

Waukesha Metro Transit

An Enterprise Fund of the City of Waukesha, Wisconsin

Financial Statements and
Supplementary Information

December 31, 2024 and 2023

Waukesha Metro Transit

An Enterprise Fund of the City of Waukesha, Wisconsin

Table of Contents

December 31, 2024 and 2023

	<u>Page</u>
Independent Auditors' Report	1
Required Supplementary Information	
Management's Discussion and Analysis (Unaudited)	4
Financial Statements	
Statements of Net Position	12
Statements of Revenues, Expenses and Changes in Net Position	13
Statements of Cash Flows	14
Notes to Financial Statements	16
Supplementary Information	
Detailed Schedule of Waukesha Transit Commission - Statements of Revenues, Expenses and Changes in Net Position - Regulatory Basis	26
Waukesha Transit Commission - Reconciliation of Revenues and Expenses to WisDOT and Federal Recognized Revenues and Expenses - Regulatory Basis	27
Waukesha Transit Commission - Computation of the Deficit Distribution Among the Subsidy Grantors	28

Independent Auditors' Report

To the Transit Commission Board of
Waukesha Metro Transit

Opinion

We have audited the financial statements of Waukesha Metro Transit, an enterprise fund of the City of Waukesha, Wisconsin, as of and for the years ended December 31, 2024 and 2023, and the related notes to the financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position for Waukesha Metro Transit, as of December 31, 2024 and 2023, and the changes in financial position and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Waukesha Metro Transit and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As discussed in Note 1, the financial statements of the Waukesha Metro Transit, an enterprise fund of the City of Waukesha, Wisconsin, are intended to present the financial position, the changes in the financial position, and where applicable, cash flows of only the Waukesha Metro Transit. They do not purport to, and do not, present fairly the financial position of the City of Waukesha, Wisconsin, as of December 31, 2024, and 2023, and the changes in financial position, or cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Waukesha Metro Transit's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the required supplementary information, as listed in the table of contents be presented to supplement the financial statements. Such information is the responsibility of management and, although not a part of the financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the financial statements, and other knowledge we obtained during our audit of the financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted pension and other postemployment benefit schedules that accounting principles generally accepted in the United States of America require to be presented to supplement the financial statements. Such missing information, although not a part of the financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic or historical context. Our opinion on the financial statements is not affected by this missing information.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information are fairly stated in all material respects, in relation to the financial statements as a whole.

Baker Tilly US, LLP

Madison, Wisconsin
June 9, 2025

Waukesha Metro Transit

Management's Discussion and Analysis (Unaudited)

Basic History of Waukesha Metro Transit

The Waukesha Metro Transit System is owned by the City of Waukesha and operated by a private contract management firm, currently Transdev. The management contract is competitively procured every five years and has always been in place since the beginning of operations in August 1981.

Waukesha Metro Transit carried 354,468 passengers in 2024. Waukesha Metrolift, a demand-responsive paratransit service required under federal regulations for those persons unable to ride fixed route transit because of disability, carried 10,266 disabled persons in 2024 at a fare double the fixed route adult fare. Waukesha Metro has provided over 26 Million rides.

The City of Waukesha currently owns 29 vehicles: 27 buses (4 paratransit and 23 fixed-route) and 2 paratransit vans. All 29 vehicles are ADA accessible, with two wheelchair passengers able to be accommodated on each of the fixed-route buses. The transit system operates service seven days a week, has an adult fare of \$2.00 and operates beyond city boundaries where appropriate. A Route 1 extension into Milwaukee County to Froedtert began in June 2023. This is a cooperative service between the City of Waukesha, Waukesha County and Milwaukee County. This service is frequent and operates every day, including holidays.

The transit system operates out of two fixed facilities. The Badger Drive facility is the administrative and maintenance facility that provides indoor storage for the buses and all maintenance and administrative functions of the transit system are conducted from this facility. The original building opened in March 1986 and there was a building expansion in 1995 that added on to both the bus storage area and administrative facility. The other facility is the downtown transit center located on St. Paul Avenue near the Fox River. Buses meet at the transit center every half hour to facilitate transfers. The downtown transit center opened in October 2004 and provides an indoor waiting area, covered bus bays and staffs the Transportation Department personnel for direct customer service.

To pay the cost of operating the system, the City of Waukesha receives grants from the Federal Transit Administration (FTA) and the Wisconsin Department of Transportation (WISDOT). Federal and state operating grants cover up to 60 percent of expenses, with the farebox revenue covering about 20 percent. This leaves about 20 percent of the cost as a City taxpayer expense. Federal grants for capital expenses (buses, structures, etc.) cover up to 80 percent of expenses. As a condition of receiving federal and state operating grants, the transit system is subject to state mandated efficiency and effectiveness measures. Waukesha Metro Transit has consistently performed well when measured in a peer group of other state transit systems as well as a national peer group.

In March 2003, the transit system successfully won a competitive procurement to administer the Waukesha County transit service. The County transit service, which is all contracted to other transit operators (including Waukesha Metro Transit), operates countywide and includes commuter service between Milwaukee and various Waukesha County communities. The City of Waukesha holds all the grants received from the Federal Transit Administration (FTA) and the Wisconsin Department of Transportation (WISDOT). For Waukesha County transit to receive proper credit for their share of the grant funding, Waukesha Metro Transit acts as a pass through and pays all of the contractors directly for operating the Waukesha County transit service. Thus, both Waukesha Metro Transit and Waukesha County Transit revenue and expenses are reflected on the financial statements.

Basic Financial Statements

Waukesha Metro Transit is an Enterprise Fund of the City of Waukesha. The City of Waukesha hires a management firm to manage the employees that operate the transit system. The employees all work for the company called Professional Transit Management of Waukesha, Inc. The only City of Waukesha employees at Waukesha Metro Transit are the Transit Manager and security guards.

As an Enterprise Fund, the same basis of accounting as a private-sector business is used. Under this method of accounting, the accrual basis of accounting is used. Revenues are recorded when earned and expenses are recorded when incurred. The statement of net position presents information on the assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of Waukesha Metro Transit's financial position.

