORATION (A COMPONENT UNIT OF THE CONSOLIDATED CITY OF INDIANAPOLIS MARION COUNTY GOVERNMENT REPORTING ENTITY)

FINANCIAL STATEMENTS

December 31, 2008 and 2007

INDIANAPOLIS PUBLIC TRANSPORTATION CORPORATION
(A COMPONENT UNIT OF THE CONSOLIDATED CITY OF INDIANAPOLIS
MARION COUNTY GOVERNMENT REPORTING ENTITY)
Indianapolis, Indiana

FINANCIAL STATEMENTS
December 31, 2008 and 2007

CONTENTS

Crowe Horwath.

Crowe Horwath LLP
Member Horwath International

REPORT OF INDEPENDENT AUDITORS

Board of Directors
Indianapolis Public Transportation Corporation
Indianapolis, Indiana

We have audited the accompanying statements of net assets of Indianapolis Public Transportation Corporation (IPTC) (a municipal corporation and a component unit of the consolidated City of Indianapolis-Marion County Government Reporting Entity) as of December 31, 2008 and 2007, and the related statements of revenue, expense and changes in net assets and cash flows for the years then ended. These financial statements are the responsibility of the IPTC's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of IPTC at December 31, 2008 and 2007, and the respective changes in financial position and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

The Management's Discussion and Analysis on pages 3 through 9 and the Schedule of Funding Progress on page 36 are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

The Management's Discussion and Analysis on pages 3 through 9 and the Schedule of Funding Progress on page 36 are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Crowe Horwath LLP

Crowe Horwath LLP

Indianapolis, Indiana
June 24, 2009

MANAGEMENT'S DISCUSSION AND ANALYSIS

INDIANAPOLIS PUBLIC TRANSPORTATION CORPORATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2008

This section of the annual financial report presents a discussion and analysis of the Indianapolis Public Transportation Corporation's (IPTC's) financial performance for the years ended December 31, 2008 and 2007. Please read this section in conjunction with the IPTC financial statements in the section that follows. For more detailed information on long-term debt activity and capital asset activity please refer to the relevant disclosures in the notes accompanying the basic financial statements.

FINANCIAL HIGHLIGHTS

- IPTC's assets exceeded its liabilities at December 31, 2008 by $35 million (net assets). Of this amount, $4.8 million (unrestricted net assets) may be used to meet the Company's ongoing obligations arising from providing transportation service to the community.
- Fare revenues for 2008 increased 15 percent over that of the prior year.
- Operating expenses before depreciation increased 10.5 percent over the prior year.
- Net assets increased $5,666,376 or 19 percent.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual financial report consists of four parts: management's discussion and analysis (this section), the basic financial statements, the notes to the financial statements and reports on compliance and internal control over financial reporting.

The financial statements are prepared on an accrual basis in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units operating as an Enterprise Fund. Under this basis of accounting, revenues are recognized in the period in which they are earned, expenses are recognized in the period in which they are incurred, and depreciation of assets is recognized in the Statements of Revenue, Expense, and Changes in Net Assets. All assets and liabilities associated with the operation of the IPTC are included in the Statement of Net Assets.

The financial statements provide both short and long-term information about the IPTC's overall financial status. The financial statements include notes to provide more detailed information on important activities. Please refer to these notes for more in depth and detailed information.

FINANCIAL STATEMENT ANALYSIS

Net Assets

The IPTC's total assets at December 31, 2008 reached almost $83.5 million. This represents an increase of approximately 12 percent from prior year. A 95 percent increase in assets designated for working capital attributed to the increase in total assets. Liabilities approximated $48 million for an increase of 7 percent for 2008. Assets and liabilities for 2008 remain inflated due to continued delays with property tax settlements from prior year. This caused IPTC to record a receivable in the amount of $21.6 million and a liability for $19 million in 2008.

For 2007, Net assets increased by $.4 million or 13 percent. The increase is due to a $4 million increase in receivables restricted for capital acquisitions and a $5.6 million decrease in capital asset investments from 2006 (See Table 1).

TABLE 1 – NET ASSETS

	2008	2007	2006
Assets:			
Current Assets	$ 52,506,905	$ 44,218,522	$ 23,070,011
Capital Assets (net)	30,745,499	30,369,794	35,711,991
Other Assets	170,920	193,328	215,736
	83,423,324	74,781,644	58,997,738
Liabilities:			
Current Liabilities	27,782,542	23,602,392	8,528,420
Non-current Liabilities	20,540,163	21,745,009	21,412,455
Total Liabilities	48,322,705	45,347,401	29,940,875
Net Assets:			
Invested in Capital Assets	14,846,493	15,860,987	19,620,481
Restricted	15,486,751	12,137,992	8,240,635
Unrestricted	4,767,375	1,435,264	1,195,747
Total Net Assets	35,100,619	29,434,243	29,056,863
Total Liabilities and Net Assets	$ 83,423,324	$ 74,781,644	$ 58,997,738

Changes in Net Assets

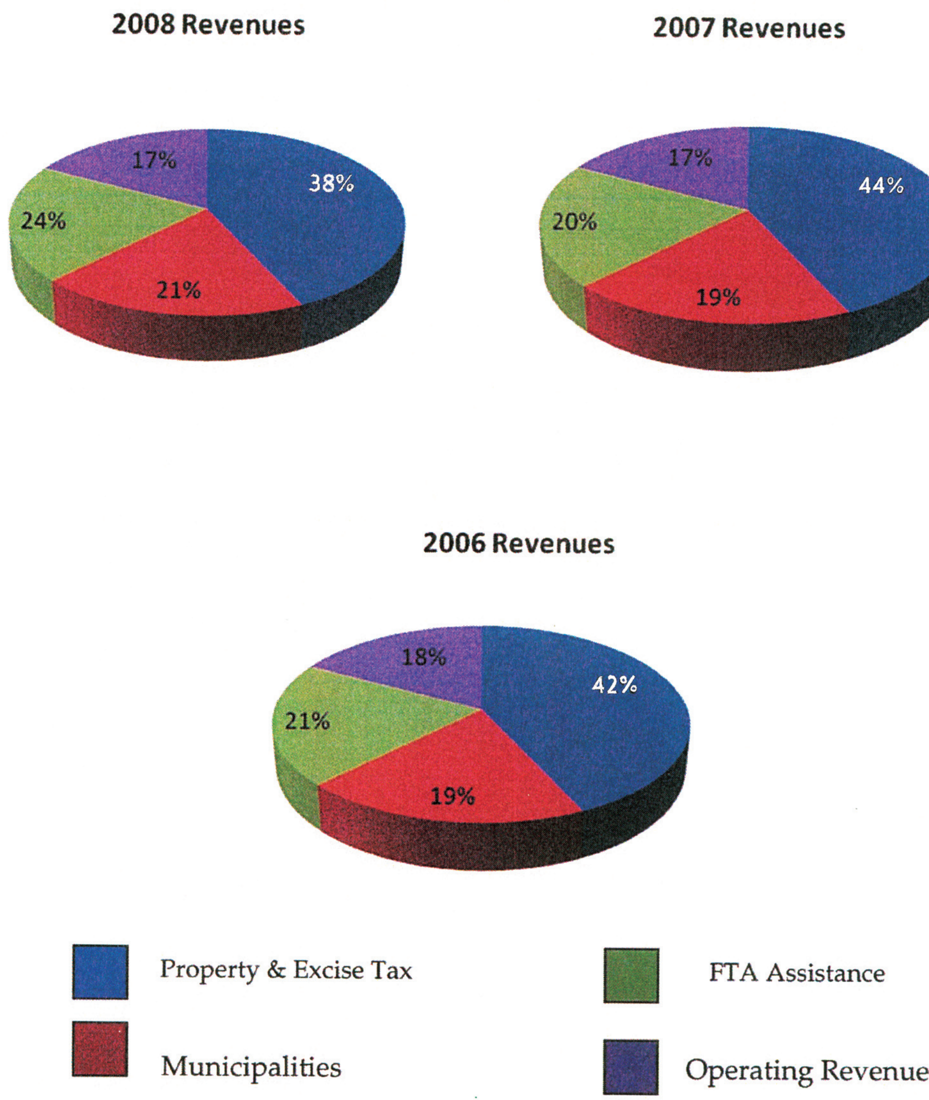
The change in net assets for 2008 represents an increase of approximately $5.6 million, or 19%. This significant increase is reflected in a $1.2 million, or 15 percent increase in passenger fares, a $2.6 million, or 26 percent increase in funding from municipalities and a $3.3 million, or 31 percent increase in federal assistance. Additionally, The IPTC received in excess of $2.8 million, or 100 percent more in capital grant contributions in 2008. The change in net assets for 2007 reflects a decrease of approximately 88 percent. Increasing labor, maintenance, transportation and fuel costs contributed to this.

TABLE 2 – CHANGES IN NET ASSETS

	2008	2007	2006
Operating Revenues			
Passenger Fares	$ 9,811,303	$ 8,535,060	$ 8,087,140
Special Service	175,351	242,918	249,355
Advertising	368,689	401,995	439,932
Total Operating Revenues	10,355,343	9,179,973	8,776,427
Non-operating Revenues (Expenses)			
Property and excise tax	22,670,695	22,819,745	21,013,574
Municipalities	12,887,164	10,243,549	9,705,912
FTA assistance	14,122,254	10,779,969	10,304,869
Contributions – capital grants	5,647,518	2,761,659	4,502,785
Other net revenues (expenses)	275,525	364,193	(541,987)
Total Non-operating Revenues	55,603,156	46,969,115	44,985,153
Total Revenues	65,958,499	56,149,088	53,761,580
Operating Expenses			
Transportation	29,541,787	26,994,527	23,599,772
Maintenance of equipment, including fuel	14,538,889	13,383,447	11,128,235
Administrative and general	7,067,156	6,516,194	7,038,695
Claims and insurance	1,516,932	756,182	1,100,458
Depreciation	7,627,359	8,121,358	7,583,089
Total Operating Expenses	60,292,123	55,771,708	50,450,249
Change in Net Assets	5,666,376	377,380	3,311,331
Total Net Assets, Beginning of Year	29,434,243	29,056,863	25,745,532
Total Net Assets, End of Year	$ 35,100,619	$ 29,434,243	$ 29,056,863

Revenues: For 2008, total operating revenues increased approximately $1.2 million, or 13 percent. Of that amount, fare revenues increased $1.2 million, or 15 percent. Non operating revenue excluding capital grant contributions and other revenue (expenses) increased approximately $5.8 million or 13 percent. IPTC received approximately 26 percent more in funding from municipalities and 31 percent more in FTA assistance which contributed to the overall increase in non operating revenue.

