

# **Waukesha Metro Transit**

An Enterprise Fund of the City of Waukesha, Wisconsin

Financial Statements and  
Supplementary Information

December 31, 2022 and 2021

# Waukesha Metro Transit

An Enterprise Fund of the City of Waukesha, Wisconsin

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December 31, 2022 and 2021

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## **Independent Auditors' Report**

To the Transit Commission Board of  
Waukesha Metro Transit

### **Opinion**

We have audited the financial statements of the Waukesha Metro Transit, an enterprise fund of the City of Waukesha, Wisconsin, as of and for the years ended December 31, 2022 and 2021 and the related notes to the financial statements, as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Waukesha Metro Transit as of December 31, 2022 and 2021, 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 Waukesha Metro Transit and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. 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 Waukesha Metro Transit, the enterprise fund of the City of Waukesha, Wisconsin, are intended to present the financial position, the changes in the financial position, and cash flows of only the enterprise fund. They do not purport to, and do not, present fairly the financial position of the City of Waukesha, Wisconsin, as of December 31, 2022, and 2021, 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 opinions. 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 audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental 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  
May 11, 2023

# **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 330,838 passengers in 2022. Waukesha Metrolift, a demand-responsive paratransit service required under federal regulations for those persons unable to ride fixed route transit because of disability, carried 7,946 disabled persons in 2022 at a fare double the fixed route adult fare. Waukesha Metro has provided over 20 Million rides in its history.

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 with an adult fare of \$2.00. The transit system has extended service beyond city boundaries where appropriate. Frequent service is operated in the Bluemound Road corridor in the Town and City of Brookfield to the Brookfield Square Mall. This service is funded by Waukesha County.

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 with an emphasis on 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. There 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**

	2022	2021	2020
<b><u>Assets</u></b>			
Current Assets	\$ 2,969,467	\$2,829,371	\$2,116,549
Non-Current Assets (net of accum. depr)	\$ 13,174,874	\$13,628,956	\$13,372,742
Total Assets	\$ 16,144,341	\$16,458,327	\$15,489,291
Deferred Outflows	\$ 99,698	\$67,319	\$48,938
<b><u>Liabilities</u></b>			
Current Liabilities	\$ 1,454,091	\$1,288,822	\$548,163
Non-current Liabilities	\$ 410,564	\$420,544	\$448,096
Total Liabilities	\$ 1,864,655	\$1,709,366	\$996,259
Deferred Inflows	\$ 115,484	\$83,159	\$57,830
<b><u>Net Assets</u></b>			
Invested in capital assets	\$ 13,126,306	\$13,591,540	\$13,353,663
Restricted - Pension	\$ 48,568	\$37,416	\$19,079
Unrestricted (deficit)	\$ 1,089,026	\$1,104,165	\$1,111,398
Total Net Assets	\$ 14,263,900	\$14,733,121	\$14,484,140