Statement of Waukesha Metro Transit's Net Position

	2024	2023	2022
<u>Assets</u>			
Current Assets	\$ 5,013,319	\$ 3,395,038	\$ 2,969,467
Non-Current Assets (net of accum. depr)	\$ 12,725,036	\$ 13,637,882	\$ 13,174,874
Total Assets	\$ 17,738,355	\$ 17,032,920	\$ 16,144,341
Deferred Outflows	\$ 84,563	\$ 123,377	\$ 99,698
<u>Liabilities</u>			
Current Liabilities	\$ 2,600,793	\$ 1,807,650	\$ 1,454,091
Non-current Liabilities	\$ 626,959	\$ 450,683	\$ 410,564
Total Liabilities	\$ 3,227,752	\$ 2,258,333	\$ 1,864,655
Deferred Inflows	\$ 53,014	\$ 72,081	\$ 115,484
<u>Net Assets</u>			
Invested in capital assets	\$ 12,725,036	\$ 13,637,882	\$ 13,126,306
Restricted - Pension	\$ -	\$ -	\$ 48,568
Unrestricted (deficit)	\$ 1,817,116	\$ 1,188,001	\$ 1,089,026
Total Net Assets	\$ 14,542,152	\$ 14,825,883	\$ 14,263,900

In the Statement of Net Position above, Current Assets are comprised of accounts receivables from vendors and various grants, value of inventories and prepaid items, and advances to the City of Waukesha including the cash accounts which have a negative balance due to the sweep account feature that exists on a nightly basis. The Non-Current Assets are comprised of land and various plant costs less the accumulated depreciation taken on these plant costs.

Current Liabilities represent accounts payable, accrued payroll liabilities, and compensated absences such as vacation. Non-current Liabilities represent the accrued sick leave balance that covers the liability for those employees with ten years (or 15 years for those hired after September 2012 with minimum age requirement of age 55) or more of service to the transit system.

Net Position is comprised of the three lines above. The first is Invested in Capital Assets and will match the value in the asset category for Non-Current Assets – Net of Accumulated Depreciation. This number truly represents the value of capital assets at any given time. These Capital Assets are purchased with Federal and State grants with a local matching contribution. The second line represents the restricted net position for the pension asset, external laws and provisions placing external constraints on the usage of net assets. The third line represents the component of Net Position that doesn't fit into the category Invested in Capital Assets. The value of Unrestricted Net Position will vary with the capital purchases that are made each year. If there is an increase in Non-Current Assets – Net of Accumulated Depreciation, there will be an increase in Net Position – Invested In Capital Assets and then a subsequent decrease in Unrestricted Net Position. Net Position – Unrestricted represents the value of the transit system at year end if all assets and liabilities were liquidated.

The statement of revenue, expenses and changes in net position reports the operating revenues and expenses and non-operating revenues and expenses of Waukesha Metro Transit for the fiscal year with the difference – the net income or loss – being combined with any capital grants to determine the net change in position for the fiscal year. That change combined with the net position at the end of the previous year equals the net position at the end of the current fiscal year.

Statement of Revenues, Expenses and Changes in Net Position

	2024	2023	2022
Operating Revenues			
Passenger fares for transit service	\$390,114	\$485,037	\$575,789
Passenger fares- Milwaukee Transport Services	\$90,427	\$47,400	\$0
Non-transportation revenues - advertising	\$82,438	\$96,757	\$84,788
Non-transportation revenues - route administration	\$194,304	\$175,134	\$153,062
Total Operating Revenues	\$757,283	\$804,328	\$813,639
Operating Expenses			
Salaries and wages	\$3,201,791	\$2,914,970	\$2,558,045
Fringe benefits	\$1,667,735	\$1,698,635	\$1,652,425
Services	\$772,392	\$747,227	\$613,331
Materials and Supplies	\$721,342	\$697,589	\$695,772
Utilities	\$94,582	\$105,300	\$99,481
Casualty and Liability costs	\$357,802	\$305,971	\$156,998
Taxes	\$215	\$891	\$559
Purchased transportation services	\$651,209	\$1,263,360	\$2,252,230
Miscellaneous	\$8,460	\$37,676	\$21,486
Operation and maintenance - outside city limits	\$0	\$15,953	\$15,953
Depreciation	\$1,517,520	\$1,461,279	\$1,287,295
Total Operating Expenses	\$8,993,048	\$9,248,851	\$9,353,575
Operating Loss	(\$8,235,765)	(\$8,444,523)	(\$8,539,936)
Operating Subsidies			
Federal tire lease grant revenue	\$40,147	\$34,236	\$25,911
Local - Other	\$140,805	\$245,759	\$349,515
Local, other, prior year grant refunded	(\$39,057)	\$0	\$0
State - Operating	\$3,323,676	\$3,260,957	\$4,244,963
State, prior year grant close out	\$100,772	\$0	\$0
CMAQ Grant	\$0	\$22,769	\$13,751
Federal - Operating	\$1,082,910	\$1,263,646	\$1,267,813
CARES Grant	\$1,936,892	\$901,124	\$588,408
Gain (loss) on sale of asset	\$0	(\$3,100)	\$0
Total Subsidies	\$6,586,145	\$5,725,391	\$6,490,361
Loss before Contributions and Transfers	(\$1,649,620)	(\$2,719,132)	(\$2,049,575)
Transfer In - Municipality - Operating	\$806,308	\$1,298,187	\$751,816
Transfer Out, Municipality, Prior Year Grant Refunded	(\$61,716)	\$0	\$0
Transfer In - Municipality - Tire Lease	\$10,037	\$8,559	\$6,478
Transfer In - Municipality - Capital	\$0	\$0	\$0
Capital Contributions - Federal/State	\$305,376	\$1,579,495	\$657,649
Capital Contributions - Local	\$305,884	\$394,874	\$164,411
Change in Net Assets	(\$283,731)	\$561,983	(\$469,221)
Net Assets - Beginning of Year	\$14,825,883	\$14,263,900	\$14,733,121
Net Assets - End of Year	\$14,542,152	\$14,825,883	\$14,263,900

Waukesha Metro Transit saw about a 4% decrease in overall operating revenue, \$22,624, from 2023 to 2024. While there was an increase in ridership, the lower advertising revenue contributed to the decrease along with actual fare revenue. Waukesha Metro has fully switched over to the UMO fare system that is utilized jointly with Milwaukee County. There is a fare capping stipulation in our current fare structure, and this may have had an impact on our revenue.

Waukesha Metro Transit saw a decrease in total operating expenses from 2023 to 2024 with approximately \$920,809 less expenses. With the transition to the full year of the Route 1 service operating, Waukesha County Purchased Transportation Expenses increased. In addition to the allocation to Waukesha County, diesel prices and health insurance were lower in 2024 than in 2023.

Waukesha County had a full year of the Route 1 Extension into Milwaukee in addition to no paratransit service operating in 2024. A new flex service began operating mid-year and Waukesha County paid \$450,000 towards the cost of this new service.

Capital Assets

Waukesha Metro Transit's capital assets are 80% funded by Federal Transit Administration grants. The remaining 20% is funded through local tax levy dollars, both current and past years through carryover requests.

In 2022, Waukesha Metro Transit purchased \$822,062 in capital grants. Of these purchases \$657,650 was the federal share and \$164,412 was the local match. The capital grant expenditures included the purchase of (1) new fixed route bus, a service vehicle, engine/transmission rebuilds, camera systems, Automatic Vehicle Location equipment and Automatic Passenger Counters, and building upgrades.