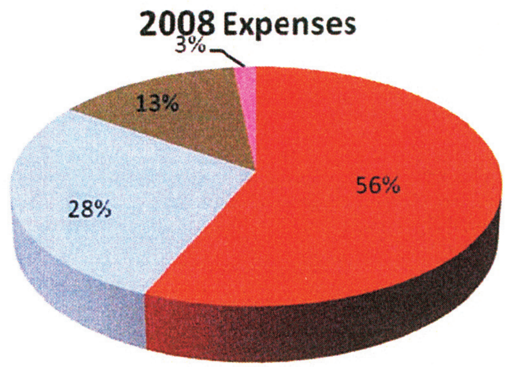
The increase in operating revenue for 2007 is mainly attributable to a 13 percent increase in ridership. An 8.5 percent increase in property and excise tax receipts was reflected in the increase of non operating revenue.

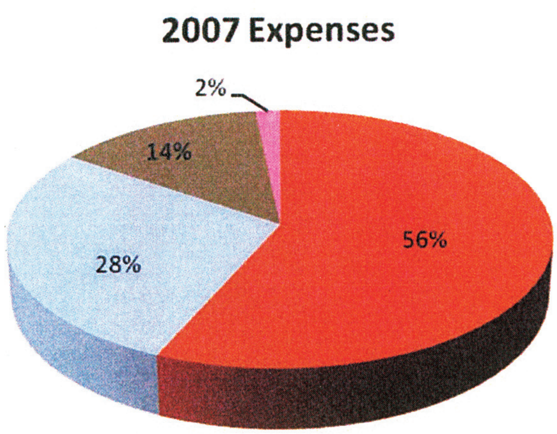


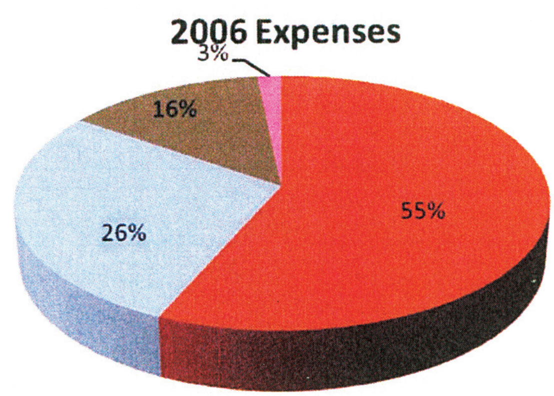
The revenues presented exclude "Contributions-capital grants" and "Other net revenues (expenses)".

Expenses: Total operating expenses including depreciation are $60.2 million for 2008. This is an increase of $4.5 million, or 8 percent from prior year. This increase is largely attributable to a $2.5 million, or 9 percent increase in transportation costs. Demand response transportation services that IPTC outsources increased approximately $2.5 million. Additionally, fuel costs increased 8 percent; other increases were due to rising operating costs for labor, benefits and claims.

In 2007, total operating expenses increased by $5.3 million or 10.5 percent this was due to rising service costs and increased cost of fuel and vehicle maintenance services.







Transportation | Maintenance & Equip, including fuel
Administrative & General | Claims and Insurance

The expenses presented exclude "depreciation" expense.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

As of December 31, 2008, IPTC had invested approximately $35 million in capital assets, net of accumulated depreciation. Compared to the prior year, this amount represents an increase of approximately $5 million. The increase is due to capital asset acquisitions exceeding the amount of annual depreciation expense during the year. Please refer to Note 4 of the financial statements included in the next section of this report for additional information regarding capital assets activity.

Management has concentrated on making capital investments in equipment and technology that can be effective in improving service and reducing operating costs. These projects can be implemented only because of the availability of Federal capital funding and the establishment of the cumulative capital fund to provide the local match for Federal capital grants.

Significant capital asset acquisitions during 2008 included the following:

- IPTC acquired 10 new fixed route coaches during the year at a cost in excess of $3 million and 4 new paratransit vehicles at approximately $.2 million.
- Midlife replacement of engines and transmissions at a cost in excess of $.2 million.
- Over $.9 million was spent on mobile radios to enhance communication.
- Approximately $.5 million was spent on upgrades to passenger facilities with the installation of new shelters and bus stop signs.

Other Project Activity includes:

- In 2004, a facility maintenance plan was finalized that set forth the repairs and replacements necessary to rehabilitate IPTC's only facility. During 2006, IPTC executed the fire alarm and building access components of this plan. In addition, the bus wash system and the fuel island systems were replaced. This plan identified approximately $10 million of additional improvements that are still needed. The major components still needed are roof replacement and replacement of the HVAC system. IPTC will utilize stimulus funding to execute the items remaining on the plan in 2009.

- During 2005, IPTC installed 35 new bus shelters at key locations throughout the system. An additional 65 units were installed during 2007. IPTC completed a pilot signage program in 2007 that included the placement of new signs that demark the bus route and provides GPS identification and mapping for stops within the system. The signage project was completed as scheduled during 2007.

CAPITAL ASSET AND DEBT ADMINISTRATION (continued)

- During 2006, a site was identified for a new downtown transit center; IPTC completed a feasibility study and categorical exclusion and was able to complete an FTA grant application for approximately $15 million to obtain land for the project. The grant application was approved and negotiations are underway to purchase the land.

- In 2006, IPTC began installation of a new fare box system on all fixed route coaches costing in excess of $ 2 million. This project was completed in early 2007.

- Two hybrid electric fixed route buses were purchased in 2004 along with thirty-four paratransit buses. In 2005, nine new fixed route buses were added along with another thirty-four paratransit buses. In 2006, only one new paratransit bus was added.

- During 2004, IPTC completed a technology plan. This plan included approximately $10 million in technology infrastructure improvements. During 2005, new fixed route and paratransit software was installed. During 2006, a new ERP system and in-bus cameras were installed. In 2008, IPTC began installing a new communications system (voice and data), an AVL (automated vehicle location) system and MDT's (mobile data terminal) on all fixed route and paratransit buses. Expected completion date for this project is late 2009.

Debt Disclosures

As of December 31, 2008, IPTC had approximately $19 million of notes and bonds payable. During 2008, bonds and notes payable were repaid pursuant to the maturity schedule of each issue. As of December 31, 2008, IPTC management reported compliance with all restrictive covenants on its borrowing agreements. No new long-term debt was issued during either 2007 or 2008. Please refer to Note 5 of the financial statements included in next section of this report for additional information regarding debt activity.

CURRENTLY KNOWN FACTS

Other than the uncertainty of general economic indicators on IPTC, its funding sources, and its customers, there are no significant facts, decisions or conditions that are expected that management believes will have a significant impact on the financial position or results of operations.

The economic environment in which IPTC operates continues to present management with major challenges in sustaining the level and quality of transit service. Management remains concerned over rising variable operating costs such as fuel and health care benefits. Sufficient growth in our revenue sources is necessary to keep pace with the increase in variable costs.

INDIANAPOLIS PUBLIC TRANSPORTATION CORPORATION
(A COMPONENT UNIT OF THE CONSOLIDATED CITY OF INDIANAPOLIS
MARION COUNTY GOVERNMENT REPORTING ENTITY)
STATEMENTS OF NET ASSETS
December 31, 2008 and 2007

	2008	2007
ASSETS		
Current Assets		
Cash and cash equivalents (Note 2):		
Working capital	$ 10,169,622	$ 7,164,787
Capital asset acquisition	11,486,965	8,338,954
Debt service	27,638	157,519
Liability reserve accounts	1,690,810	1,658,862
	23,375,035	17,320,122
Receivables (Note 3):		
Federal grants	4,582,063	3,118,666
Other receivables, net	920,209	458,876
Property tax receivables (Note 8)	21,642,446	21,215,364
	27,144,718	24,792,906
Other Current Assets:		
Materials and supplies inventory	1,798,916	1,624,635
Deposits and prepaid expenses	188,236	480,859
	1,987,152	2,105,494
Total current assets	52,506,905	44,218,522
Noncurrent assets		
Bond issue cost, unamortized	170,920	193,328
Capital assets (Note 4):		
Buildings and improvements	33,232,191	32,615,341
Revenue vehicles and equipment	50,618,662	47,033,679
Other equipment	8,231,202	7,049,552
Land	1,375,654	1,375,654
Construction in progress	2,598,726	593,967
	96,056,435	88,668,193
Accumulated depreciation	(65,310,936)	(58,298,399)
Capital assets, net of depreciation	30,745,499	30,369,794
Total noncurrent assets	30,916,419	30,563,122
Total assets	$ 83,423,324	$ 74,781,644

See accompanying notes to financial statements

INDIANAPOLIS PUBLIC TRANSPORTATION CORPORATION
(A COMPONENT UNIT OF THE CONSOLIDATED CITY OF INDIANAPOLIS
MARION COUNTY GOVERNMENT REPORTING ENTITY)
STATEMENTS OF NET ASSETS
December 31, 2008 and 2007

	2008	2007
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts and contracts services payable	$ 4,742,491	$ 2,340,164
Accrued payroll and benefits	1,365,514	1,260,733
Deferred fare revenue	306,129	221,800
Bonds payable (Note 5)	1,180,000	1,095,000
Risk management - unpaid claim estimates (Note 6)	745,565	371,388
Federal grantor reimbursement payable (Note 10)	15,400	991,372
Pension arbitration liability (Note 11)	165,000	165,000
Post retirement benefit liability (Note 12)	215,000	180,000
Tax advances and warrants (Note 5 and 8)	19,047,443	16,976,935
Total current liabilities	27,782,542	23,602,392
Noncurrent liabilities		
Premium on bonds payable	28,363	31,909
Notes payable (Note 5)	7,053,500	7,018,500
Bonds payable (Note 5)	10,845,000	12,025,000
Pension arbitration liability, (Note 11)	840,000	1,005,000
Post retirement benefit liability (Note 12)	1,773,300	1,664,600
Total noncurrent liabilities	20,540,163	21,745,009
Total liabilities	48,322,705	45,347,401
Net assets		
Invested in capital assets, net of related debt	14,846,493	15,860,987
Restricted for capital assets and debt service	15,486,751	12,137,992
Unrestricted	4,767,375	1,435,264
Total net assets	35,100,619	29,434,243
Total liabilities and net assets	$ 83,423,324	$ 74,781,644

See accompanying notes to financial statements

INDIANAPOLIS PUBLIC TRANSPORTATION CORPORATION
(A COMPONENT UNIT OF THE CONSOLIDATED CITY OF INDIANAPOLIS
MARION COUNTY GOVERNMENT REPORTING ENTITY)
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
Years ended December 31, 2008 and 2007

	2008	2007
Operating revenues		
Passenger fares	$ 9,811,303	$ 8,535,060
Special services	175,351	242,918
Advertising	368,689	401,995
Total operating revenues	10,355,343	9,179,973
Operating expenses		
Transportation	29,541,787	26,994,527
Maintenance of equipment, including fuel	14,538,889	13,383,447
Administrative and general	7,067,156	6,516,194
Claims and insurance	1,516,932	756,182
Depreciation	7,627,359	8,121,358
Total operating expenses	60,292,123	55,771,708
Operating loss	(49,936,780)	(46,591,735)
Nonoperating revenues (expenses)		
Operating assistance:		
Property and excise tax (Note 8)	22,670,695	22,819,745
Municipalities	12,887,164	10,243,549
FTA and local operating and planning grants, and preventative maintenance funding	14,122,254	10,779,969
Other net revenues (expenses) (Note 9)	275,525	364,193
Total nonoperating revenue	49,955,638	44,207,456
Change in net assets before capital contribution	18,858	(2,384,279)
Contributions - capital grants	5,647,518	2,761,659
Change in net assets	5,666,376	377,380
Net assets, beginning of year	29,434,243	29,056,863
Net assets, end of year	$ 35,100,619	$ 29,434,243

See accompanying notes to financial statements.