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

	2022	2021	2020
<b>Operating Revenues</b>			
Passenger fares for transit service	\$575,789	\$528,117	\$434,651
Non-transportation revenues - advertising	\$84,788	\$68,801	\$45,722
Non-transportation revenues - route administration	\$153,062	\$148,900	\$147,889
Total Operating Revenues	\$813,639	\$745,818	\$628,262
<b>Operating Expenses</b>			
Salaries and wages	\$2,558,045	\$2,428,692	\$2,319,683
Fringe benefits	\$1,652,425	\$1,508,783	\$1,534,880
Services	\$613,331	\$572,204	\$547,188
Materials and Supplies	\$695,772	\$515,732	\$394,601
Utilities	\$99,481	\$86,985	\$77,945
Casualty and Liability costs	\$156,998	\$146,222	\$143,032
Taxes	\$559	\$720	\$893
Purchased transportation services	\$2,252,230	\$2,200,712	\$2,354,356
Miscellaneous	\$37,439	\$19,434	\$16,731
Depreciation	\$1,287,295	\$1,191,369	\$1,101,923
Total Operating Expenses	\$9,353,575	\$8,670,853	\$8,491,232
Operating Loss	(\$8,539,936)	(\$7,925,035)	(\$7,862,970)
<b>Operating Subsidies</b>			
Federal tire lease grant revenue	\$25,911	\$24,722	\$25,300
Local - Other	\$349,515	\$730,888	\$665,931
State - Operating	\$4,244,963	\$3,153,289	\$3,533,817
CMAQ Grant	\$13,751	\$12,655	\$11,614
Federal - Operating	\$1,267,813	\$966,612	\$1,305,083
CARES Grant	\$588,408	\$1,052,093	\$600,000
Total Subsidies	\$6,490,361	\$5,940,259	\$6,141,745
Loss before Contributions and Transfers	(\$2,049,575)	(\$1,984,776)	(\$1,721,225)
Transfer In - Municipality - Operating	\$751,816	\$795,329	\$806,238
Transfer In - Municipality - Tire Lease	\$6,478	\$6,181	\$6,325
Transfer In - Municipality - Capital	\$0	\$0	\$0
Capital Contributions - Federal/State	\$657,649	\$1,145,797	\$623,809
Capital Contributions - Local	\$164,411	\$286,450	\$155,951
Change in Net Position	(\$469,221)	\$248,981	(\$128,902)
Net Position - Beginning of Year	\$14,733,121	\$14,484,140	\$14,613,042
Net Position - End of Year	\$14,263,900	\$14,733,121	\$14,484,140

Waukesha Metro Transit saw about a 9.4% increase in operating revenue, \$52,495, from 2021 to 2022, with roughly \$36,000 in fares and the remaining in advertising revenue. Waukesha Metro Transit had increased ridership but is still under Pre-COVID levels. Waukesha County had service reductions on MCTS eliminating the Route 79 and Wisconsin Coach Lines had less trips operated, but there was an overall increase in ridership from 2021 to 2022. There was roughly a 13% increase in ridership with 14,550 additional riders.

Waukesha Metro Transit saw an increase in total operating expenses from 2021 to 2022 with approximately \$504,250 additional expenses. Most of the increase is found within the Salaries and Wages category, Fringe, Services and Materials and Supplies category. One unique problem the transit system faced was a shortage of drivers, resulting in overtime being utilized in order to maintain our level of service. Fuel was also higher than Pre-COVID levels, resulting in higher Materials and Supplies category. Waukesha County also had an increase in expenses from 2021 to 2022, with roughly \$66,600 additional expenses. There was an increase with Wisconsin Coach Lines expenses based on contracted rates, including the fuel clause, but an offsetting decrease on the Milwaukee County Transit System side due to the elimination of Route 79.

### **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 2020, Waukesha Metro Transit purchased \$779,760 in capital grants. Of these purchases \$623,808 was the federal share and \$155,952 was the local match. These capital grant expenditures included the purchase of (4) new paratransit buses, revenue collection equipment, software upgrades, HVAC upgrades and informational signage enhancements at the transit center.

In 2021, Waukesha Metro Transit purchased \$1,432,247 in capital grants. Of these purchases \$1,145,797 was the federal share and \$286,450 was the local match. The capital grant expenditures included the purchase of (2) new fixed route buses, a paratransit van, engine/transmission rebuilds, AVL system, fueling system and security cameras.

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.