In 2023, Waukesha Metro Transit purchased \$1,974,369 in capital grants. Of these purchases \$1,579,495 was the federal share and \$394,874 was the local match. The capital grant expenditures included the purchase of (3) new fixed route buses, a service vehicle, engine/transmission rebuilds, air compressor, fareboxes and cameras for the new buses.

In 2024, Waukesha Metro Transit purchased \$611,261 in capital grants. Of these purchases \$305,377 was the federal share and \$305,884 was the local match. The capital grant expenditures included the purchase of a new Service Vehicle, engine/transmission rebuilds, HVAC condenser, perimeter fencing at Badger Drive, and administration office remodel.

Route 1 Extension into Milwaukee County

The City of Waukesha began running the Route 1 Extension into Milwaukee County on June 4, 2023. Since Waukesha Metro Transit is the service provider, we are incurring all the expenses and revenues from this service. We must then allocate our expenses, revenues, miles and hours between Milwaukee County, Waukesha County and Waukesha Metro Transit. One unique reporting area is that Milwaukee and Waukesha both file their own National Transit Database reports and file separate grant applications with WisDOT. Waukesha's WisDOT grant application is a combined report between both the City of Waukesha and Waukesha County. Our reports and audit completed by Baker Tilly will include the revenues and expenses for both the City of Waukesha and Waukesha County but will not include Milwaukee County.

The following are some key statistics from the service that is allocated to Milwaukee County since this service is provided in Milwaukee County on the Route 1 Extension:

Revenue Hours	9125.67
Total Hours	9418.41
Revenue Miles	115,193.74
Total Miles	118,832.34
Ridership	90,427
Total Expenses	\$1,068,518.50
Total Revenue	\$90,427.00

Relief Funds

As stated above, the City of Waukesha and Waukesha County file jointly for grants, both with WisDOT and the federal government. Currently, there are federal funds that have been awarded for relief funds under CARES, CRRSA, and ARPA. These funds are shared evenly between the City of Waukesha and Waukesha County. They are funds designed to be used for operating expenses and are utilized under a reimbursement platform, meaning the expenses are incurred and then drawn down after filing quarterly reports.

This financial report is intended to provide readers with a general overview of the finances of Waukesha Metro Transit. Questions concerning any information within this report may be directed to the Finance Director at 2311 Badger Drive, Waukesha, WI 53188.

Snap Shot of Transportation

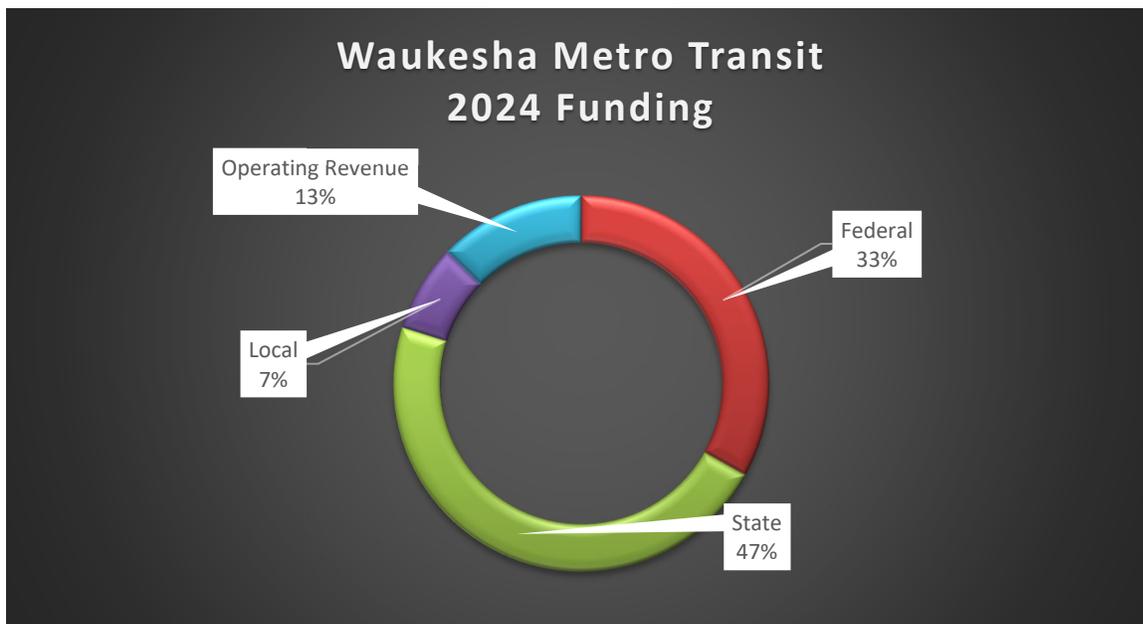


- 364,734 total ridership in 2024, 1.06% increase
- Serving the City of Waukesha & Pewaukee
- Operates 10 fixed routes & Metrolift paratransit service
- 23 fixed route buses & 6 Metrolift vehicles
- 1 Transit Center & 1 Administration and Maintenance facility

Performance and Cost Efficiency: Waukesha Metro Transit

Fixed Route – City of Waukesha	2024	2023	2022
Revenue Hours	42,192	46,554	50,430
Revenue Miles	520,153	598,465	632,480
Unlinked Trips	354,468	352,021	330,838
Cost per Trip	\$ 10.43	\$ 12.80	\$ 14.82
Trips per Hour	8.40	7.56	6.56

ADA Paratransit—City of Waukesha	2024	2023	2022
Revenue Hours	4,540	4,042	3,279
Revenue Miles	51,138	42,379	35,261
Unlinked Trips	10,266	8,874	7,946
Cost per Trip	\$ 49.76	\$ 69.25	\$ 84.15
Trips per Hour	2.26	2.20	2.42