INDIANAPOLIS PUBLIC TRANSPORTATION CORPORATION
(A COMPONENT UNIT OF THE CONSOLIDATED CITY OF INDIANAPOLIS
MARION COUNTY GOVERNMENT REPORTING ENTITY)
STATEMENTS OF CASH FLOWS
Years ended December 31, 2008 and 2007

	2008	2007
Cash flows from operating activities		
Receipts from customers	$ 8,087,858	$ 9,689,275
Payments for transportation	(29,879,135)	(27,561,061)
Payments for maintenance of equipment, including fuel	(11,868,723)	(14,658,381)
Payments for general and administrative	(6,630,834)	(4,867,770)
Claims paid to external parties	(1,142,744)	(881,409)
Net cash used by operating activities	(41,433,578)	(38,279,346)
Cash flows from noncapital financing activities		
Property and excise tax distributions	22,670,695	1,604,381
Tax Warrants	2,070,508	16,976,935
Assistance from municipalities	12,887,164	10,243,549
Payments on pension arbitration	(165,000)	(165,000)
FTA operating assistance	14,122,254	13,365,120
Other operating subsidies received	(13,179)	246,406
Net cash provided by noncapital financing activities	51,572,442	42,271,391
Cash flows from capital and related financing activities		
Capital grant receipts	5,647,518	2,761,659
Purchases of capital assets	(7,990,801)	(2,794,171)
Cash proceeds from sale of capital assets	22,000	65,440
Principal paid on debt	(1,095,000)	(1,020,000)
Interest paid on debt	(979,917)	(1,246,132)
Net cash used by capital and related financing activities	(4,396,200)	(2,233,204)
Cash flows from investing activities		
Interest received on cash and cash equivalents	312,249	736,004
Net cash provided by investing activities	312,249	736,004
Net increase in cash and cash equivalents	6,054,913	2,494,845
Cash and cash equivalents, beginning of year	17,320,122	14,825,277
Cash and cash equivalents, end of year	$ 23,375,035	$ 17,320,122

See accompanying notes to financial statements

INDIANAPOLIS PUBLIC TRANSPORTATION CORPORATION
(A COMPONENT UNIT OF THE CONSOLIDATED CITY OF INDIANAPOLIS
MARION COUNTY GOVERNMENT REPORTING ENTITY)
STATEMENTS OF CASH FLOWS
Years ended December 31, 2008 and 2007

	2008	2007
Summary of unrestricted and board restricted cash and cash equivalents:		
Unrestricted cash	$ 10,169,622	$ 7,164,787
Capital asset acquisition accounts	11,486,965	8,338,954
Debt service accounts	27,638	157,519
Liability reserve accounts	1,690,810	1,658,862
Total cash and cash equivalents	$ 23,375,035	$ 17,320,122
Reconciliation of operating loss to net cash used by operating activities:		
Operating loss	$ (49,936,780)	$ (46,591,735)
Adjustments to reconcile income (loss) to net cash:		
Depreciation expense	7,627,358	8,121,358
Changes in assets and liabilities:		
Receivables	(2,351,812)	465,383
Materials and supplies inventory	(174,281)	(292,659)
Deposits and prepaid expense	292,623	(196,177)
Accounts and contract services payable	2,402,327	(982,275)
Accrued payroll and benefits	104,781	(566,534)
Deferred fare revenue	84,329	43,919
Risk management	374,177	(125,226)
Post retirement benefit liability	143,700	1,844,600
Net cash used by operating activities	$ (41,433,578)	$ (38,279,346)
Noncash Activities:		
Capital assets in accounts payable	$ 4,016,561	1,550,225
Federal grant reimbursement – inkind exchange	$ 991,372	-

See accompanying notes to financial statements.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity: IPTC operates in one business segment, public transportation, as an enterprise fund. IPTC's purpose is to acquire, provide and maintain an urban mass transportation system for the metropolitan Indianapolis area.

Indianapolis Public Transportation Corporation (IPTC) d/b/a IndyGo was formed on August 7, 1973 by City-County Council General Ordinance No. 36 as a municipal corporation, which has no stockholders, under the provisions of IC 36-9-4. Management of IPTC has determined that it is a component unit of the Consolidated City of Indianapolis-Marion County Government Reporting Entity in accordance with Governmental Accounting Standards Board (GASB) Statement No. 14 and is considered financially accountable to such reporting entity.

The Board of Directors of IPTC consists of seven members, three of whom are appointed by the Mayor of the City of Indianapolis (Mayor) and four of whom are appointed by the City of Indianapolis-Marion County Council (Council). The IPTC Board designates the management of IPTC, namely the General Manager, the Assistant General Managers and the other principal members of the management staff. The IPTC Board adopts the budget and tax levy, and approves the issuance of debt. In addition, the Council may review and modify the budget and tax levy, although its approval is not required for the issuance of debt.

Basis of Accounting: IPTC prepares its financial statements in conformity with accounting principles generally accepted in the United States of America as applied to governmental units. GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. In 1994, IPTC adopted GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting*. IPTC has therefore elected to apply all applicable GASB pronouncements. In addition, IPTC follows all Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions, issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements. IPTC uses the accrual basis of accounting.

Use of Estimates in Preparation of Financial Statements: 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 the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Reclassifications: Certain prior year amounts have been reclassified to conform to the current year presentation. There was no effect on the change in net assets as a result of these reclassifications.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Expense Classification: Expenses have been classified using functional and activity classifications using direct costs and estimated indirect cost allocations based upon time allocation and benefit.

Revenue Recognition: Passenger fares are recorded as revenue at the time such services are performed and revenues pass through the fare box. Sales of tickets are recorded initially as unredeemed fares and recognized as income upon passage through the fare box.

Property Taxes: IPTC records property taxes as earned in the year they are due and payable. Taxes are levied separately for operations, capital asset acquisitions and debt service.

Capital and Operating Grants: Certain expenditures for capital acquisitions, improvements and development of an urban mass transportation system have received significant federal funding through the Federal Transit Administration (FTA). The balance of such expenditures is funded through state and local sources. Funds provided by governmental authorities for capital and operating assistance are recorded when earned.

Cash Equivalents: For purposes of the statement of cash flows, IPTC considers all liquid investments (including restricted assets) with maturity of three months or less when purchased to be cash equivalents. At December 31, 2008 and 2007, cash equivalents consisted of demand obligations.

Investments: In accordance with Indiana Code Section 5-12 et sequal, it is the policy of the IPTC to deposit public funds into the depositories approved by the Marion County Board of Finance. IPTC is further authorized by statute to invest in obligations of the U. S. Treasury and U. S. Agencies, certificates of deposit, repurchase agreements, passbook savings, money market deposit accounts, and negotiable order of withdrawal accounts. It is the internal policy of IPTC to invest funds with local, federally insured banks that have a principal office within the County and have been approved by the County Board of Finance.

Restricted Assets: Certain cash and investment balances are restricted as follows:

Capital Asset Acquisition Accounts: Proceeds from the sale of the Indianapolis Local Public Improvement Bond Bank Bonds, Series 1999C and Series 2002C issued by the Indianapolis Local Public Improvement Bond Bank and capital asset acquisition funds generated as a separate tax (cumulative funds) are restricted to expenditures for the acquisition of additional revenue vehicles and other capital equipment.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Debt Service Accounts: Property and excise tax revenues designated for bond interest and retirements, as well as interest earned on investments of the debt service accounts, are restricted to retiring the bonds and paying the related interest on the outstanding bonds.

Liability Reserve Accounts: Funds deposited in these accounts are set aside from the general operations of IPTC and used only for the payment of claims arising from accidents involving IPTC that exceed $100,000.

Materials and supplies inventory: Materials and supplies inventories are valued at the lower of average cost (determined on a first-in, first-out basis) or market.

Capital Assets: Major items of capital assets acquired with federal, state and local funds are capitalized at cost. IPTC adheres to the FTA circular regarding capitalization of assets by capitalizing all assets with a value in excess of $5,000 per unit and a useful life in excess of one year and IPTC adheres to the FTA capitalization policy as appropriate for items which are (a) homogeneous and not individually identifiable; (b) may or may not have a units cost meeting the threshold level for a capitalized asset but where the practice is to purchase in groups and capitalize the total group; and (c) will be maintained together or in the same general area, should be listed by homogeneous grouping. Examples include desks, cubicles, file cabinets, furniture, office equipment, and certain technology hardware. Expenditures for maintenance and repairs are charged to operations as incurred.

IPTC recognizes depreciation on capital assets on a straight-line basis over the estimated useful lives of the assets, as follows:

	Years
Land improvements	10
Buildings and shelters	10 to 25
Coaches	
Large bus	12
Body on chassis	3 to 5
Autos and trucks	3 to 10
Fare handling and maintenance equipment	3 to 10
Office furniture and equipment	2 to 20

Risk Management Claims: Property damage claims and liabilities for personal injury are recognized as incurred based on the estimated cost to IPTC upon resolution.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Compensated Absences: Essentially all employees receive compensation for vacations, holidays, illness and certain other qualifying absences. The number of days compensated for the various categories of absence is based generally on length of service. Vacation leave, which has been earned but not paid, has been accrued in the accompanying financial statements. Compensation for holiday and other qualifying absences is not accrued in the accompanying financial statements because rights to such compensation amounts either do not accumulate or they do not vest.

Accumulated unused sick leave benefits are nonvesting and are only paid out upon retirement. The maximum accumulation per employee is 1,800 hours and the maximum paid out per employee is 540 hours. Accumulated unused sick leave benefits are accrued based upon historical information, for employees with at least one year of service regardless of age.

Change in Accounting Principles: In May 2007, the GASB issued Statement No. 50 *Pension Disclosures.* The Statement more closely aligns financial reporting requirements for pensions with those for other post-employment benefits (OPEB) and provides enhanced information in the notes to financial statements and required supplementary information for users of government financial statements. Statement No. 50 is effective and has been implemented for the year ended December 31, 2008.

NOTE 2 – CASH DEPOSITS AND INVESTMENTS

The following summarizes the IPTC's policies on deposit and investment activity:

Investment Policy and Legal and Contractual Provisions Governing Cash Deposits: In accordance with Indiana Code Section 5-12 et sequal, it is the policy of the IPTC to deposit public funds into the depositories approved by the Marion County Board of Finance. IPTC is further authorized by statute to invest in obligations of the U. S. Treasury and U. S. Agencies, certificates of deposit, repurchase agreements, passbook savings, money market deposit accounts, and negotiable order of withdrawal accounts. It is the internal policy of IPTC to invest funds with local, federally insured banks that have a principal office within the County and have been approved by the County Board of Finance. IPTC does not have specific investment policies on concentration of credit risk, custodial credit risk, interest rate risk, or foreign currency risk.