*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

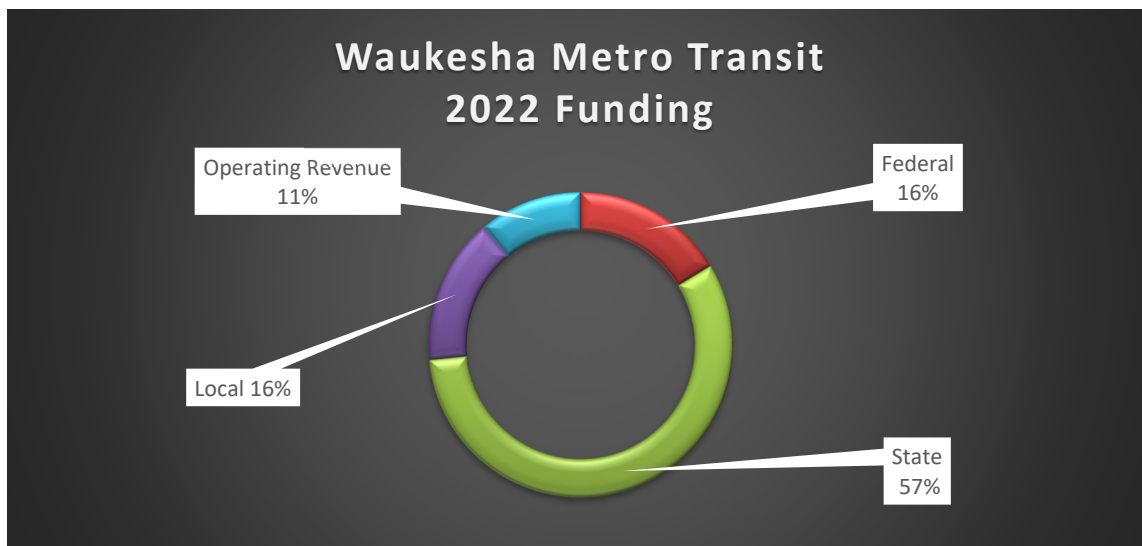


- 338,784 total ridership in 2022, 4.3% increase
- Serving the City of Waukesha, Town and City of Brookfield & Pewaukee
- Operates 10 fixed routes & Metrolift paratransit service
- 23 fixed route buses & 6 Metrolift vehicles
- 1 Transit Center & 1 Administration and Maintenance facility

Performance and Cost Efficiency: Waukesha Metro Transit

Fixed Route – City of Waukesha	2022	2021	2020
Revenue Hours	50,430	50,660	48,825
Revenue Miles	632,480	628,936	625,189
Unlinked Trips	330,838	317,605	364,383
Cost per Trip	\$ 14.82	\$ 14.04	\$ 11.65
Trips per Hour	6.56	6.27	7.46

ADA Paratransit—City of Waukesha	2022	2021	2020
Revenue Hours	3,279	2,970	2,628
Revenue Miles	35,261	32,988	25,786
Unlinked Trips	7,946	7,296	5,984
Cost per Trip	\$ 84.15	\$ 83.36	\$ 96.71
Trips per Hour	2.42	2.46	2.28





Snap Shot of Transportation

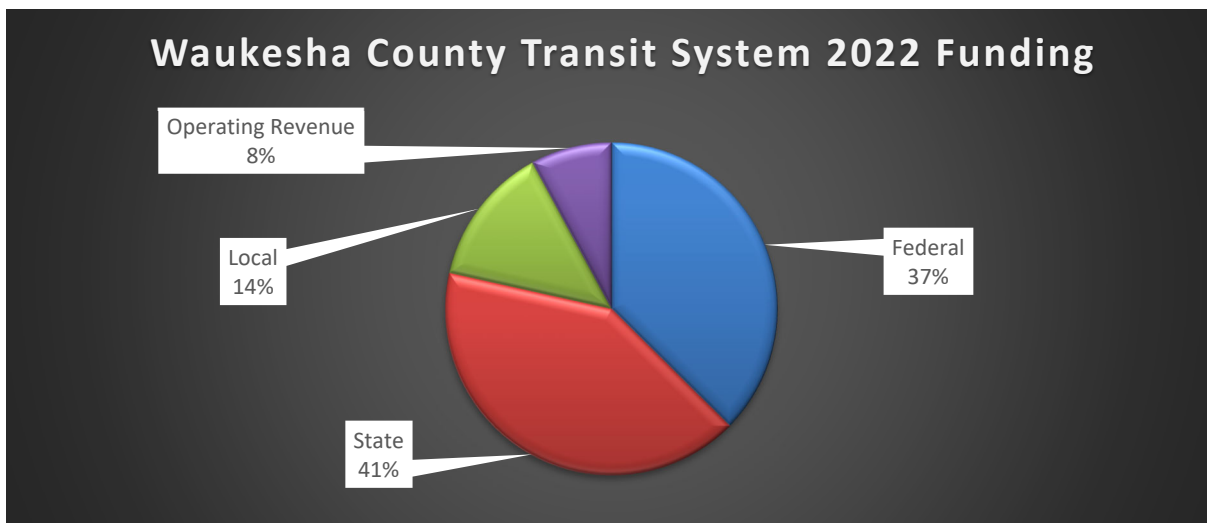
- 124,249 total ridership in 2022, 13.3% increase
- Serving Waukesha County and portions of Milwaukee County
- 5 fixed routes & paratransit service
- All services contracted out