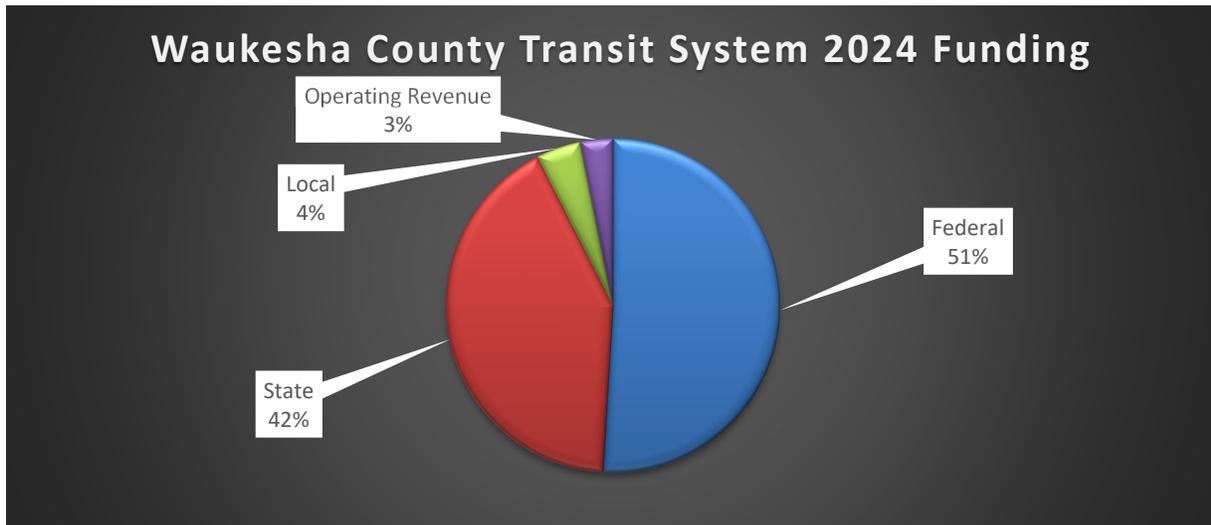
Snap Shot of Transportation

- 179,822 total ridership in 2024
- Serving Waukesha County and portions of Milwaukee County
- 4 fixed routes
- Mobilize – Waukesha County contributed \$450,000 to the Flex Ride Service
- All services contracted out

Contractor	Service
Wisconsin Coach Lines	Route 901, 904, 905
Waukesha Metro Transit	Route 1 – Extension

Performance and Cost Efficiency: Waukesha County Transit System

Fixed Route-- Waukesha County	2024	2023	2022
Revenue Hours	18,157	16,127	12,547
Revenue Miles	355,958	330,365	266,187
Unlinked Trips	179,822	104,916	123,718
Cost per Trip	\$ 14.17	\$ 25.42	\$ 19.64
Trips per Hour	9.90	6.51	9.86



Waukesha Metro TransitStatements of Net Position
December 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Assets and Deferred Outflows of Resources		
Current Assets		
Cash	\$ -	\$ -
Accounts receivable:		
Federal capital and operating grants	665,351	656,365
CARES grant	1,293,910	506,562
Waukesha County	34,476	206,146
Milwaukee Transport	170,704	146,425
Other	24,870	50,087
Due from other funds	1,502,990	1,015,328
Due from other funds - reserve	690,118	190,118
Inventories	203,818	211,024
Prepaid items	427,082	412,983
	<u>5,013,319</u>	<u>3,395,038</u>
Total current assets		
Noncurrent Assets		
Capital assets:		
Land	1,683,701	1,683,701
Plant in service (at cost)	26,461,208	25,856,534
Accumulated depreciation	<u>(15,419,873)</u>	<u>(13,902,353)</u>
	<u>12,725,036</u>	<u>13,637,882</u>
Total noncurrent assets		
Total assets	<u>17,738,355</u>	<u>17,032,920</u>
Deferred Outflows of Resources		
Deferred outflows related to pension	82,418	121,159
Deferred outflows related to other postemployment benefits	<u>2,145</u>	<u>2,218</u>
	<u>84,563</u>	<u>123,377</u>
Total deferred outflows of resources		
Liabilities, Deferred Inflows of Resources and Net Position		
Current Liabilities		
Accounts payable	770,539	307,773
Accrued liabilities	104,815	137,101
Due to State of Wisconsin capital and operating grants	1,638,694	1,276,031
Compensated absences	<u>86,745</u>	<u>86,745</u>
	<u>2,600,793</u>	<u>1,807,650</u>
Total current liabilities		
Noncurrent Liabilities		
Other liabilities	280,763	166,925
Compensated absences	332,692	248,034
Net other postemployment benefit liability	5,111	4,502
Net pension liability	<u>8,393</u>	<u>31,222</u>
	<u>626,959</u>	<u>450,683</u>
Total noncurrent liabilities		
Total liabilities	<u>3,227,752</u>	<u>2,258,333</u>
Deferred Inflows of Resources		
Deferred inflows related to pension	50,177	68,852
Deferred inflows related to other postemployment benefits	<u>2,837</u>	<u>3,229</u>
	<u>53,014</u>	<u>72,081</u>
Total deferred inflows of resources		
Net Position		
Net investment in capital assets	12,725,036	13,637,882
Unrestricted	<u>1,817,116</u>	<u>1,188,001</u>
	<u>\$ 14,542,152</u>	<u>\$ 14,825,883</u>
Net position		

See notes to financial statements

Waukesha Metro Transit

Statements of Revenues, Expenses and Changes in Net Position
December 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Operating Revenues		
Passenger fares for transit service	\$ 390,114	\$ 485,037
Passenger fares, Milwaukee Transport Services	90,427	47,400
Nontransportation revenue:		
Advertising	82,438	96,757
Other	<u>194,304</u>	<u>175,134</u>
Total operating revenues	<u>757,283</u>	<u>804,328</u>
Operating Expenses		
Operation and maintenance	7,475,528	7,771,619
Operation and maintenance, outside city limits	-	15,953
Depreciation	<u>1,517,520</u>	<u>1,461,279</u>
Total operating expenses	<u>8,993,048</u>	<u>9,248,851</u>
Operating loss	<u>(8,235,765)</u>	<u>(8,444,523)</u>
Operating Subsidies and Nonoperating Revenues (Expenses)		
Tire lease	40,147	34,236
Local, other	140,805	245,759
Local, other, prior year grant refunded	(39,057)	-
State	3,323,676	3,260,957
State, prior year grant close out	100,772	-
Federal	1,082,910	1,286,415
CARES grant	1,936,892	901,124
Gain (loss) on sale of asset	<u>-</u>	<u>(3,100)</u>
Total nonoperating revenues	<u>6,586,145</u>	<u>5,725,391</u>
Loss before contributions and transfers	(1,649,620)	(2,719,132)
Transfer In, Municipality, Operating	806,308	1,298,187
Transfer Out, Municipality, Prior Year Grant Refunded	(61,716)	-
Transfer In, Municipality, Tire Lease	10,037	8,559
Capital Contributions	305,376	1,579,495
Capital Contributions, Municipality	<u>305,884</u>	<u>394,874</u>
Change in net position	(283,731)	561,983
Net Position, Beginning	<u>14,825,883</u>	<u>14,263,900</u>
Net Position, Ending	<u>\$ 14,542,152</u>	<u>\$ 14,825,883</u>