During the years ending December 31, 2008 and 2007, IPTC only held demand deposit accounts with Indiana financial institutions and no institutional money market deposit accounts. Demand deposits are fully insured by the Federal Depository Insurance Corporation or by the Indiana Public Deposits Insurance Fund.

NOTE 2 – CASH DEPOSITS AND INVESTMENTS (Continued)

Credit Risk and Custodial Credit Risk: Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Custodial credit risk is the risk that the IPTC will not be able to recover the value of its deposits, investments or collateral securities that are in the possession of an outside party if the counter party fails. Deposits are exposed to custodial credit risk if they are not covered by depository insurance and the deposits are uncollateralized or collateralized with securities held by the pledging financial institution.

Concentration of Credit Risk: Concentration of credit risk is the risk of loss that may arise in the event of default by a single issuer. IPTC has no institutional money market deposit accounts.

Interest Rate Risk: Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of the investments. The nature of IPTC deposits and investments do not present high exposure to interest rate market risks due to their short term nature.

Foreign Currency Risk: Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or a deposit. All IPTC deposits and investments are denominated in United States currency.

Cash Deposits: IPTC maintains cash deposits with area financial institutions. A summary of these deposits at December 31, 2008 and 2007 is as follows:

	2008		2007	
	Carrying Value	Bank Balance	Carrying Value	Bank Balance
On hand	$ 1,000	$ -	$ 1,000	$ -
On deposit				
Insured by FDIC	500,000	500,000	200,000	200,000
Insured by Indiana Public Deposits Insurance Fund	22,874,035	23,695,081	17,119,122	18,006,358
	$ 23,375,035	$ 24,195,081	$ 17,320,122	$ 18,206,358

NOTE 3 - FEDERAL GRANTS RECEIVABLE AND OTHER RECEIVABLES

Federal grants receivable were $4,582,063 and $3,118,666 at December 31, 2008 and 2007. Management has not made a provision for an allowance for uncollectible accounts. Other receivables for transportation related services have an allowance of $150,000 and $60,227 ate December 31, 2008 and 2007, respectively.

NOTE 4 - CHANGES IN CAPITAL ASSETS

A summary of changes in capital assets follows:

	Balance January 1, 2008	Changes During Year Additions	Changes During Year Reductions	Balance December 31, 2008
Capital Assets Cost:				
Depreciable Assets:				
Buildings and improvements	$ 32,615,341	$ 616,850	$ -	$ 33,232,191
Revenue vehicles and equipment	47,033,679	4,230,876	(645,893)	50,618,662
Other equipment	7,049,552	1,181,650	-	8,231,202
Non-Depreciable Assets:				
Land	1,375,654	-	-	1,375,654
Construction in progress	593,967	2,004,759		2,598,726
	$ 88,668,193	$ 8,034,135	$ (645,893)	$ 96,056,435
Accumulated Depreciation:				
Depreciable Assets:				
Buildings and improvements	$ (26,641,545)	$ (1,853,404)	$ -	$ (28,494,949)
Revenue vehicles and equipment	(28,542,414)	(4,239,196)	614,821	(32,166,789)
Other equipment	(3,114,440)	(1,534,758)	-	(4,649,198)
	$ (58,298,399)	$ (7,627,358)	$ 614,821	$ (65,310,936)
Capital Assets, Net:				
Depreciable Assets:				
Buildings and improvements	$ 5,973,796	$ (1,236,554)	$ -	$ 4,737,242
Revenue vehicles and equipment	18,491,265	(8,320)	(31,072)	18,451,873
Other equipment	3,935,112	(353,108)	-	3,582,004
Non-Depreciable Assets:				
Land	1,375,654	-	-	1,375,654
Construction in progress	593,967	2,004,759	-	2,598,726
	$ 30,369,794	$ 406,777	$ (31,072)	$ 30,745,499

NOTE 4 - CHANGES IN CAPITAL ASSETS (Continued)

	Balance January 1, 2007	Changes During Year Additions	Changes During Year Reductions	Balance December 31, 2007
Capital Assets Cost:				
Depreciable Assets:				
Buildings and improvements	$ 30,519,489	$ 2,095,852	$ -	$ 32,615,341
Revenue vehicles and equipment	46,953,707	696,806	(616,834)	47,033,679
Other equipment	5,904,966	1,183,776	(39,190)	7,049,552
Non-Depreciable Assets:				
Land	1,375,654	-	-	1,375,654
Construction in progress	1,711,565	(1,117,598)		593,967
	$ 86,465,381	$ 2,858,836	$ (656,024)	$ 88,668,193
Accumulated Depreciation:				
Depreciable Assets:				
Buildings and improvements	$ (24,802,633)	$ (1,838,912)	$ -	$ (26,641,545)
Revenue vehicles and equipment	(24,088,469)	(4,991,104)	537,159	(28,542,414)
Other equipment	(1,862,288)	(1,291,342)	39,190	(3,114,440)
	$ (50,753,390)	$ (8,121,358)	$ 576,349	$ (58,298,399)
Capital Assets, Net:				
Depreciable Assets:				
Buildings and improvements	$ 5,716,856	$ 256,940	$ -	$ 5,973,796
Revenue vehicles and equipment	22,865,238	(4,294,298)	(79,675)	18,491,265
Other equipment	4,042,678	(107,566)	-	3,935,112
Non-Depreciable Assets:				
Land	1,375,654	-	-	1,375,654
Construction in progress	1,711,565	(1,117,598)	-	593,967
	$ 35,711,991	$ (5,262,522)	$ (79,675)	$ 30,369,794

NOTE 5 - DEBT OBLIGATIONS

The following disclosure provides detail on IPTC noncurrent debt obligations. At December 31, 2008 and 2007, IPTC debt consisted of bonds payable and notes payable. Changes in debt were as follows:

	Balance January 1, 2008	Changes During Year Additions	Changes During Year Reductions	Balance December 31, 2008
Bonds payable	$ 13,120,000	$ -	$ (1,095,000)	$ 12,025,000
Notes payable	$ 7,018,500	$ 35,000	$	$ 7,053,500

	Balance January 1, 2007	Changes During Year Additions	Changes During Year Reductions	Balance December 31, 2007
Bonds payable	$ 14,140,000	$ -	$ (1,020,000)	$ 13,120,000
Notes payable	$ 7,087,000	$ 37,000	$ (105,500)	$ 7,018,500

Bonds Payable: Debt consists of the Indianapolis Local Public Improvement Bond Bank Bonds, Series 1999C and Indianapolis Local Public Improvement Bond Bank Bonds, Series 2002C. The amounts outstanding at December 31, 2008 and 2007 are as follows:

	2008	2007
Series 1999C	$ 8,150,000	$ 9,020,000
Series 2002C	3,875,000	4,100,000
	12,025,000	13,120,000
Current portion	$ 1,180,000	$ 1,095,000
Noncurrent portion	$ 10,845,000	$ 12,025,000

NOTE 5 - DEBT OBLIGATIONS (Continued)

Indianapolis Local Public Improvement Bond Bank Bonds, Series 1999C - The Indianapolis Local Public Improvement Bond Bank Bonds, Series 1999C, dated April 1, 1999, were issued in the aggregate principal amount of $14,530,000, at a discount of $137,711. The Series 1999C Bonds were used to finance the refunding of the Public Transportation Revenue Notes of 1996 and to provide local matching funds for FTA grants to acquire new and replacement coaches and other vehicles and equipment and to perform preventative maintenance on equipment and rehabilitation of the facility.

The remaining Series 1999C Bonds bear interest rates varying from 4.5 to 5%, payable on January 10 and July 10 of each of the years 2001 to 2016. The Series 1999C Bonds maturing on or after January 10, 2010 may be redeemed on or after January 10, 2009, at the redemption price equal to 100% of the principal amount redeemed, plus accrued interest to the date of redemption. Debt service requirements to maturity for the outstanding bonds are as follows:

Years Ending December 31	Principal	Interest	Total
2009	$ 905,000	387,323	1,292,323
2010	960,000	346,598	1,306,598
2011	1,045,000	303,398	1,348,398
2012	1,155,000	255,328	1,410,328
2013	1,260,000	201,041	1,461,041
Thereafter	2,825,000	213,062	3,038,062
	$ 8,150,000	$ 1,706,750	$ 9,856,750

Interest expense on the Indianapolis Local Public Improvement Bond Bank Bonds, Series 1999C was $430,833 and $471,073 for the years ended December 31, 2008 and 2007.

Indianapolis Local Public Improvement Bond Bank Bonds, Series 2002 - The Indianapolis Local Public Improvement Bond Bank Bonds, Series 2002C, dated December 18, 2002, were issued in the aggregate principal amount of $5,000,000, at a premium of $49,626. The Series 2002C Bonds are being used to provide local matching funds for FTA grants to acquire long lived capital assets. Bond proceeds were also used to redeem the 2001 Bond Anticipation Note. The Series 2002C Bonds bear interest rates varying from 2.6 to 4%, payable on January 10 and July 10 commencing July 10, 2004 and have serial maturities from 2006 through 2017. The Series 2002C Bonds maturing on or after January 10, 2013 may be redeemed on or after January 10, 2012, at the redemption price equal to 100% of the principal amount redeemed, plus accrued interest to the date of redemption.

NOTE 5 – DEBT OBLIGATIONS (Continued)

Debt service requirements for the bonds are:

Years Ending December 31	Principal	Interest	Total
2009	$ 275,000	179,081	454,081
2010	300,000	168,906	468,906
2011	300,000	157,206	457,206
2012	280,000	145,206	425,206
2013	275,000	133,726	408,726
Thereafter	2,445,000	327,830	2,772,830
	$ 3,875,000	$ 1,111,955	$ 4,986,955

Bond interest expense was $186,956 and $193,944 for the year ended December 31, 2008 and 2007.

Notes Payable: Notes payable consists of two note agreements as follows:

Indianapolis Public Transportation Taxable Notes of 2004 - In March 2004, IPTC approved a resolution to issue notes payable designated as "Indianapolis Public Transportation Taxable Notes of 2004" in an aggregate amount of $5,000,000. The notes were purchased by the Indianapolis Local Public Improvement Bond Bank (Bond Bank) from proceeds of Bond Bank Notes with Chase, NA. The notes have a five-year term with the first two years at a fixed rate of 3.04% and the final three years at variable rate based on the LIBOR rate plus 40 basis points.

In December 2008 the above issued notes were retired and replaced. On December 18, 2008, IPTC issued notes payable designated as "Indianapolis Public Transportation Corporation Taxable Notes of 2008" in an aggregate amount of $5,000,000. The notes were purchased by the Indianapolis Local Public Improvement Bond Bank (Bond Bank) from proceeds of Bond Bank notes with Fifth Third Bank. The notes have a five-year term with an initial interest rate of 3.09875% and the final four years at a variable rate based on the LIBOR rate plus 125 basis points. The purpose of these transactions was to provide a revolving line of credit to be used for operating cash flow. Principal is due at the end of term of the agreement and is categorized as a noncurrent liability.