Contractor	Service
Wisconsin Coach Lines	Route 901, 904, 905
Milwaukee County Transit	Gold Line
Waukesha Metro Transit	Route 1 (Portion)
Transit Express	ADA Paratransit

Performance and Cost Efficiency: Waukesha County Transit System

Fixed Route-- Waukesha County	2022	2021	2020
Revenue Hours	12,547	12,639	14,040
Revenue Miles	266,187	270,456	311,280
Unlinked Trips	123,718	108,930	111,977
Cost per Trip	\$ 19.64	\$ 21.59	\$ 22.02
Trips per Hour	9.86	8.62	7.98

ADA Paratransit— Waukesha County	2022	2021	2020
Revenue Hours	316	476	862
Revenue Miles	4,674	5,990	10,667
Unlinked Trips	531	769	1,486
Cost per Trip	\$ 92.07	\$ 77.01	\$ 68.07
Trips per Hour	1.68	1.62	1.72



**Waukesha Metro Transit**Statements of Net Position  
December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
<b>Assets</b>		
<b>Current Assets</b>		
Accounts receivable:		
Federal capital and operating grants	641,344	384,120
CARES grant	-	674,336
Waukesha County	262,422	289,374
Other	23,511	19,018
Due from other funds	1,742,903	1,236,479
Inventories	196,730	161,228
Prepaid items	<u>102,557</u>	<u>64,816</u>
Total current assets	<u>2,969,467</u>	<u>2,829,371</u>
<b>Noncurrent Assets</b>		
Net pension asset	48,568	37,416
Capital assets:		
Land	1,683,701	1,683,701
Plant in service (at cost)	25,122,330	24,300,269
Accumulated depreciation	<u>(13,679,725)</u>	<u>(12,392,430)</u>
Total noncurrent assets	<u>13,174,874</u>	<u>13,628,956</u>
Total assets	<u>16,144,341</u>	<u>16,458,327</u>
<b>Deferred Outflows of Resources</b>		
Deferred outflows related to pension	97,116	64,764
Deferred outflows related to other postemployment benefits	<u>2,582</u>	<u>2,555</u>
Total deferred outflows of resources	<u>99,698</u>	<u>67,319</u>
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Accounts payable	403,207	245,329
Accrued liabilities	78,498	72,972
Due to State of Wisconsin capital and operating grants	885,641	885,641
Compensated absences	<u>86,745</u>	<u>84,881</u>
Total current liabilities	<u>1,454,091</u>	<u>1,288,823</u>
<b>Noncurrent Liabilities</b>		
Other liabilities	105,056	105,056
Compensated absences	298,185	309,428
Net other postemployment benefit liability	<u>7,323</u>	<u>6,060</u>
Total noncurrent liabilities	<u>410,564</u>	<u>420,544</u>
Total liabilities	<u>1,864,655</u>	<u>1,709,366</u>
<b>Deferred Inflows of Resources</b>		
Deferred inflows related to pension	114,656	82,297
Deferred inflows related to other postemployment benefits	<u>828</u>	<u>862</u>
Total deferred inflows of resources	<u>115,484</u>	<u>83,159</u>
<b>Net Position</b>		
Net investment in capital assets	13,126,306	13,591,540
Restricted, pension	48,568	37,416
Unrestricted	<u>1,089,026</u>	<u>1,104,165</u>
Net position	<u>\$ 14,263,900</u>	<u>\$ 14,733,121</u>