See notes to financial statements

Waukesha Metro Transit

Statements of Cash Flows

December 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Cash Flows From Operating Activities		
Received from customers	\$ 782,500	\$ 777,752
Paid to suppliers for goods and services	(3,654,128)	(5,212,548)
Paid to employees for services	(3,201,792)	(2,914,970)
	<u>(6,073,420)</u>	<u>(7,349,766)</u>
Cash flows from operating activities		
	<u>(6,073,420)</u>	<u>(7,349,766)</u>
Cash Flows From Noncapital Financing Activities		
Operating subsidies received, local	249,138	155,610
Operating subsidies received, state	3,787,111	3,651,347
Operating subsidies received, federal	2,320,586	1,661,305
Transfers	754,631	1,306,746
Swept to pooled city cash	(987,662)	537,457
	<u>6,123,804</u>	<u>7,312,465</u>
Cash flows from noncapital financing activities		
	<u>6,123,804</u>	<u>7,312,465</u>
Cash Flows From Capital and Related Financing Activities		
Acquisition and construction of capital assets	(604,674)	(1,975,955)
Capital contributions	554,290	2,013,256
	<u>(50,384)</u>	<u>37,301</u>
Cash flows from capital and related financing activities		
	<u>(50,384)</u>	<u>37,301</u>
Net change in cash and cash equivalents	-	-
Cash and Cash Equivalents, Beginning	-	-
Cash and Cash Equivalents, Ending	<u>\$ -</u>	<u>\$ -</u>
Noncash Capital and Financing Activities		
Change in capital grant receivables	<u>\$ (56,970)</u>	<u>\$ 38,887</u>
Change in operating grant receivables (payables)	<u>\$ (229,309)</u>	<u>\$ (260,229)</u>
Change in CARES grant receivables	<u>\$ 787,348</u>	<u>\$ 506,562</u>

See notes to financial statements

Waukesha Metro Transit

Statements of Cash Flows

December 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Reconciliation of Operating Loss to		
Cash Flows From Operating Activities		
Operating loss	\$ (8,235,765)	\$ (8,444,523)
Noncash items included in operating loss:		
Depreciation	1,517,520	1,461,279
Change in assets and liabilities:		
Accounts receivable, other	25,217	(26,576)
Inventories	7,206	(14,294)
Prepaid items	(14,099)	(310,426)
Accounts payable	462,764	(95,434)
Compensated absences	84,658	(50,151)
OPEB related deferrals and liabilities	290	(56)
Pension related deferrals and assets	(2,763)	9,943
Other current liabilities	<u>81,552</u>	<u>120,472</u>
Net cash flows from operating activities	<u>\$ (6,073,420)</u>	<u>\$ (7,349,766)</u>

See notes to financial statements

Waukesha Metro Transit

Notes to Financial Statements
December 31, 2024 and 2023

1. Summary of Significant Accounting Policies

The financial statements of Waukesha Metro Transit (Transit) have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to enterprise funds of government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The significant accounting principles and policies utilized by the Transit are described below:

Reporting Entity

Waukesha Metro Transit, an enterprise fund of the City of Waukesha (City), provides public bus transportation in the City and surrounding communities. The Transit is governed by the Transit Commission Board which consists of City council members and citizen representatives. Waukesha Metro Transit, under contract, performs the administrative functions of the Waukesha County Transit System.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The Transit is presented as an enterprise fund of the municipality. Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business or where the governing body has decided that the determination of revenues earned, costs incurred and net income is necessary for management accountability.

The financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In June 2022, the GASB issued Statement No. 101, Compensated Absences. This Statement requires that liabilities for compensated absences be recognized in financial statements prepared using the economic resources measurement focus for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. This standard was implemented December 31, 2024. The prior year impact of the standard was not considered material to the financial statements, therefore the prior year balances were not adjusted for the change.

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 amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position

Deposits and Investments

For purposes of the statement of cash flows, cash and cash equivalents have original maturities of three months or less from the date of acquisition.

Waukesha Metro Transit

Notes to Financial Statements
December 31, 2024 and 2023

Investment of the Transit funds is restricted by state statutes. Investments are limited to:

- Time deposits in any credit union, bank, savings bank or trust company maturing in three years or less.
- Bonds or securities of any county, city, drainage district, technical college district, village, town or school district of the state. Also, bonds issued by a local exposition district, local professional baseball park district, local professional football stadium district, local cultural arts district, the University of Wisconsin Hospitals and Clinics Authority or the Wisconsin Aerospace Authority.
- Bonds or securities issued or guaranteed by the federal government.
- The local government investment pool.
- Any security maturing in seven years or less and having the highest or second highest rating category of a nationally recognized rating agency.
- Securities of an open-end management investment company or investment trust, subject to various conditions and investment options.
- Repurchase agreements with public depositories, with certain conditions.

The Transit is included in the City's investment policy which follows the state statutes for allowable investments.

Investments are stated at fair value, which is the amount at which an investment could be exchanged in a current transaction between willing parties. Fair values are based on quoted market prices or similar information. No investments are reported at amortized cost. Adjustments necessary to record investments at fair value are recorded in the operating statements as increases or decreases in investment income. Market values may have changed significantly after year-end.

Accounts Receivable

Outstanding balances between the Transit and other funds of the municipality are reported as due to/from other funds.

The Transit considers receivables from government units to be fully collectible; accordingly, no allowance for doubtful accounts from governmental units is presented.

Inventories

Materials and supplies are generally used for operation and maintenance work, not for resale. They are valued at lower of cost or market utilizing the first-in first-out method and charged to operation and maintenance expense when used.

Prepaid Items

Prepayments represent costs of services and insurance policies paid during the current audit year for coverage in subsequent years.

Waukesha Metro Transit

Notes to Financial Statements
December 31, 2024 and 2023

Pensions

For purposes of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions and pension expense, information about the fiduciary net position of the Wisconsin Retirement System (WRS) and additions to/deductions from WRS' fiduciary net position have been determined on the same basis as they are reported by WRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms, investments are reported at fair value.

Postemployment Benefits Other Than Pensions (OPEB)

The fiduciary net position of the Local Retiree Life Insurance Fund (LRLIF) has been determined using the flow of economic resources measurement focus and the accrual basis of accounting. This includes for purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to other postemployment benefits, OPEB expense and information about the fiduciary net position of the LRLIF and additions to/deductions from LRLIFs fiduciary net position have been determined on the same basis as they are reported by LRLIF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Capital Assets

Capital assets are defined by the Transit as assets with an initial, individual cost of at least \$5,000 and an estimated useful life in excess of one year.

Additions to and replacements of the Transit capital assets are recorded at original cost, which includes material, labor, overhead and an allowance for the cost of funds used during construction when significant. The cost of renewals and betterments relating to retirement units is added to capital asset accounts. The cost of property replaced, retired or otherwise disposed of, is deducted from capital asset accounts and, generally, together with removal costs less salvage, is charged to accumulated depreciation. The provision for depreciation shown in the financial statements results from the application of straight-line rates to original costs.