Note interest expense was $207,431 and $284,478 for the year ended December 31, 2008 and 2007.

NOTE 5 - DEBT OBLIGATIONS (Continued)

City of Indianapolis Loan Agreement - During 2004, IPTC entered into a $2 million loan agreement with the City of Indianapolis to provide working capital to cover operating expenses, to prevent future service reductions in bus routes, to provide alternative forms of transportation for passengers affected by planned route changes, and review existing routes to plan for needed service change.

The total repayment will be adjusted for the actual amount of money loaned and/or expenses paid by the City and will be discounted back to the baseline year 2005, at the investment grade interest rate in effect at that time. The City reserves the right to permanently waive repayment of principal or repayment of interest on all or any portion of the loan by mutual agreement with IPTC.

During 2007, an agreement was executed to extend the loan. As extended, the loan is payable no later than December 31, 2010. Concurrent with the extension of the agreement, the City expressly waived repayment of interest that had been accrued from date of origination through the date of extension of the agreement amounting to $105,500.

Note interest expense was $35,000 and $37,000 for the year ended December 31, 2008 and 2007.

Tax Anticipation Warrants: Absent any disruptions to the property tax collection cycle, all property in Marion County is to be assessed by March 1st of each fiscal year and that assessed value is used by qualified entities to set their budget, tax rate, and levy for the subsequent fiscal year. Property taxes are due in equal installments on May and November 10th of the following year by home owners and disbursed by the county auditor to qualifying entities no later than the end of June and December of that year.

From 2003-2005, many taxing jurisdictions – including Marion County – experienced delays in the receipt of taxes. In some cases, the delay was severe leading local units of government to issue tax warrants. While the impact of the 2003-2005 general assessment began to recede, questions of how the property tax burden was reapportioned arose, driving the call for additional property tax reform which resulted in HEA 1001-2008. Under this law, the amount of property taxes a parcel is liable for is limited to 1.5% of its assessed value (for residential), 2.5% (non-homestead residential), 3.5% (all other property) for Pay 2009, dropping to 1.0%, 2.0%, and 3.0% respectively for Pay 2010.

NOTE 5 - DEBT OBLIGATIONS (Continued)

While the terms of HEA 1001-2008 were being finalized, the state also phased in "trending" where property values are to be adjusted on an annual basis so that the next general reassessment would not be as arduous. Trending began in 2007 which caused new collection delays, and in a few counties – including Marion – continued questions of reliability caused the governor to order a reassessment in questionable counties. Marion County's Pay 2007 taxes were delayed as a result. The special reassessment has since been completed, and Pay 2007 was adopted, with a final "true-up' settlement in May 2009. With this, final 2008 tax bills were not expected to be issued until June 2009, causing IPTC to have insufficient funds to repay its tax warrants, therefore leading to an outstanding tax anticipation warrant as of December 31, 2008 in the amount of $6,104,494. This amount is part of the $19,047,443 Tax Advance liability on the Statement of Net Assets.

	Balance January 1, 2008	Changes During Year Issued	Changes During Year Retired	Balance December 31, 2008
Tax Anticipation Warrants	$ -	$ 12,208,988	$ (6,104,494)	$ 6,104,494

	Balance January 1, 2007	Changes During Year Issued	Changes During Year Retired	Balance December 31, 2007
Tax Anticipation Warrants	$ -	$ 12,779,530	$(12,779,530)	$ -

This short-term debt was issued in the form of tax anticipation warrants, to provide short-term operating cash at a discount rate of 4%.

NOTE 6 - RISK MANAGEMENT

IPTC is exposed to various risks of loss related to theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which IPTC carries commercial insurance and maintains certain risks. Detail of the claims liability, based upon the requirements of GASB Statement No. 10, is provided below. This requires that a liability for claims be reported if information before the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the liability can be reasonably estimated. The liability is estimated based upon historical experience. There is no significant incremental claim adjustment expense, salvage, or subrogation attributable to this liability. Activity for the years ended December 31, 2008 and 2007 was as follows:

	2008	2007
Unpaid claims, beginning of year	$ 371,388	$ 496,614
Incurred claims and changes in claim estimates	1,165,724	620,322
Claim payments	(791,547)	(745,548)
Unpaid claims, end of year	$ 745,565	$ 371,388

On December 23, 1986, IPTC's Board of Directors approved the establishment of a non-reverting fund (Liability Reserve Accounts) for payment of personal injury and property damage claims in excess of $100,000. For claims in excess of $100,000, the amount of the claim exceeding $100,000 will be paid out of the liability reserve accounts. Claims up to $100,000 will be paid out of the general accounts of IPTC. IPTC is self-insured for worker's compensation up to $275,000 per occurrence and is entirely self-insured for personal injury. It is completely self-insured for property damage to coaches.

Estimates of expected losses to IPTC resulting from personal injuries for which claims have been filed or for which it is anticipated claims will be filed have been provided for in the financial statements. Litigation occasionally results from such claims. When, in the opinion of management, such litigation will result in a loss to IPTC, provision is made in the financial statements for loss expected upon resolution. There were no significant reductions in insurance coverage during 2008, 2007 or 2006 and there were no settlements that exceeded insurance coverage during 2008, 2007 or 2006 for those risks that IPTC purchased insurance.

NOTE 7 - OPERATING LEASES

IPTC is obligated under certain leases through August 2013 for the Transit Store premise, Parking premises and office equipment that are accounted for as operating leases. Lease rental expense for the years ended December 31, 2008 and 2007 was $104,670 and $39,063. A schedule of future minimum operating lease payments required that have initial or remaining lease terms in excess of one year as of December 31, 2008:

Year Ending December 31:	
2009	$ 64,550
2010	51,122
2011	4,855
2012	522
2013	174
	$ 121,223

NOTE 8 - PROPERTY TAXES

IPTC receives substantial funding through property taxes. Property tax revenues represent a portion of the local subsidy for operations and, through separate levies, are used to pay debt service and capital asset acquisition costs.

All taxable property located within the IPTC taxing district is assessed annually each March 1st. In mid-April of the year subsequent to the assessment, individual property tax statements are to be mailed by the Marion County Treasurer to the owners of record as of the assessed valuation date. Taxes are payable to the Treasurer in equal installments on or before May 10 and November 10 of the year subsequent to assessment. The Treasurer remits collections to IPTC and other governmental units within the county.

During 2007, a government mandate to suspend tax bills and an order to reassess property tax values (as stated in Note 5) caused delays in property tax settlements between the county treasurer and the recipient agencies (IPTC). The majority of the funds collected were sent to recipient agencies before the end of the calendar year but most of these funds were transferred as advances and not as distributions.

This caused IPTC to record a receivable in the amount of $21,642,446 for distributions due, tax advances and tax warrants and a liability for $19,047,443 at December 31, 2008 that consisted of tax advances ($12,942,949) and tax warrants ($6,104,494). A receivable and liability in the amount of $21,215,364 and $16,976,935, respectively, was recorded at December 31, 2007. During 2006, there was no tax receivable or payable recorded.

NOTE 9 - OTHER NON-OPERATING REVENUE (EXPENSE)

Other non-operating revenue (expense) consisted of the following:

	2008	2007
Other revenues:		
Interest income	$ 312,249	$ 736,004
Miscellaneous	123,832	314,618
FTA grant reimbursement	991,372	559,416
Pass-Through from grant subrecipients	4,057,872	-
	5,485,325	1,610,038
Other expenses:		
Interest - payable from restricted debt service assets	(397,139)	(512,616)
Interest - payable from unrestricted assets	(617,779)	(665,016)
Miscellaneous	(112,538)	(22,408)
Loss on sale of capital assets	(22,472)	(45,805)
Pass-Through from grant subrecipients	(4,057,872)	-
	(5,209,800)	(1,245,845)
	$ 275,525	$ 364,193

NOTE 10 - COMMITMENTS AND CONTINGENCIES

Grant Agreements: Under the terms of its grants, IPTC is subject to review by grantors and certain costs may be challenged as to allowability resulting from noncompliance with federal and state statutes or failure to abide by any of the terms and conditions of the agreements. Such reviews could lead to reimbursement to the grantor agency. The FTA conducted a special review of IPTC grant agreements and provided a final report dated January 23, 2003. The stated purpose of the review was to reconcile specific grant programs and summarize allowable, unallowable, and reclassified costs on grants with activities. The final report documented unallowable costs of $2,993,912. The FTA and IPTC worked out a structured settlement agreement whereby IPTC would make an investment in capital assets and FTA would retain a residual ownership interest. FTA accepted the terms on March 22, 2005. Once FTA has satisfied itself that the costs have been incurred, it would release FTA's interest in items associated with the disallowed costs. IPTC agreed to commit, contractually obligate or expend $3,742,390 in local funds by December 31, 2008 estimated as follows:

	Total Project	Interest Retained by FTA	Local Interest
December 31, 2006	$ 1,342,390	$ 1,073,912	$ 268,478
December 31, 2007	1,200,000	960,000	240,000
December 31, 2008	1,200,000	960,000	240,000
	$ 3,742,390	$ 2,993,912	$ 748,478

Through December 31, 2008, IPTC has expended $3,742,390 of project funds for long-lived capital assets with an FTA interest of $2,993,912 and a local interest of $748,478. On December 17, 2008 the FTA confirmed that IPTC met this settlement obligation and released its interest in items associated with prior disallowed costs.

Other Commitments and Contingencies: Various claims and lawsuits arising from the normal course of business are pending against IPTC. The nature of the IPTC's operations sometimes subjects the IPTC to litigation resulting from workmen's compensation claims, and property damages and personal injury. General Counsel for the IPTC is of the opinion that ultimate settlement of such claims in excess of insurance coverage will not result in a material adverse effect on IPTC's financial statements as of December 31, 2008 and 2007. IPTC has recorded an estimated liability for risk management unpaid claims of $745,565 and $371,388 at December 31, 2008 and 2007 (see Note 6).

The IPTC has had preliminary discussions with the Indiana Department of Environmental Management regarding a potential contamination remediation issue traced to leaking underground storage tanks. The cost of remediation can't be reasonably estimated at this time and has not been recorded as a liability on the financial statements.

NOTE 11 - BENEFIT PLANS

Defined Contribution Plan: IPTC maintains a defined-contribution plan, the Indianapolis Public Transportation Corporation Pension Plan, for the benefit of substantially all of its employees. All employees who are regularly scheduled to work at least 30 hours per week become eligible for the Plan on the first day of the month following commencement of employment or completion of any applicable probationary period. The Plan may be amended by action of IPTC's Board of Directors, subject to any applicable collective bargaining agreement obligations. The plan requires the employees to contribute 3.5% of their compensation. For some employees, the employer contributes 3.5% to this plan and for other employees the employer contributes 3% to this plan and .5% to the defined benefit plan pursuant to an arbitration award. Participant contributions for 2008 and 2007 were $673,592 and $839,044 respectively. Employer contributions for 2008 and 2007 were $443,207 and $577,205 respectively.

