

2022 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
- > Clean audit opinion (pages 1-3)
 - Financial statements are the responsibility of management
 - In our opinion fairly stated
- > Supplemental information on grants (pages 24-26)

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 immaterial audit adjustment in the current year.
 - No passed audit adjustment in the current year.

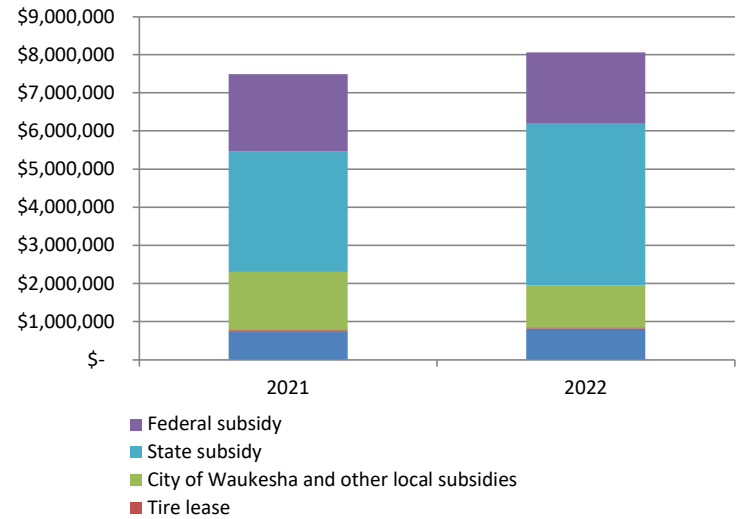
CITYWIDE SINGLE AUDIT

- > 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

2022 FINANCIAL STATEMENT HIGHLIGHTS

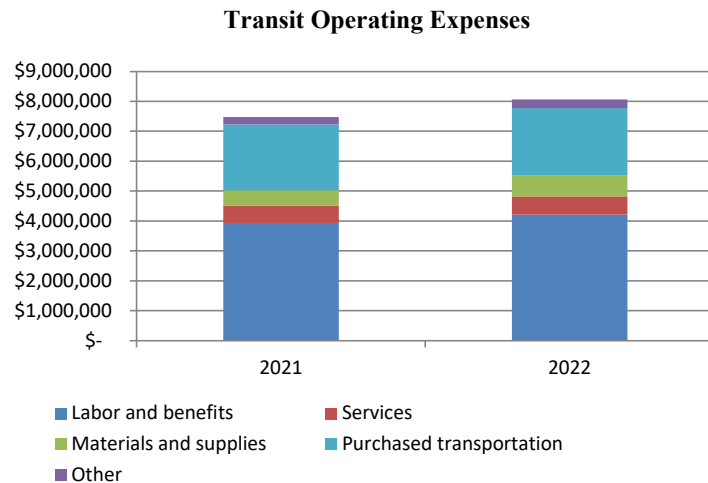
	<u>2021</u>		<u>2022</u>	
<u>Ridership</u>				
Fixed Route	317,605		330,784	
MCTS	94,920		105,523	
WCL	14,010		18,195	
Paratransit	769		531	
<u>Operating Revenues</u>				
Passenger fares & other operating	\$ 745,818	10%	\$ 813,639	10%
Tire lease	30,903	0.4%	32,389	0.4%
City of Waukesha and other local subsidies	1,526,217	20%	1,101,331	14%
State subsidy	3,153,289	42%	4,244,963	53%
Federal subsidy	2,031,360	27%	1,869,972	23%
 TOTAL	\$ 7,487,587	100%	\$ 8,062,294	100%



What it means...

Standard state and federal operating subsidies were used to the maximum grant agreement award for operating deficit in 2022. The increase in passenger fares and other operating revenue is a result of increased ridership. The change in revenues follows the change in expenses as seen below.

	<u>2021</u>		<u>2022</u>	
<u>Operating Expenses</u>				
Labor and benefits	\$ 3,937,475	53%	4,210,470	52%
Services	572,204	8%	613,330	8%
Materials and supplies	515,732	7%	695,773	9%
Purchased transportation	2,200,712	29%	2,252,230	28%
Other	253,361	3%	294,477	4%
 TOTAL (excluding depreciation)	\$ 7,479,484	100%	\$ 8,066,280	100%



What it means...

Labor and benefits remained relatively stable for 2022 compared to 2021. Materials and supplies increased by 35% due to a large increase in the purchase of diesel fuel in 2022. The overall expense profile of the transit remained consistent with labor, benefits and purchased transportation categories accounting for approximately 80% of the total costs.