See notes to financial statements

## Waukesha Metro Transit

Statements of Revenues, Expenses and Changes in Net Position  
December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
<b>Operating Revenues</b>		
Passenger fares for transit service	\$ 575,789	\$ 528,117
Nontransportation revenue:		
Advertising	84,788	68,801
Other	<u>153,062</u>	<u>148,900</u>
Total operating revenues	<u>813,639</u>	<u>745,818</u>
<b>Operating Expenses</b>		
Operation and maintenance	8,066,280	7,479,484
Depreciation	<u>1,287,295</u>	<u>1,191,369</u>
Total operating expenses	<u>9,353,575</u>	<u>8,670,853</u>
Operating loss	<u>(8,539,936)</u>	<u>(7,925,035)</u>
<b>Operating Subsidies</b>		
Tire lease	25,911	24,722
Local, other	349,515	730,888
State	4,244,963	3,153,289
Federal	1,281,564	979,267
CARES grant	<u>588,408</u>	<u>1,052,093</u>
Total nonoperating revenues	<u>6,490,361</u>	<u>5,940,259</u>
Loss before contributions and transfers	(2,049,575)	(1,984,776)
<b>Transfer In, Municipality, Operating</b>	751,816	795,329
<b>Transfer In, Municipality, Tire Lease</b>	6,478	6,181
<b>Capital Contributions</b>	657,649	1,145,797
<b>Capital Contributions, Municipality</b>	<u>164,411</u>	<u>286,450</u>
Change in net position	(469,221)	248,981
<b>Net Position, Beginning</b>	<u>14,733,121</u>	<u>14,484,140</u>
<b>Net Position, Ending</b>	<u>\$ 14,263,900</u>	<u>\$ 14,733,121</u>

See notes to financial statements

# Waukesha Metro Transit

## Statements of Cash Flows

December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
<b>Cash Flows From Operating Activities</b>		
Received from customers	\$ 809,146	\$ 778,407
Paid to suppliers for goods and services	(5,437,395)	(5,131,925)
Paid to employees for services	(2,558,045)	(2,428,692)
Cash flows from operating activities	<u>(7,186,294)</u>	<u>(6,782,210)</u>
<b>Cash Flows From Noncapital Financing Activities</b>		
Operating subsidies received, local	376,467	863,415
Operating subsidies received, state	4,244,963	3,903,079
Operating subsidies received, federal	2,471,717	2,145,096
Transfers	758,294	801,510
Swept to pooled city cash	(506,424)	(1,084,763)
Cash flows from noncapital financing activities	<u>7,345,017</u>	<u>6,628,337</u>
<b>Cash Flows From Capital and Related Financing Activities</b>		
Acquisition and construction of capital assets	(822,061)	(1,429,246)
Capital contributions	663,338	1,583,119
Cash flows from capital and related financing activities	<u>(158,723)</u>	<u>153,873</u>
Net change in cash and cash equivalents	-	-
<b>Cash and Cash Equivalents, Beginning</b>	<u>-</u>	<u>-</u>
<b>Cash and Cash Equivalents, Ending</b>	<u>\$ -</u>	<u>\$ -</u>
<b>Noncash Capital and Financing Activities</b>		
Change in capital grant receivables	<u>\$ 158,722</u>	<u>\$ (150,872)</u>
Change in operating grant receivables (payables)	<u>\$ 98,502</u>	<u>\$ 913,140</u>
Change in CARES grant receivables	<u>\$ (674,336)</u>	<u>\$ 74,336</u>

See notes to financial statements

# Waukesha Metro Transit

## Statements of Cash Flows

December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
<b>Reconciliation of Operating Loss to</b>		
<b>Cash Flows From Operating Activities</b>		
Operating loss	\$ (8,539,936)	\$ (7,925,035)
Noncash items included in operating loss:		
Depreciation	1,287,295	1,191,369
Change in assets and liabilities:		
Accounts receivable, other	(4,493)	32,589
Inventories	(35,502)	(33,345)
Prepaid items	(37,741)	284
Accounts payable	157,879	(19,367)
Compensated absences	(11,243)	(22,382)
OPEB related deferrals and liabilities	1,263	2,814
Pension related deferrals and assets	(11,206)	(13,082)
Other current liabilities	<u>7,390</u>	<u>3,945</u>
Net cash flows from operating activities	<u>\$ (7,186,294)</u>	<u>\$ (6,782,210)</u>

See notes to financial statements



# Waukesha Metro Transit

Notes to Financial Statements

December 31, 2022 and 2021

## 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 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.

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.