Deferred Compensation Plan: IPTC maintains an IRS Code Section 457 plan, the Indianapolis Public Transportation Corporation Deferred Compensation Plan. Employees become eligible to participate in the Plan on the first day of the second month following commencement of employment or completion of any applicable probationary period. The Plan allows for employee contributions only. Plan assets are held in a trust separate from IPTC's assets. Contributions by employees to the Plan were approximately $244,128 and $251,448 for the years ended December 31, 2008 and 2007.

Defined Benefit Pension Plan:

Plan Description: IPTC provides pension benefits through a single-employer defined-benefit exempt governmental plan known as the Indianapolis Public Transportation Corporation Pension Plan. The Plan is part of an agreement between IPTC and ATU.

Effective December 31, 1997, the Plan was amended to freeze all accrued benefits. While the Plan continues to exist, no further contributions were to be made by either the employees or IPTC. Full-time IPTC employees who had completed sixty working days of continuous service, on or before December 31, 1997, were eligible to participate in the Plan.

For purposes of computing normal retirement benefits, employees' total earnings through December 31, 1997, will be considered. In addition, effective December 31, 1997, the Plan was amended to remove the disability benefit provisions.

NOTE 11 - BENEFIT PLANS (Continued)

Normal retirement benefits are payable for employees who have attained age 65 and completed 15 years of service. Early retirement benefits are available for employees who have attained age 55 and completed 15 years of continuous service. Employees are considered 100% vested upon reaching early retirement eligibility.

Prior to December 31, 1997, the normal retirement benefit was equal to 2.75% of total employee earnings since January 1, 1950, plus .75% of the average annual earnings of the occupation group to which the employee belonged for the five years preceding 1950, multiplied by the years of continuous service prior to 1950.

Early retirement benefits were available at reduced amounts. Participating employees contributed 3.5% of total compensation to the Plan, and the IPTC contributed 3.5% of the total compensation of the participating employees. Employees' contributions plus interest is to be refunded in the event of separation of service or death.

Funding Policy: After December 31, 1997, there are no contribution requirements for either the employer or the employees. Before the Plan was frozen, the contribution requirements of Plan members and IPTC were established by an agreement between IPTC and Local 1070 of the ATU. Contribution requirements were not actuarially determined, but rather were set at 3.5% of annual covered payroll each for employees and the employer.

On January 10, 2006, a binding interest arbitration award was issued regarding the single-employer defined-benefit exempt governmental plan (Defined Benefit Pension Plan) known as the Indianapolis Public Transportation Corporation Pension Plan. The arbitration award effectively modified the existing plan agreement for retirees, participants, Indianapolis Public Transportation Corporation and Amalgamated Transit Union, Local 1070.

IPTC, prior to this award, was not obligated to make any further contributions to this plan. Subsequent to this award, IPTC is now obligated to contribute $1,500,000 to the plan over a ten-year period. IPTC contributed $165,000 to the plan in both 2008 and 2007.

The agreement allows for certain participants to be returned contributions they made to the plan without interest and are to be withdrawn for future participation in this plan. These employees will be able to participate/continue to participate in the employee defined contribution plan (401A). Future contributions made by employees into the defined contribution plan will continue to be at 3.5%. The employer match percentage will remain at 3.5%; however only 3% will go to match employee contributions into the defined contribution plan while the remaining .5% will be directed to the defined benefit plan.

NOTE 11 - BENEFIT PLANS (Continued)

Certain other vested participants are to remain in the defined benefit plan while actively employed at IPTC and are to begin making contributions to the plan at a rate of 4.5%. The employer will match their contributions up to 3.5%. Participants remaining in the defined benefit plan will not be allowed to make future contributions to their defined contribution accounts.

The interest arbitration award eliminated the early retirement provision previously provided for in the defined benefit plan.

Annual Pension Cost and Net Pension Obligation: Because the Plan was frozen as of December 31, 1997, and because, before the freeze, the contribution requirements were not actuarially determined, many of the accounting and disclosure requirements of GASB Statement No. 27, Accounting for Pensions by State and Local Governmental Employers, are not applicable. There are no annual required contributions for 2008 and 2007 and no annual pension cost. IPTC has determined that it has no pension liability (asset) at transition as defined by GASB Statement No. 27.

The Plan's obligations exceeded the market value of its assets by approximately $11,006,242 and $6,785,278 at December 31, 2008 and 2007. This obligation remains that of the Plan rather than of IPTC. In the event that the Plan does not attain full funding, pursuant to the Plan agreement, the net assets of the Plan will first be applied to repay individual employee contributions in excess of any employee contributions previously disbursed. The remainder of net assets will be distributed in the proportion that each employee's actuarially determined accrued benefit has to the accrued benefits of all covered employees.

The Plan's obligation was determined as part of the December 31, 2008 actuarial valuation using the aggregate actuarial cost method. The actuarial assumptions included an 8% investment rate of return (net of administrative expenses) and projected salary increases of 0% due to the Plan's freeze as of December 31, 1997. No inflation component has been considered. The projected benefit equals the employee's actual benefit (based on total compensation through December 31, 1997) with no future benefit accruals. Three-year trend information for the plan reflects that IPTC has no annual pension cost or net pension obligation.

NOTE 12 – POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS

Plan Description: The Plan consists of IPTC providing medical and life insurance benefits to retirees. Retirees under the 1997 program and their spouses under the age of 65 not covered by Medicare are eligible under the provisions to continue these benefits but must pay 20% of the medical premium. COBRA eligible or employees who are not receiving pay from the Corporation must submit the employee's portion or the COBRA premiums to Human Resources no later than the first day of the month the premium is due to retain insurance coverage. IPTC will pay $75 per month towards the COBRA continuation or conversion of group health insurance retained by any employee who retires early or is on disability with IPTC pension. If, after the 18th month of continuation group coverage, the retiree is still under the age of 65, IPTC reimburses the retiree up to a maximum of $225 on a quarterly basis towards the cost of the premiums. Retirees also qualify for a life insurance policy with benefits of $5,500 if they retire on or after the age of 55 with at least 15 years of service.

Funding Policy: No contributions were made to the plan in 2008 and 2007. There is no requirement for IPTC to fund these benefits; therefore, IPTC discloses the cumulative deficiency on its financial statements. The discount rate used to calculate the liabilities must reflect the expected investment income of whatever funds are set aside for prefunding. If there is no prefunding then the discount rate will be much lower and the liabilities significantly higher than if the benefits are prefunded.

Annual OPEB Cost and NET OPEB Obligation: The other post employment benefit (OPEB) cost is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years. The following table shows the components of the annual cost for the year, the amount actually contributed to the plan and changes in the net OPEB obligation:

Annual required contribution	$ 90,000
Interest on net OPEB obligation	-
Adjustment to annual required contribution	53,700
Annual OPEB cost	$ 143,700
Contributions made	-
Increase in net OPEB obligation	$ 143,700
Net OPEB obligation – beginning of year	1,844,600
Net OPEB obligation – end of year	$ 1,988,300

NOTE 12 – POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (Continued)

Funded Status and Funded Progress: As of December 31, 2008, the most recent actuarial valuation date, the actuarial accrued liability was $1,988,300 and the actuarial value of assets was $0 resulting in an unfunded actuarial accrued liability (UAAL) of $1,988,300. The covered payroll (annual payroll of active employees covered by the plan) was not applicable, and the ratio of the UAAL to the covered payroll was not applicable.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial valuation of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits. Since 2007, the first year that an actuarial valuation was performed, the schedule of funding progress reflects only the transition year's data.

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

In the December 31, 2008 actuarial valuation, the projected unit credit cost method was used. The actuarial assumptions include a discount rate of 4% and a 30-year amortization period. Other assumptions are as follows:

Turnover and Retirement Rates – The rate of retirement was based on the employee's age.

Medical Inflation and Claims Costs Assumptions – A sensitivity analysis was performed to show the impact of a decrease in inflation. The initial inflation is 8.5% and would decrease to 5% over the next 9 years.

Mortality - The assumption was based upon how the retiree is likely to receive benefits.

Discount Rate - A 4% discount rate was used based on expected earnings of IPTC general fund.

REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)

INDIANAPOLIS PUBLIC TRANSPORTATION CORPORATION
(A COMPONENT UNIT OF THE CONSOLIDATED CITY OF INDIANAPOLIS
MARION COUNTY GOVERNMENT REPORTING ENTITY)
SCHEDULE OF FUNDING PROGRESS
DECEMBER 31, 2008

Schedule of Funding Progress: Retiree Health and Life Insurance Plan

Actuarial Valuation Date	Actuarial Value of Assets (a)	Accrued Liability Entry Age (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a percentage of Covered Payroll ((b-a)/c)
12/31/2008	$0	$1,988,300	$1,988,300	0%	N/A	N/A
12/31/2007	$0	$1,844,600	$1,855,600	0%	N/A	N/A

Indianapolis Bike to Work Day

Safe Place Press Conference

Michael Terry (IndyGo President & CEO), Ron Carpenter (President & CEO of Children's Bureau, Inc.) and Indianapolis Mayor Greg Ballard.

SECTION THREE – STATISTICAL (Unaudited)

This part of the Company's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Company's overall financial health.

Schedule 1
Indianapolis Public Transportation Corporation
Net Assets by Component
Ten Years (1.)

	Year 1 Actual 2003	Year 2 Actual 2004	Year 3 Actual 2005	Year 4 Actual 2006	Year 5 Actual 2007	Year 6 Actual 2008
Business-type activities						
Invested in capital assets, net of related debt	20,127,507	19,972,455	19,509,341	19,620,481	15,860,987	14,846,493
Restricted	5,385,503	4,601,899	4,848,101	8,240,635	12,137,992	15,486,751
Unrestricted	(2,959,541)	(3,718,098)	1,388,090	1,195,747	1,435,264	4,767,375
Total business-type activities net assets	22,553,469	20,856,256	25,745,532	29,056,863	29,434,243	35,100,619

1. IPTC operates in one business segment, public transportation, as an enterprise fund. IPTC adopted GASB Statement No. 34 which required reclassification of certain balances, including the presentation of net assets prospectively beginning with 2003.

Schedule 2
Indianapolis Public Transportation Corporation
Operating Expenses by Type
Ten Years (1.)

Calendar Year	Transportation	Maintenance of Equipment Including Fuel	Administrative and General	Claims and Insurance	Subtotal Expenses before Depreciation	Depreciation	Total Operating Expenses
2003	23,823,482	9,104,044	5,016,828	997,305	38,941,659	5,421,162	44,362,821
2004	22,074,833	9,768,175	5,671,190	1,435,960	38,950,158	6,641,383	45,591,541
2005	22,884,668	11,679,630	6,076,300	771,249	41,411,847	7,389,612	48,801,459
2006	23,599,772	11,128,235	7,038,695	1,100,458	42,867,160	7,583,089	50,450,249
2007	26,994,527	13,383,447	6,516,194	756,182	47,650,350	8,121,358	55,771,708
2008	29,541,787	14,538,889	7,067,156	1,516,932	52,664,764	7,627,359	60,292,123

1. IPTC adopted GASB Statement No. 34, which required reclassification of certain account balances, prospectively beginning with 2003.

