

2020 Audit Presentation To
WAUKESHA METRO TRANSIT
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FINANCIAL STATEMENT HIGHLIGHTS

- > Continue to issue a full audit report for the transit. The supplemental information on the Waukesha County Operating Assistance contract is issued in a separate report
- > County information flows through the transit's financial statements
- > Draft statements being presented and does not include MD&A at this time
- > Clean audit opinion (pages 1-3)
 - Financial statements are the responsibility of management
 - In our opinion fairly stated
- > Supplemental information on grants (pages 25-27)

MANAGEMENT LETTER

- > Transit Commission should stay involved, review information provided and ask questions.
- > Required communications
 - Communicated in the report on internal controls for the City of Waukesha as presented to the City Council.
 - No audit adjustments in the current year.
 - No passed audit adjustment in the current year.

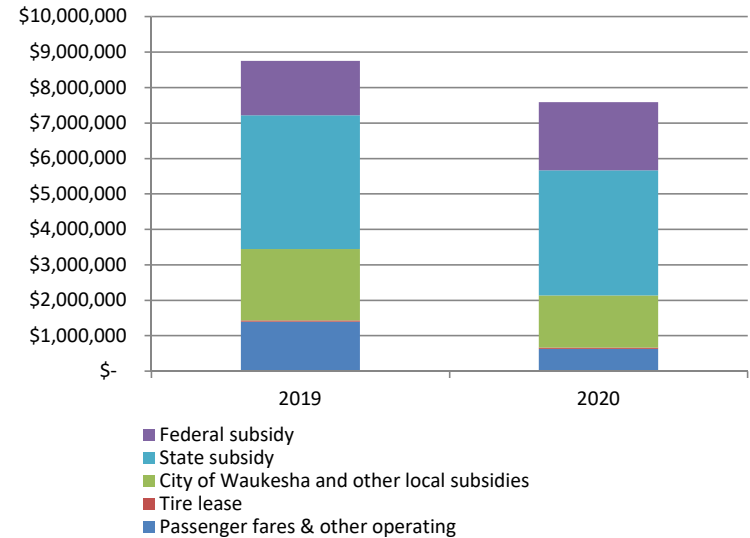
CITYWIDE SINGLE AUDIT

- > Required since city receives more than \$750,000 federal and/or state funding.
- > Tests city compliance with laws and regulations related to program requirements, for example allowable costs, cash management, procurement, reporting.
- > Citywide report goes to City Council – No transit findings

WAUKESHA METRO TRANSIT

2020 FINANCIAL STATEMENT HIGHLIGHTS

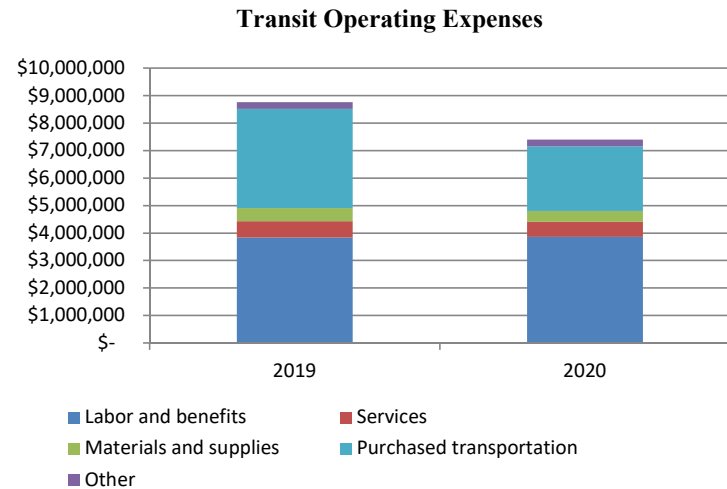
	<u>2019</u>		<u>2020</u>	
<u>Ridership</u>				
Fixed Route	577,696		364,383	
MCTS	232,011		83,734	
WCL	95,862		28,253	
Paratransit	2,491		1,486	
<u>Operating Revenues</u>				
Passenger fares & other operating	\$ 1,395,844	16%	\$ 628,262	8%
Tire lease	33,224	0.4%	31,625	0.4%
City of Waukesha and other local subsidies	2,016,481	23%	1,472,169	19%
State subsidy	3,769,180	43%	3,533,817	47%
Federal subsidy	<u>1,533,468</u>	18%	<u>1,916,697</u>	25%
TOTAL	<u>\$ 8,748,197</u>	100%	<u>\$ 7,582,570</u>	100%



What it means...

Standard state and federal operating subsidies were used to the maximum grant agreement award for operating deficit in 2020. The decrease in passenger fares and other operating revenue is a result of a decrease in ridership experienced during the year due to COVID pandemic. The change in revenues follows the change in expenses as seen below.

	<u>2019</u>		<u>2020</u>	
<u>Operating Expenses</u>				
Labor and benefits	\$ 3,829,926	44%	\$ 3,854,561	52%
Services	592,344	7%	547,189	7%
Materials and supplies	483,092	6%	394,601	5%
Purchased transportation	3,598,696	41%	2,354,357	32%
Other	<u>244,129</u>	3%	<u>238,601</u>	3%
TOTAL (excluding depreciation)	<u>\$ 8,748,187</u>	100%	<u>\$ 7,389,309</u>	100%



What it means...

Labor and benefits remained relatively stable for 2020 compared to 2019. Materials and supplies decreased by 18% due to large decrease in the purchase of diesel fuel in 2020. The overall expense profile of the transit remained consistent with labor, benefits and purchased transportation categories accounting for approximately 84% of the total costs.