Investment of 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.

## **Waukesha Metro Transit**

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Notes to Financial Statements  
December 31, 2022 and 2021

- 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.

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.

### **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.

# Waukesha Metro Transit

Notes to Financial Statements  
December 31, 2022 and 2021

## 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 post-employment 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 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 Outflow of Resources

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

## 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 ten 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.

# Waukesha Metro Transit

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Notes to Financial Statements  
December 31, 2022 and 2021

## 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 January 6, 2020 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.

## Effect of New Accounting Standards on Current Period Financial Statements

GASB has approved GASB, *Statement 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, *Statement 96, Subscription-Based Information Technology Arrangements*, *Statement No. 99, Omnibus 2022*, *Statement No. 100, Accounting Changes and Error Corrections - an Amendment of GASB Statement No. 62*, *Statement No. 101, Compensated Absences - an amendment of GASB Statements No. 14 and No. 84* and a *supersession of GASB Statement No. 32*. When they become effective, application of these standards may restate portions of these financial statements.

# Waukesha Metro Transit

Notes to Financial Statements  
December 31, 2022 and 2021

## 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, 2022 and 2021:

Due To	Due From	2022		2021	
		Amount	Principal Purpose	Amount	Principal Purpose
Municipality	Transit	\$ 113,158	Operating activities	\$ 159,791	Operating activities
Transit	Municipality	1,665,943	Advance	1,206,152	Advance
Transit	Municipality	190,118	Reserve tax levy	190,118	Reserve tax levy

## 4. Changes in Capital Assets

A summary of changes in Transit capital assets for 2022 and 2021 follows:

	Balance 1/1/22	Additions	Retirements	Balance 12/31/22
Capital assets, not being depreciated:				
Land	\$ 1,683,701	\$ -	\$ -	\$ 1,683,701
Capital assets being depreciated Transit Terminal:				
Building	12,435,846	27,121	-	12,462,967
Vehicles	9,636,354	499,790	-	10,136,143
Shop equipment	1,318,352	245,867	-	1,564,219
Office equipment	909,717	49,283	-	959,001
Total capital assets being depreciated	24,300,269	822,061	-	25,122,330
Total capital assets	25,983,970	822,061	-	26,806,031
Less accumulated depreciation for:				
Building	(6,491,083)	(328,267)	-	(6,819,348)
Vehicles	(4,242,598)	(791,156)	-	(5,033,755)
Shop equipment	(1,098,265)	(65,225)	-	(1,163,489)
Office equipment	(560,484)	(102,647)	-	(663,133)
Total accumulated depreciation	(12,392,430)	(1,287,295)	-	(13,679,725)
Net transit system plant	\$ 13,591,540			\$ 13,126,306

## Waukesha Metro Transit

Notes to Financial Statements  
December 31, 2022 and 2021

	<u>Balance 1/1/21</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance 12/31/21</u>
Capital assets, not being depreciated:				
Land	\$ 1,683,701	\$ -	\$ -	\$ 1,683,701
Capital assets being depreciated Transit				
Terminal:				
Building	12,471,292	31,257	66,703	12,435,846
Vehicles	9,207,948	962,978	534,572	9,636,354
Shop equipment	1,148,052	203,919	33,619	1,318,352
Office equipment	899,455	234,094	223,832	909,717
Total capital assets being depreciated	<u>23,726,751</u>	<u>1,432,248</u>	<u>858,726</u>	<u>24,300,269</u>
Total capital assets	<u>25,410,452</u>	<u>1,432,248</u>	<u>858,726</u>	<u>25,983,970</u>
Less accumulated depreciation for:				
Building	(6,232,863)	(324,923)	66,703	(6,491,083)
Vehicles	(4,017,825)	(748,245)	523,472	(4,242,598)
Shop equipment	(1,100,091)	(31,793)	33,619	(1,098,265)
Office equipment	(706,010)	(78,306)	223,832	(560,484)
Total accumulated depreciation	<u>(12,056,789)</u>	<u>(1,183,267)</u>	<u>847,626</u>	<u>(12,392,430)</u>
Net transit system plant	<u>\$ 13,353,663</u>			<u>\$ 13,591,540</u>