Schedule 3
Indianapolis Public Transportation Corporation
Changes in Net Assets
Ten Years (1.)

Fiscal Year	Operating Revenue	Operating Expense	Operating Loss	Nonoperating Revenue (Expense)	Income (Loss) before Capital Contributions	Capital Contributions	Change in Net Assets
2003	6,957,280	44,362,821	(37,405,541)	33,147,466	(4,258,075)	7,141,286	2,883,211
2004	8,025,603	45,591,541	(37,565,938)	32,735,238	(4,830,700)	3,133,487	(1,697,213)
2005	7,936,779	48,801,459	(40,864,680)	41,198,775	334,095	4,555,181	4,889,276
2006	8,776,427	50,450,249	(41,673,822)	40,482,368	(1,191,454)	4,502,785	3,311,331
2007	9,179,973	55,771,708	(46,591,735)	44,207,456	(2,384,279)	2,761,659	377,380
2008	10,355,343	60,292,123	(49,936,780)	49,955,638	18,858	5,647,518	5,666,376

1. IPTC adopted GASB Statement No. 34, which required reclassification of certain account balances, prospectively beginning with 2003.

Schedule 4
Indianapolis Public Transportation Corporation
Operating Revenues by Source
Ten Years (1.)

Calendar Year	Passenger Fares	Special Service	Advertising	Total
2003	6,340,099	335,323	281,858	6,957,280
2004	7,460,629	287,625	277,349	8,025,603
2005	7,439,435	266,104	231,240	7,936,779
2006	8,087,140	249,355	439,932	8,776,427
2007	8,535,060	242,918	401,995	9,179,973
2008	9,811,303	175,351	368,689	10,355,343

1. IPTC adopted GASB Statement No. 34, which required reclassification of certain account balances, prospectively beginning with 2003.

Schedule 5
Indianapolis Public Transportation Corporation
Nonoperating Revenues and Expenses
Ten Years (1.)

Calendar Year	Property and Excise Tax	Municipalities	FTA Operating Assistance	Other, net	Total Nonoperating Revenue and Expenses
2003	12,436,134	10,402,650	11,051,586	(742,904)	33,147,466
2004	11,487,479	9,629,581	10,190,216	1,427,962	32,735,238
2005	20,468,924	8,973,874	12,151,019	(395,042)	41,198,775
2006	21,013,574	9,705,912	10,304,869	(541,987)	40,482,368
2007	22,819,745	10,243,549	10,779,969	364,193	44,207,456
2008	22,670,695	12,887,164	14,122,254	275,525	49,955,638

1. IPTC adopted GASB Statement No. 34, which required reclassification of certain account balances, prospectively beginning with 2003.

Schedule 6
Indianapolis Public Transportation Corporation
Assessed Value and Estimated Actual Value of Taxable Property
Ten Years

Calendar Year	Real Property Assessed Value	Personal Property Assessed Value	Total Taxable Assessed Value	Total Direct Tax Rate	Taxable Assessed Value as a Percentage of Actual Taxable Value
2008	36,832,770,108	4,376,563,164	41,209,333,272	0.0504	100.000%
2007	40,509,313,606	4,239,080,975	44,748,394,581	0.0503	100.000%
2006	31,158,955,140	6,995,684,310	38,154,639,450	0.0523	100.000%
2005	30,518,267,250	6,903,098,503	37,421,365,753	0.0519	100.000%
2004	30,674,538,990	7,069,379,810	37,743,918,800	0.0285	100.000%
2003	30,931,008,790	8,634,108,770	39,565,117,560	0.0298	100.000%
2002 (2).	19,603,804,360	7,738,788,430	27,342,592,790	0.0371	100.000%
2001 (1).	6,448,200,360	2,503,371,410	8,951,571,770	0.1113	33.333%
2000	6,263,603,330	2,443,136,370	8,706,739,700	0.1107	33.333%
1999	6,189,776,810	2,354,501,972	8,544,278,782	0.1102	33.333%
1998	6,025,393,718	2,246,326,643	8,271,720,361	0.1098	33.333%

1). Prior to 2002, taxable property was assessed at thirty three and one-third of the taxable assessed value as per the Marion County Auditor's abstract.

2). In 2002, a change in State law manadated the use of true market value as taxable assessed value.

Schedule 7
Indianapolis Public Transportation Corporation
Property Tax Levies and Collections (1. & 2.)
Ten Years

Year Ended December 31,	Taxes Levied for the Year (3.)	Collected within the Year of the Levy: Amount	Collected within the Year of the Levy: Percentage of Levy	Collections in Subsequent Years	Total Collections to Date: Amount	Total Collections to Date: Percentage of Levy
2008 (5.)	20,769,503	N/A	N/A	N/A	N/A	N/A
2007	21,220,606	20,396,002	96.1%	400,192	20,796,194	98.0%
2006	19,884,370	18,842,932	94.8%	535,198	19,378,130	97.5%
2005 (4.)	19,298,119	17,865,005	92.6%	910,618	18,775,623	97.3%
2004	10,635,575	10,210,152	96.0%	212,178	10,422,330	98.0%
2003	9,829,549	9,893,131	100.6%	201,901	10,095,032	102.7%
2002	9,934,166	9,646,075	97.1%	234,100	9,880,175	99.5%
2001	9,632,636	9,266,596	96.2%	315,997	9,582,593	99.5%
2000	9,502,324	9,020,546	94.9%	340,391	9,360,937	98.5%
1999	9,258,420	8,778,927	94.8%	343,825	9,122,752	98.5%
1998	9,082,349	8,662,783	95.4%	253,923	8,916,706	98.2%

1.) Includes operating, cumulative capital and debt service funds.
2.) Data presented on the cash basis of accounting.
3.) Source of information is Indiana Department of Local Government Finance.
4.) Includes cumulative capital fund beginning in 2005.
5.) Taxes for 2008 not corrected (late) due in July 2009.

Schedule 8
Indianapolis Public Transportation Corporation
Ratio of General Bonded Debt Outstanding
Ten Years

Calendar Year	Total General Bonded Debt Outstanding	Less: Amounts Available in Debt Service Fund	Total	Per Capita Personal Income	Total Debt as a Percentage of Per Capita Personal Income	Percentage of Actual Taxable Value of Property	Actual Taxable Value of Property (2.)	Per Capita (1.)
2008	12,025,000	27,638	11,997,362	N/A	N/A	41,209,333,272	0.029%	15.15
2007	13,120,000	157,519	12,962,481	37,936	0.00293	42,188,083,452	0.031%	16.67
2006	14,140,000	0	14,140,000	36,869	0.00261	38,154,639,450	0.037%	17.86
2005	15,085,000	125	15,084,875	36,286	0.00241	37,421,365,753	0.040%	19.05
2004	15,965,000	20,519	15,944,481	34,732	0.00218	37,743,918,800	0.042%	20.16
2003	16,780,000	99,174	16,680,826	33,142	0.00199	39,565,117,560	0.042%	21.06
2002	17,530,000	209,118	17,320,882	32,479	0.00188	27,342,592,790	0.063%	21.87
2001	13,240,000	37,892	13,202,108	31,491	0.00239	26,854,715,310	0.049%	16.67
2000	13,905,000	68,678	13,836,322	30,684	0.00222	26,120,219,100	0.053%	17.47
1999	15,575,000	728,822	14,846,178	30,685	0.00207	25,632,836,346	0.058%	20.01
1998	2,030,000	1,047,624	982,376	27,731	0.02823	24,815,161,083	0.004%	1.33

	Balance January 1, 2008	Changes During Year: Additions	Changes During Year: Reductions	Balance December 31, 2008
Bonds payable	$13,120,000.00	$ -	-$1,095,000.00	$12,025,000.00
Notes payable	$7,018,500.00	$35,000.00	$	$7,053,500.00

	Balance January 1, 2007	Changes During Year: Additions	Changes During Year: Reductions	Balance December 31, 2007
Bonds payable	$14,140,000.00	-	-$1,020,000.00	$13,120,000.00
Notes payable	$7,087,000.00	$37,000.00	-$105,500.00	$7,018,500.00

1.) Based on 1990 population of Consolidated City (741,952) for 1997 through 1999 and 2000 population of Consolidated City (791,926) for 2000 through 2008. Source: U.S. Department of Commerce, Bureau of Census.

2.) The legal debt limit for IPTC general obligation bonds is two percent of the actual taxable value of property.

Schedule 9
Indianapolis Public Transportation Corporation
Direct and Overlapping Property Tax Rates (1. & 3.)
Ten Years

	Direct Rates (2.)				Overlapping Rates						Total (2.)
Calendar Year	Basic Rate	Debt Service	Cumulative Capital	Total Direct Rate	City	County	Other Muni Corp	School	State	Other	Total
2008	0.0370	0.0034	0.0100	0.0504	0.8920	0.4602	0.3017	1.7668	0.0024	0.0510	3.5490
2007	0.0361	0.0042	0.0100	0.0503	0.8770	0.5607	0.2917	1.8713	0.0000	0.0522	3.7032
2006	0.0385	0.0038	0.0100	0.0523	0.9546	0.4948	0.3228	1.7172	0.0024	0.0523	3.5964
2005 (4.)	0.0379	0.0040	0.0100	0.0519	1.1670	0.4163	0.1114	1.6744	0.0024	0.0516	3.4750
2004	0.0248	0.0037	0.0000	0.0285	0.9580	0.4129	0.3157	1.7827	0.0024	0.0512	3.5514
2003	0.0266	0.0032	0.0000	0.0298	0.9457	0.4564	0.3257	1.5503	0.0033	0.1428	3.4540
2002	0.0328	0.0043	0.0000	0.0371	1.2254	0.5354	0.3938	1.9594	0.0033	0.0799	4.2343
2001	0.0983	0.0130	0.0000	0.1113	3.7670	1.4043	1.1730	5.3913	0.0100	0.7469	12.6038
2000	0.0968	0.0139	0.0000	0.1107	3.7825	1.4038	1.1384	5.9552	0.0100	0.2756	12.6762
1999	0.0968	0.0134	0.0000	0.1102	3.8294	1.4042	1.1384	5.8477	0.0100	0.2932	12.6331

1.) Rate is per $100 of assessed valuation.
2.) Rate of District 101 (Indpls.-Center Twnshp.) which rate includes all major service.
3.) Taxable property was assessed at thirty three and one-third of the taxable assessed value as per the Marion County Auditor's abstract. In 2002, a change in State law mandated the use of true market value as taxable assessed value. The effect of this change reduced the effective tax rate by two-thirds.
4.) The IPTC Board of Directors established a Cumulative Capital Fund with a one-cent tax rate adjustment in 2004 to provide for future capital funding. At the same time the IPTC Board of Directors increased the general fund tax rate approximately one and one-half cents.

