

2019 Audit Presentation To
WAUKESHA METRO TRANSIT
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FINANCIAL STATEMENT HIGHLIGHTS

- > Continue to issue a full audit report for the transit. The supplemental information on the Waukesha County Operating Assistance contract is issued in a separate report
- > County information flows through the transit's financial statements
- > Clean audit opinion (pages 1-3)
 - Financial statements are the responsibility of management
 - In our opinion fairly stated
- > Management Discussion & Analysis (pages 4-10) provides highlights
- > Supplemental information on grants (pages 25-27)

MANAGEMENT LETTER

- > Transit Commission should stay involved, review information provided and ask questions.
- > Required communications
 - Communicated in the report on internal controls for the City of Waukesha as presented to the City Council.
 - One audit adjustment in the current year, not material.
 - No passed audit adjustment in the current year.

CITYWIDE SINGLE AUDIT

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

WAUKESHA METRO TRANSIT

2018 FINANCIAL STATEMENT HIGHLIGHTS

	<u>2018</u>		<u>2019</u>	
<u>Ridership</u>				
Fixed Route	619,488		577,696	
Metrolift	10,784		11,062	
MCTS	251,224		232,011	
WCL	111,726		95,862	
Paratransit	2,831		2,491	
<u>Operating Revenues</u>				
Passenger fares & other operating	\$ 1,508,708	17%	\$ 1,395,844	16%
Tire lease	32,715	0.4%	33,224	0.4%
City of Waukesha and other local subsidies	2,296,888	26%	2,016,481	23%
State subsidy	3,919,846	45%	3,769,180	43%
Federal subsidy	<u>1,032,002</u>	12%	<u>1,533,468</u>	18%
TOTAL	<u>\$ 8,790,159</u>	100%	<u>\$ 8,748,197</u>	100%

What it means...

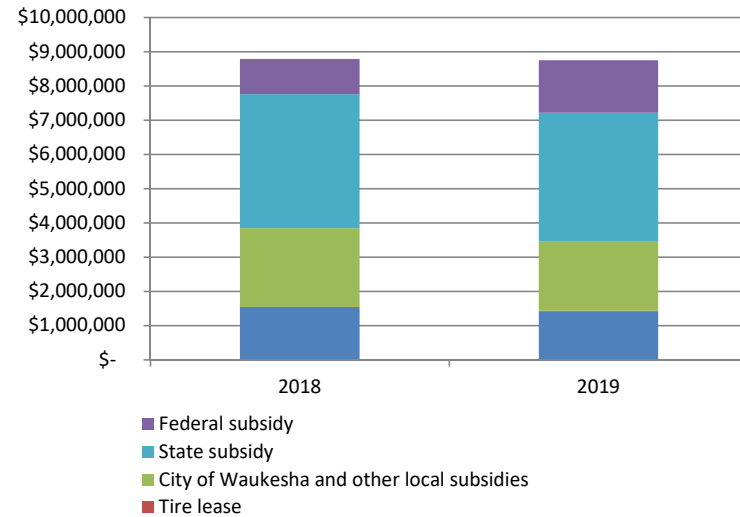
Standard state and federal operating subsidies allow for a maximum of 60% of operating expenses to be recovered. The decrease in passenger fares and other operating revenue is a result of a decrease in ridership experienced during the year. The change in revenues was minimal and follows the minimal change in expenses as seen below.

	<u>2018</u>		<u>2019</u>	
<u>Operating Expenses</u>				
Labor and benefits	\$ 3,853,227	44%	\$ 3,829,926	44%
Services	577,950	7%	592,344	7%
Materials and supplies	520,038	6%	483,092	6%
Purchased transportation	3,602,239	41%	3,598,696	41%
Other	<u>233,964</u>	3%	<u>244,129</u>	3%
TOTAL (excluding depreciation)	<u>\$ 8,787,418</u>	100%	<u>\$ 8,748,187</u>	100%

What it means...

Labor and benefits remained relatively stable for 2019 compared to 2018. Materials and supplies decreased slightly as the cost of fuel was higher in 2018. The overall expense profile of the transit remained consistent with labor, benefits and purchased transportation categories accounting for approximately 85% of the total costs.

Transit Operating Revenues



Transit Operating Expenses