### 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 2022 and 2021 was as follows:

	<u>2022</u>	<u>2021</u>
Governmental Unit:		
Federal (net of amounts passed to sub recipients)	\$ 1,251,860	\$ 966,612
Federal/City – tire lease	32,389	30,903
Federal-CMAQ	13,751	12,655
Federal-CARES	588,408	1,052,093
State of Wisconsin	4,153,237	3,056,212
State Paratransit Aid	91,726	97,077
Local:		
City of Waukesha	751,816	795,329
Waukesha County	349,515	730,888
Total	<u>\$ 7,232,702</u>	<u>\$ 6,741,769</u>

## Waukesha Metro Transit

Notes to Financial Statements  
December 31, 2022 and 2021

### 6. Long-Term Obligations

#### Long-Term Obligations Summary

	<u>1/1/22</u> <u>Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>12/31/22</u> <u>Balance</u>	<u>Due Within</u> <u>One Year</u>
Other liabilities	\$ 105,056	\$ -	\$ -	\$ 105,056	\$ -
Compensated absences	<u>309,428</u>	<u>28,166</u>	<u>39,409</u>	<u>298,185</u>	<u>-</u>
Total	<u>\$ 414,484</u>	<u>\$ 28,166</u>	<u>\$ 39,409</u>	<u>\$403,241</u>	<u>\$ -</u>

	<u>1/1/21</u> <u>Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>12/31/21</u> <u>Balance</u>	<u>Due Within</u> <u>One Year</u>
Other liabilities	\$ 105,056	\$ -	\$ -	\$ 105,056	\$ -
Compensated absences	<u>338,101</u>	<u>27,613</u>	<u>56,286</u>	<u>309,428</u>	<u>-</u>
Total	<u>\$ 443,157</u>	<u>\$ 27,613</u>	<u>\$ 56,286</u>	<u>\$ 414,484</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.

### 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, 2022 and 2021, 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, 2022, Waukesha Metro Transit has a restricted net position for the pension asset.

**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.

# Waukesha Metro Transit

Notes to Financial Statements  
December 31, 2022 and 2021

## 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.

## 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.



# Waukesha Metro Transit

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Notes to Financial Statements  
December 31, 2022 and 2021

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 4.12% for auto liability and 3.86% 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](mailto: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.

### 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, 2022 and 2021, the Transit paid \$135,617 and \$133,785, 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.

**SUPPLEMENTARY INFORMATION**

## Waukesha Metro Transit

Detailed Schedule of Waukesha Transit Commission -  
Statements of Revenues, Expenses and Changes in Net Position - Regulatory Basis  
December 31, 2022 and 2021

		<u>2022</u>	<u>2021</u>
<b>Revenue</b>			
401.	Passenger fares for transit service	\$ 575,789	\$ 528,117
406.	Nontransportation revenues	84,959	69,262
407.	Nontransportation revenues, route administration	152,891	148,439
408.	City tire lease grant revenue	6,478	6,181
408.	Federal tire lease grant revenue	25,911	24,722
409.	Local cash grants, reimbursements and transfers, operating	1,101,331	1,526,217
409.	Refund prior year state grant close-outs	-	-
409.105	Local cash grants, reimbursements and transfers, capital	164,411	286,450
411.	State cash grants and reimbursements, operating	4,153,237	3,056,212
411.	State paratransit aid	91,726	97,077
413.	Federal cash grants and reimbursements, operating	1,251,860	966,612
413.	CMAQ grant	13,751	12,655
413.	CARES grant	588,408	1,052,093
413.	Federal cash grants and reimbursements - passed through to subrecipient	15,953	-
413.105	Federal cash grants and reimbursements, capital	657,649	1,145,797
Total revenue		<u>8,884,354</u>	<u>8,919,834</u>
<b>Expenses - by Object Class Total</b>			
501.01	Operations salaries and wages	1,506,211	1,436,380
501.02	Other salaries and wages	1,051,834	992,312
502.	Fringe benefits and FICA	1,652,425	1,508,783
503.	Services	613,330	572,204
504.01	Fuel and lubricants	526,118	326,071
504.02	Tires and tubes	32,388	30,903
504.99	Other materials and supplies	137,267	158,758
505.	Utilities	99,480	86,985
506.	Casualty and liability costs	156,998	146,222
507.	Taxes	559	720
508.	Purchased transportation	2,252,230	2,200,712
509.	Miscellaneous expense	21,487	19,434
510	Payments to subrecipients	15,953	-
Total operation and maintenance expenses		8,066,280	7,479,484
Reconciling items:			
513.	Loss (gain) on asset disposal	-	8,100
513.	Depreciation	1,287,295	1,183,269
Total reconciling items		<u>1,287,295</u>	<u>1,191,369</u>
Total expenses and reconciling items		<u>9,353,575</u>	<u>8,670,853</u>
Change in net position		(469,221)	248,981
<b>Net Position, Beginning</b>		<u>14,733,121</u>	<u>14,484,140</u>
<b>Net Position, Ending</b>		<u>\$ 14,263,900</u>	<u>\$ 14,733,121</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, 2022