Schedule 10
Indianapolis Public Transportation Corporation
Direct and Overlapping Bonded Debt and Bonding Limit
As of December 31, 2008

	Bonded Debt Limit (1.)	Bonds Outstanding (2.)
Overlapping Debt		
City of Indianapolis	3,971,665	319,441
Marion County	301,510	-
Other Municipal Corporations	1,198,012	182,615
Public Schools	2,241,043	929,440
Other Cities and Towns	298,938	17,603
Total Overlapping Debt	8,011,168	1,449,099
Direct Debt		
Indianapolis Pubic Transportation Corporation	284,492	12,025
Total Direct and Overlapping Debt	8,295,660	1,461,124
IPTC's percentage of Overlapping Debt	3.43%	0.82%

1.) Source: Marion County Auditor's Abstract
2.) Source: Indianapolis City Controller's Office.

Schedule 11
Indianapolis Public Transportation Corporation
Demographic and Economic Statistics
Ten Years

Calendar Year	Population (1.)	Per Capita Personal Income (2.)	Median Age (3.)	School Enrollment (4.)	Unemployment Rate (5.)
2008 (6.)	791,926	N/A	N/A	162,678	8.1
2007	791,926	37,936	35.5	158,991	4.5
2006	791,926	36,869	35.0	160,732	4.9
2005	791,926	36,286	34.7	170,864	5.4
2004	791,926	34,732	34.4	174,569	5.4
2003	791,926	33,142	34.1	172,324	5.5
2002	791,926	32,479	33.9	172,328	5.3
2001	791,926	31,491	33.7	169,567	3.8
2000	791,926	30,684	33.6	165,964	2.7
1999	741,952	30,685			

1.) Based on 1990 population of Consolidated City (741,952) for 1997 through 1999 and 2000 population of Consolidated City (791,926) for 2000 through 2008. Source: U.S. Department of Commerce, Bureau of Census.
2.) Data presented are per the U.S. Department of Commerce, Bureau of Economic Analysis.
3.) Data presented are per U.S. Census Bureau.
4.) Data presented is for Indianapolis Public Schools. Source: Indiana Department of Education.
5.) Date presented is for Unemployment rate, nonseasonally adjusted, annual average, Marion County, IN. Source: Bureau of Labor Statistics.
6.) Per Capita Personal Income and Median Age data not available for 2008.

Schedule 12
Indianapolis Public Transportation Corporation
Principal Employers (1.)
Prior Year and Ten Years Ago (3.)

Taxpayer	2008 Total Employees	2008 Rank	2008 Percentage Total Employees (2.)	1999 Total Employees	1999 Rank	1999 Percentage Total Employees
Eli Lilly and Company	14,089	1	3.06%	9,503	1	2.10%
Clarian Health Partners	10,613	2	2.30%	10,682	2	2.36%
Community Health Network	2,800	3	0.61%			-
IUPUI	7,066	4	1.53%			-
Federal Express Corporation	4,200	5	0.91%			-
St. Vincent Hospital and Healtl	7,000	6	1.52%			-
Allison Transmission	4,000	7	0.87%	3,985	4	0.88%
Rolls-Royce	4,400	8	0.96%			-
AT&T	3,850	9	0.84%			-
WellPoint, Inc.	3,600	10	0.78%			-
Marsh Supermarkets			-	3,492	10	0.77%
Indianapolis Power & Light			-	1,577	3	0.35%
Chase Bank			-	2,658	9	0.59%
Citizens Gas & Coke Utility			-	819	5	0.18%
Indianapolis Water Company			-	207	8	0.05%
Ford Motor Company			-	2,869	6	0.63%
General Motors Corporation			-	2,814	7	0.62%
	61,618		13.38%	38,606		7.90%

1). Source: Indianapolis Chamber of Commerce
2). Total private wage and salary workers for 2008 were 460,515 and for 1999 were 453,304. Source: Indiana Department of Workforce Development
3). Represents 2008 and 1999 data.

Schedule 13
Indianapolis Public Transportation Corporation
Principal Property Tax Payers
Current Year and Ten Years Ago (2.)
(amounts expressed in thousands)

	2008			1999		
Taxpayer	**Taxable Assessed Value (1.)**	**Rank**	**Percentage of Total City Taxable Assessed Value**	**Taxable Assessed Value**	**Rank**	**Percentage of Total City Taxable Assessed Value**
Eli Lilly and Company	1,274,299	1	4.01%	239,734	1	3.18%
Indianapolis Power & Light	375,105	2	1.18%	129,184	2	1.71%
AT&T	320,937	3	1.01%			-
General Motors	289,988	4	0.91%	50,019	6	0.66%
Citizens Gas	183,897	5	0.58%	62,427	4	0.83%
Macquarie	181,601	6	0.57%			-
American United Life	157,193	7	0.49%			-
Sexton LF Properties LP	140,223	8	0.44%			-
Community Hospitals	130,955	9	0.41%			-
Dugan Financing	126,140	10	0.40%			-
Ford Motor Company	-		-	53,124	5	0.71%
Allison Engine Company	-		-	72,771	3	0.97%
Indianapolis Water Company	-		-	42,732	7	0.57%
Navistar International	-		-	34,481	9	0.46%
Roche Diagnostic	-		-	31,907	10	0.42%
Bank One	-		-	36,993	8	0.49%
	3,180,338		10.00%	753,372		9.51%

1.) Represents the March 1, 2008 valuations for taxes due and payable in 2007 and represented by the taxpayer.

2.) Taxable assessed value was determined using public records from the Marion County Treasurer's Office.

Schedule 14
Indianapolis Public Transportation Corporation
Operating Information
Ten Years

	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
EMPLOYEE DATA:										
Number of Employees (1.)										
Full Time										
Operators	286	277	272	272	266	288	280	238	246	286
Other Transportation	37	67	75	75	79	53	46	66	74	0
Maintenance	79	80	76	75	70	72	73	73	64	66
Administrative & Other	41	42	36	36	37	38	55	58	68	60
Total full-time employees	443	466	459	458	452	451	454	435	452	412
Part Time										
Operators	0	0	0	0	0	12	12	11	9	10
Other	0	0	0	0	0	0	0	1	2	2
Total part-time employees	0	0	0	0	0	12	12	12	11	12
Total Employees	443	466	459	458	452	463	466	447	463	424
PASSENGER DATA:										
Passengers (2.)	9,890,098	9,409,066	10,033,477	8,810,183	9,299,751	11,324,573	10,247,493	10,833,257	11,717,910	11,239,356
Number of Fixed Routes (3.)	31	31	29	28	28	37	37	37	36	31
Annual Vehicle Miles (2.)	11,850,233	10,889,165	10,380,982	9,993,240	10,221,257	11,047,044	10,386,718	10,473,232	9,892,232	9,155,597
Annual Vehicle Hours (2.)	727,301	690,293	678,382	644,795	663,115	712,180	659,007	661,272	639,366	566,234
Number of Coaches (4.)	240	228	236	240	228	303	262	212	162	150
Number of ADA Accessible vehicles (4.)	240	228	236	240	228	277	236	134	90	78
Fare (Single Ride) (3.)	$1.50	$1.50	$1.25	$1.25	$1.25	$1.00	$1.00	$1.00	$1.00	$1.00

1.) Source: National Transportation Database (NTD) Form R-10. Includes both motor bus and demand response modes.
2.) Source: NTD Form S-10. Includes both motor bus and demand response modes.
3.) Source: IPTC Transportation Department.
4.) Source: NTD Form A-30. Includes both motor bus and demand response modes.

Schedule 15
Indianapolis Public Transportation Corporation
Schedule of Insurance in Force (1.)
December 31, 2008

Type of Coverage	Company	Term	Expiration Date	Limit	Deductible
Public Official	AIG	1 year	January 1	$1,000,000	$25,000
Fiduciary Liability	National Union	1 year	July 1	$1,000,000	$0
Crime	Zurich	1 year	July 1	$500,000	$7,500
Property:	St Paul - Travelers	1 year	January 1		
Building & Contents				$33,150,000	$250,000
Earthquake				$20,000,000	2%
Flood				$20,000,000	$250,000
Stock				$1,714,000	$5,000
Computer Equipment				$500,000	$5,000
Business Income				$1,500,000	48 hours

1.) For more information, refer to Note 6 (Risk Management) accompanying the basic financial statements.

Schedule 16
Indianapolis Public Transportation Corporation
Transit Vehicles
December 31, 2008

No. of Vehicles	Year (2.)	Manufacture	Engine Type	Seating Capacity	Standing Capacity	Lift/Ramp Equipped
Large Bus:						
29	1997	Gillig	Diesel	43	21	29
9	1998	Gillig	Diesel	43	21	9
25	2000	Gillig	Diesel	29	23	25
25	2000	Gillig	Diesel	35	29	25
25	2001	Gillig	Diesel	38	39	25
24	2002	Gillig	Diesel	38	46	24
2	2004	Gillig	Hybrid	38	46	2
9	2005	Opus	Diesel	31	25	9
10	2007	Gillig	Diesel	38	46	10
158	Total Large Bus					
Body on Chassis:						
1	2001	Ford	Diesel	14	(1.)	1
10	2003	Ford	Diesel	14	(1.)	10
32	2004	Ford	Diesel	14	(1.)	32
34	2005	Ford	Diesel	14	(1.)	34
1	2006	Dodge	Diesel	12	(1.)	1
4	2008	Chevy	Diesel	14	(1.)	4
82	Total Body on Chassis					
240	Vehicles in Total Fleet					

1.) Used exclusively for demand response and flexible service. IPTC policy precludes standees on these vehicles.
2.) Average age of equipment is 6.1 years.
3.) Please refer to note four of the financial statements for additional information regarding capital assets.

2008
Recognition of Service Excellence
(ROSE) Award Lifetime Achievement Winner
Joyce Ledell

ROSE Lifetime Achievement winner Joyce Ledell, IndyGo Board Vice President Tommie Jones and ROSE nominee Darryl Carter celebrate during the event.

Joyce Ledell: Not one to shy away from a challenge or to say “no” to taking on new responsibilities, Joyce Ledell continues to amaze us. She knows how to get the job done and rally people beside her. Following her motto of “ask and people will give from their hearts,” Joyce has guided IndyGo’s United Way contributions from under $3,000 to over $17,000 in three short years. When she talks, people listen. Most recently, Joyce was nominated by fellow staffers to run as the first female president of the Amalgamated Transit Union Local 1070, which represents some IndyGo employees. Naturally, she won.

Darryl Carter: Behind the scenes, Darryl Carter gets the job done. Customers may not know his name or recognize his face, but his contributions directly affect how people use our services. During his tenure at IndyGo, he has installed and maintained 7,000 bus stops and 350 bus shelters. No small feat for this Indianapolis native. Nine years ago, Darryl suffered a brain aneurism, requiring emergency surgery and weeks of intensive care. Pulling from everything inside of him, he remembers telling himself, “I have to get up and get out of here.” He carries that same determination with him each and every day.

1501 West Washington Street
Indianapolis, IN 46222
(317) 635-2100
www.IndyGo.net