A summary of depreciation lives follows:

	<u>Years</u>
Building	25
Vehicles	2-12
Shop equipment	2-10
Office equipment	3-10
Bus stop signs	10
Shelters and benches	5-10

Deferred Outflows of Resources

A deferred outflows of resources represents a consumption of net position that applies to a future period and will not be recognized as an outflows of resources (expense) until that future time.

Waukesha Metro Transit

Notes to Financial Statements
December 31, 2024 and 2023

Compensated Absences

All permanent employees are allowed to accumulate up to 920 hours of sick time. For employees hired prior to February 6, 2013, upon the retirement with 10 or more years of seniority, the employee's unused accumulated sick leave shall be paid out on the final paycheck. For employees hired after February 6, 2013, upon the retirement after age 55 and with fifteen or more years of seniority, the employee's unused accumulated sick leave shall be paid out on the final paycheck. This liability is reported as a long-term liability on the statements of net position.

Employees earn varying amounts of vacation based on years of service. Vacation time is accrued throughout the year. This liability is reported as a current liability on the statements of net position.

Other Liabilities

The balance consists of funds received from the county to be applied to future service costs.

Deferred Inflows of Resources

A deferred inflow of resources represents an acquisition of net position that applies to a future period and therefore will not be recognized as an inflow of resources (revenue) until that future time.

Revenues and Expenses

Revenue Recognition

The Transit System distinguishes operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services. The principal operating revenues of the Transit System are charges to customers for services. In addition, the Transit System also receives operating subsidies from state, local and federal governments. Operating expenses include the cost of services, administrative expenses and depreciation on capital assets. Other revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Charges for Services

Waukesha Metro Transit fares are recorded as revenue continuously through the year. Current fares were made effective September 1, 2023 as approved by the Waukesha Transit Commission Board.

Tire Lease Subsidy

Certain major vehicle repair parts such as tires, transmissions, differentials, etc. as well as certain special studies are eligible for funding under federal capital grants. These items are called capital associated maintenance items. In the year these items are purchased, they are recorded as operating expenses and the related capital grants are recorded as federal operating assistance. The tire lease subsidy revenue represents federal grant revenue provided for tire leases and thus recognized as operating assistance.

Capital Contributions

The Transit has received federal, state, local and other grants to pay a portion of the costs of capital assets or capital associated maintenance items. The value of property contributed to the Transit is reported as revenues on the statement of revenues, expenses and statement of net position.

Waukesha Metro Transit

Notes to Financial Statements
December 31, 2024 and 2023

Effect of New Accounting Standards on Current Period Financial Statements

The Governmental Accounting Standards Board (GASB) has approved the following: Statement No. 102, *Certain Risk Disclosures*, Statement No. 103, *Financial Reporting Model Improvements* - Statement No. 104, *Disclosure of Certain Capital Assets*. When they become effective, application of these standards may restate portions of these financial statements.

Comparative Data

Certain amounts presented in the prior year data may have been reclassified in order to be consistent with the current year's presentation.

2. Deposits and Investments

Generally accepted accounting principles require the disclosure of the Transit's cash and investment balances and their applicable investment insurance coverage. The Transit cash and investments are commingled with the entire City; therefore, individual fund bank balances cannot be determined. Please refer to the citywide statements for further information.

3. Interfund Receivables/Payables

The following is a schedule of the Interfund balances for the years ending December 31, 2024 and 2023:

Due To	Due From	2024		2023	
		Amount	Principal Purpose	Amount	Principal Purpose
Municipality	Transit	\$ 791,805	Operating activities	\$ 402,267	Operating activities
Transit	Municipality	2,294,795	Advance – pooled cash	1,417,595	Advance – pooled cash
Transit	Municipality	690,118	Reserve tax levy	190,118	Reserve tax levy

Waukesha Metro Transit

Notes to Financial Statements
December 31, 2024 and 2023

4. Changes in Capital Assets

A summary of changes in the Transit capital assets for 2024 and 2023 follows:

	Balance 1/1/24	Additions	Retirements	Balance 12/31/24
Capital assets, net being depreciated:				
Land	\$ 1,683,701	\$ -	\$ -	\$ 1,683,701
Capital assets being depreciated Transit				
Terminal:				
Building	12,382,294	363,838	-	12,746,132
Vehicles	10,792,905	56,151	-	10,849,056
Shop equipment	1,633,145	172,952	-	1,806,097
Office equipment	1,048,190	11,733	-	1,059,923
Total capital assets being depreciated	<u>25,856,534</u>	<u>604,674</u>	<u>-</u>	<u>26,461,208</u>
Total capital assets	<u>27,540,235</u>	<u>604,674</u>	<u>-</u>	<u>28,144,909</u>
Less accumulated depreciation for:				
Building	(7,061,500)	(315,158)	-	(7,376,658)
Vehicles	(4,959,833)	(944,961)	-	(5,904,794)
Shop equipment	(1,128,895)	(155,435)	-	(1,284,330)
Office equipment	(752,125)	(101,966)	-	(854,091)
Total accumulated depreciation	<u>(13,902,353)</u>	<u>(1,517,520)</u>	<u>-</u>	<u>(15,419,873)</u>
Net transit system plant	<u>\$ 13,637,882</u>			<u>\$ 12,725,036</u>
	Balance 1/1/23	Additions	Retirements	Balance 12/31/23
Capital assets, net being depreciated:				
Land	\$ 1,683,701	\$ -	\$ -	\$ 1,683,701
Capital assets being depreciated Transit				
Terminal:				
Building	12,462,967	-	(80,673)	12,382,294
Vehicles	10,136,143	1,631,285	(974,523)	10,792,905
Shop equipment	1,564,219	232,004	(163,078)	1,633,145
Office equipment	959,001	117,667	(28,478)	1,048,190
Total capital assets being depreciated	<u>25,122,330</u>	<u>1,980,956</u>	<u>(1,246,752)</u>	<u>25,856,534</u>
Total capital assets	<u>26,806,031</u>	<u>1,980,956</u>	<u>(1,246,752)</u>	<u>27,540,235</u>
Less accumulated depreciation for:				
Building	(6,819,348)	(322,825)	80,673	(7,061,500)
Vehicles	(5,033,755)	(892,501)	966,423	(4,959,833)
Shop equipment	(1,163,489)	(126,644)	161,238	(1,128,895)
Office equipment	(663,133)	(116,042)	27,050	(752,125)
Total accumulated depreciation	<u>(13,679,725)</u>	<u>(1,458,012)</u>	<u>1,235,384</u>	<u>(13,902,353)</u>
Net transit system plant	<u>\$ 13,126,306</u>			<u>\$ 13,637,882</u>

Waukesha Metro Transit

Notes to Financial Statements
December 31, 2024 and 2023

5. Operating Subsidies

The Transit receives operating subsidies from the federal, state and local governments. The Transit submits an annual request for federal and state subsidies. Federal subsidies are provided for preventative maintenance and third party contracting while state subsidies are limited by: 1) the maximum amount of the grant award; 2) five times the local contribution and 3) the nonfederal share of the audited operating deficit.