	<u>Per WisDOT Guidelines</u>	<u>Per Federal Guidelines</u>
Revenues from Waukesha Transit Commission's records	\$ 8,884,354	\$ 8,884,354
Less Unrecognized Revenues		
406. Nontransportation revenues	461	84,959
407. Nontransportation revenues, route administration	152,891	152,891
408. Local tire lease revenue	6,478	6,478
409. Local operating assistance and transfers	1,101,331	1,101,331
409.105 Local assistance and transfers, capital	164,411	164,411
411. State operating assistance	4,153,237	4,153,237
411. State paratransit aid	91,726	91,726
411. State prior year revenue	-	-
413. Federal operating assistance	1,251,860	1,251,860
413. Federal tire lease revenue	25,911	25,911
413. CMAQ grant	13,751	13,751
413. CARES grant	588,408	588,408
413. Federal cash grants and reimbursements - passed through to subrecipient	15,953	(15,953)
413.105 Other nonoperating revenues (capital funding & subrecipient costs)	<u>657,649</u>	<u>657,649</u>
Adjusted revenues	<u>\$ 660,287</u>	<u>\$ 607,695</u>
Expenses from Waukesha Transit Commission's records	\$ 9,353,575	\$ 9,353,575
Less Nonrecognized Expenses		
513. Depreciation	1,287,295	1,287,295
513. Loss (gain) on asset disposal	-	-
Less CMAQ Grant Funding, not eligible (mkt/night service), 100%	17,189	17,189
Less WisDOT Paratransit Costs, not eligible	91,726	-
Less 5337 Grant Funding, not eligible 100%	<u>-</u>	<u>-</u>
Recognized expenses	<u>\$ 7,957,365</u>	<u>\$ 8,049,091</u>
Recognized deficits	<u>\$ (7,297,078)</u>	<u>\$ (7,441,396)</u>

# Waukesha Metro Transit

Waukesha Transit Commission -  
 Computation of the Deficit Distribution Among the Subsidy Grantors  
 Year Ended December 31, 2022

## Federal Section 9 Funds

Preventative maintenance	\$ 611,530	
Federal tire lease grant revenue	28,800	
Capital cost of third party contracting	<u>640,330</u>	
Maximum federal share per grant awards		<u>\$ 1,280,660</u>

## State Funds

WisDOT contract maximum		<u>\$ 4,153,237</u>
Local operating subsidy	<u>\$ 1,101,331</u>	
5 Times operating subsidy		<u>\$ 5,506,655</u>
State share, contractual amount		<u>\$ 4,153,237</u>

## Summary of 2022 Operational Funding \*

	<u>Received in 2022</u>	<u>Received (Payable) 12/31/2022</u>	<u>Total</u>
Federal Section 9 Funds	\$ 756,162	\$ 521,609	\$ 1,277,771
State Funds, operating	4,153,237	-	4,153,237
Local Funds	<u>842,897</u>	<u>262,422</u>	<u>1,101,331</u>
Total funding	<u>\$ 5,752,296</u>	<u>\$ 784,031</u>	<u>\$ 6,532,339</u>

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