State operating assistance is received from the Wisconsin Department of Transportation.

Local subsidies are contributions made by the City of Waukesha and Waukesha County based on their applicable share of revenues. Operating assistance for 2024 and 2023 was as follows:

	<u>2024</u>	<u>2023</u>
Governmental Unit:		
Federal (net of amounts passed to sub recipients)	\$ 1,082,910	\$ 1,263,646
Federal/City, tire lease	50,184	42,795
Federal/City, share of buses	32,102	17,447
Federal CMAQ	-	22,769
Federal CARES	1,936,892	901,124
State of Wisconsin	3,231,278	3,170,196
State Paratransit Aid	92,398	90,761
Local:		
City of Waukesha	806,308	1,298,187
Waukesha County	140,805	245,759
Total	<u>\$ 7,372,877</u>	<u>\$ 7,052,684</u>

In addition, in 2024 the state closed out the 2019 grant resulting in \$100,772 payment to Transit which was refunded proportionately to the County and the City.

6. Long-Term Obligations

Long-Term Obligations Summary

	<u>1/1/24</u> <u>Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>12/31/24</u> <u>Balance</u>	<u>Due Within</u> <u>One Year</u>
Other liabilities	\$ 166,925	\$ 113,838	\$ -	\$ 280,763	\$ -
Compensated absences	334,779	147,737	63,079	419,437	-
Total	<u>\$ 501,704</u>	<u>\$ 261,575</u>	<u>\$ 63,079</u>	<u>\$ 700,200</u>	<u>\$ -</u>
	<u>1/1/23</u> <u>Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>12/31/23</u> <u>Balance</u>	<u>Due Within</u> <u>One Year</u>
Other liabilities	\$ 105,056	\$ 61,869	\$ -	\$ 166,925	\$ -
Compensated absences	384,930	22,900	73,051	334,779	-
Total	<u>\$ 489,986</u>	<u>\$ 84,769</u>	<u>\$ 73,051</u>	<u>\$ 501,704</u>	<u>\$ -</u>

In addition to the liabilities above, information on the net pension liability (asset) is provided in Note 8 and information on the Net OPEB liability (asset) is provided in Note 9.

Waukesha Metro Transit

Notes to Financial Statements
December 31, 2024 and 2023

7. Net Position

GASB No. 34 requires the classification of net position into three components - net investment in capital assets; restricted; and unrestricted. These classifications are defined as follows:

Net Investment in Capital Assets - This component of net position consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds are not included in the calculation of net investment in capital assets. Rather, that portion of the debt is included in the same net position component as the unspent proceeds. As of December 31, 2024 and 2023, Waukesha Metro Transit does not have any outstanding debt.

Restricted - This component of net position consists of constraints placed on net asset use through external constraints imposed by creditors (such as through debt covenants), grantors, contributors or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation. As of December 31, 2024, there is no restricted net position.

Unrestricted Net Position - The component of net position consists of net position that does not meet the definition of restricted or net investment in capital assets.

When both restricted and unrestricted resources are available for use, it is the Transit's policy to use restricted resources first, then unrestricted resources as they are needed.

8. Employee Retirement System

The City participates in the Wisconsin Retirement System (WRS). The Transit has one employee who is WRS eligible and is allocated a share of the City's pension related assets, deferred outflows of resources, deferred inflows of resources, liabilities and pension expense based on their proportionate share of employer contributions made to WRS related to the one employee.

Generally accepted accounting principles require disclosures related to defined benefit pension plans including a description of the plan, information about the net pension liability (asset) and amounts payable by the employer to the plan. Please see the citywide statements for this information as it relates to WRS. The Transit's proportionate share of the City's pension related assets, deferred outflows of resources, deferred inflows of resources, liabilities and pension expense are included in these statements.

9. Other Postemployment Benefits

The City participates in the Local Retiree Life Insurance Fund (LRLIF). The Transit has one employee who is LRLIF eligible and is allocated a share of the City's OPEB related liability, deferred outflows of resources, deferred inflows of resources and OPEB expense based on their proportionate share of employer contributions made to LRLIF related to the one employee.

Generally accepted account principles require disclosures related to defined benefit OPEB plans including a description of the plan, information about the net OPEB liability (asset) and amounts payable by the employer to the plan. Please see the citywide statements for this information as it relates to LRLIF. The Transit's proportionate share of the City's OPEB related liability, deferred outflows of resources, deferred inflows of resources and OPEB expense are included in these statements.

Waukesha Metro Transit

Notes to Financial Statements
December 31, 2024 and 2023

10. Risk Management (Commercial/Self Insurance)

The Transit is exposed to various risks of loss related to torts; theft of, damage to or destruction of assets; errors and omissions; worker's compensation; and health care of its employees. These risks are covered through the purchase of commercial insurance, with minimal deductibles. Settled claims have not exceeded the commercial liability in any of the past three years. There were no significant reductions in coverage compared to the prior year.

Transit Mutual Insurance Corporation of Wisconsin (TMi)

Transit Mutual Insurance Corporation of Wisconsin (TMi) is a municipal mutual insurance corporation, which insures auto liability and vehicle physical damage for municipally-owned Transit Systems in Wisconsin. Each insured property is an owner of the mutual insurance corporation. The City insures its Transit Systems' auto liability and physical damage with TMi and is an owner of the corporation.

Effective June 1, 2016, TMi issued to the City an auto liability insurance policy with a combined single limit coverage of \$10,000,000. In addition, the City's policy provides for \$25,000 per person and \$50,000 per accident in uninsured motorist insurance.

The physical damage policy issued by TMi to the City provides collision and comprehensive coverage for the lesser of the agreed value or the cost of repairs minus a \$500 per accident deductible for private passenger and service units and a \$1,000 per accident deductible for bus units.

Management of TMi consists of a board of directors comprised of one representative for each member. The City does not exercise any control over the activities of the corporation beyond its representation on the board of directors.

Premiums are determined in advance of each premium year, which begins on January 1. TMi is an assessable mutual; accordingly, the board of directors may require that supplemental contributions be made by members to ensure adequate funds are available to meet the obligations applicable to the premium year. Members are required by Wisconsin statute and TMi bylaws to fund any deficit attributable to a premium year during which they were a member. TMi was incorporated in 1985 and began issuing insurance policies in 1986; there has never been a member assessment beyond the annual premiums.

The City's share of this corporation is 5.13% for auto liability and 3.91% of physical damage liability. A list of the other members and their share of participation is available in the TMi report, which is available from TMi, PO Box 1135, Appleton, WI 54915-1483 or by email from tmi@transitmutual.com.

11. Commitments and Contingencies

Grants

Waukesha Metro Transit has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursements to the grantor agency for expenditures disallowed under terms of the grants. Management believes such disallowances, if any, would be immaterial.

Waukesha Metro Transit

Notes to Financial Statements
December 31, 2024 and 2023

Long-Term Contracts for Purchased Transportation

The Transit has certain contracts for purchased transportation that extend beyond year-end.

Waukesha Metro Transit has contracted with Transdev to provide management and operational staffing. As such, substantially all employees are employees of Professional Transit Management of Waukesha, Inc. (a subsidiary of Transdev); however, labor and benefits are recorded in compliance with the Federal Transit Administration chart of accounts. For the years ended December 31, 2024 and 2023, the Transit paid \$132,283 and \$127,614, respectively, in retirement costs for the retirement plan maintained by Professional Transit Management of Waukesha, Inc.

12. Subsequent Events

The Transit evaluated subsequent events through the date that the financial statements were available to be issued, for events requiring recording or disclosure in the financial statements.

Fare Adjustment

New transit fares were approved and are effective January 1, 2025.

SUPPLEMENTARY INFORMATION

Waukesha Metro Transit

Detailed Schedule of Waukesha Transit Commission -
Statements of Revenues, Expenses and Changes in Net Position - Regulatory Basis
December 31, 2024 and 2023

		<u>2024</u>	<u>2023</u>
Revenue			
401.	Passenger fares for transit service	\$ 480,541	\$ 532,437
406.	Nontransportation revenues	82,438	96,966
407.	Nontransportation revenues, route administration	162,202	157,478
408.	City tire lease grant revenue	10,037	8,559
408.	Federal tire lease grant revenue	40,147	34,236
408.	Local share of buses	32,102	17,447
409.	Local cash grants, reimbursements and transfers, operating	947,113	1,543,946
409.105	Local cash grants, reimbursements and transfers, capital	305,884	394,874
411.	State cash grants and reimbursements, operating	3,231,278	3,170,196
411.	State paratransit aid	92,398	90,761
413.	Federal cash grants and reimbursements, operating	1,082,910	1,263,646
413.	CMAQ grant	-	22,769
413	CARES grant	1,936,892	901,124
413.105	Federal cash grants and reimbursements, capital	<u>305,376</u>	<u>1,579,495</u>
	Total revenue	<u>8,709,318</u>	<u>9,813,934</u>
Expenses - by Object Class Total			
501.01	Operations salaries and wages	2,027,202	1,791,717
501.02	Other salaries and wages	1,174,592	1,123,253
502.	Fringe benefits and FICA	1,667,733	1,698,635
503.	Services	772,392	747,227
504.01	Fuel and lubricants	466,682	479,235
504.02	Tires and tubes	50,183	42,796
504.99	Other materials and supplies	204,456	175,560
505.	Utilities	94,583	105,300
506.	Casualty and liability costs	357,802	305,971
507.	Taxes	215	891
508.	Purchased transportation	651,208	1,263,359
509.	Miscellaneous expense	8,480	37,675
510	Payments to subrecipients	<u>-</u>	<u>15,953</u>
	Total operation and maintenance expenses	7,475,528	7,787,572
Reconciling items:			
513.	Loss (gain) on asset disposal	-	3,100
513.	Depreciation	<u>1,517,520</u>	<u>1,461,279</u>
	Total reconciling items	<u>1,517,520</u>	<u>1,464,379</u>
	Total expenses and reconciling items	<u>8,993,048</u>	<u>9,251,951</u>
	Change in net position	(283,730)	561,983
	Net Position, Beginning	<u>14,825,883</u>	<u>14,263,900</u>
	Net Position, Ending	<u>\$ 14,542,153</u>	<u>\$ 14,825,883</u>

Waukesha Metro Transit

Waukesha Transit Commission -

Reconciliation of Revenues and Expenses to WisDOT and Federal

Recognized Revenues and Expenses - Regulatory Basis

Year Ended December 31, 2024

	<u>Per WisDOT Guidelines</u>	<u>Per Federal Guidelines</u>
Revenues from Waukesha Transit Commission's records	\$ 8,709,318	\$ 8,709,318
Less Unrecognized Revenues		
406. Nontransportation revenues	-	82,438
407. Nontransportation revenues, route administration	162,202	162,202
408. Local tire lease revenue	10,037	10,037
409. Local operating assistance and transfers	947,113	947,113
409.105 Local assistance and transfers, capital	305,884	305,884
411. State operating assistance	3,231,278	3,231,278
411. State paratransit aid	92,398	92,398
413. Federal operating assistance	1,082,910	1,082,910
413. Federal tire lease revenue	40,147	40,147
413. CARES grant	1,936,892	1,936,892
413.105 Other nonoperating revenues (capital funding & subrecipient costs)	<u>305,376</u>	<u>305,376</u>
Adjusted revenues	<u>\$ 595,081</u>	<u>\$ 512,643</u>
Expenses from Waukesha Transit Commission's records	\$ 8,993,048	\$ 8,993,048
Less Nonrecognized Expenses		
513. Depreciation	1,517,520	1,517,520
Less WisDOT Paratransit Costs, not eligible	<u>92,398</u>	<u>-</u>
Recognized expenses	<u>\$ 7,383,130</u>	<u>\$ 7,475,528</u>
Recognized deficits	<u>\$ (6,788,049)</u>	<u>\$ (6,962,885)</u>

Waukesha Metro Transit

Waukesha Transit Commission -
 Computation of the Deficit Distribution Among the Subsidy Grantors
 Year Ended December 31, 2024

Federal Section 9 Funds

Preventative maintenance	\$	561,455	
Federal tire lease grant revenue		40,147	
Capital cost of third party contracting		<u>521,455</u>	
Maximum federal share per grant awards	\$		<u>1,123,057</u>

State Funds

WisDOT contract maximum			\$	<u>3,729,792</u>
Local operating subsidy	\$	<u>947,113</u>		
5 Times operating subsidy			\$	<u>4,735,565</u>
WisDOT recognized expenses		7,383,130		
Combined share		<u>58.97682%</u>		
		4,354,335		
Less federal share		<u>1,123,057</u>		
State share of deficit			\$	<u>3,231,278</u>
State share, contractual amount			\$	<u>3,231,278</u>

Summary of 2024 Operational Funding *

	<u>Received in 2024</u>	<u>Receivable (Payable) 12/31/2024</u>	<u>Total</u>
Federal Section 9 Funds	\$ 581,601	\$ 541,456	\$ 1,123,057
State Funds, operating	3,729,792	(498,514)	3,231,278
Local Funds	<u>515,681</u>	<u>431,432</u>	<u>947,113</u>
Total funding	<u>\$ 4,827,074</u>	<u>\$ 474,374</u>	<u>\$ 5,301,448</u>

* Excludes local, state and federal capital assistance, CMAQ, WETAP, or prior year activity.