

2021 Audit Presentation To  
**WAUKESHA METRO TRANSIT**  
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#### FINANCIAL STATEMENT HIGHLIGHTS

- > Continue to issue a full audit report for the transit. The supplemental information on the Waukesha County Operating Assistance contract is issued in a separate report
- > County information flows through the transit's financial statements
- > Draft statements being presented and does not include MD&A at this time
- > Clean audit opinion (pages 1-3)
  - Financial statements are the responsibility of management
  - In our opinion fairly stated
- > Supplemental information on grants (pages 24-26)

#### MANAGEMENT LETTER

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

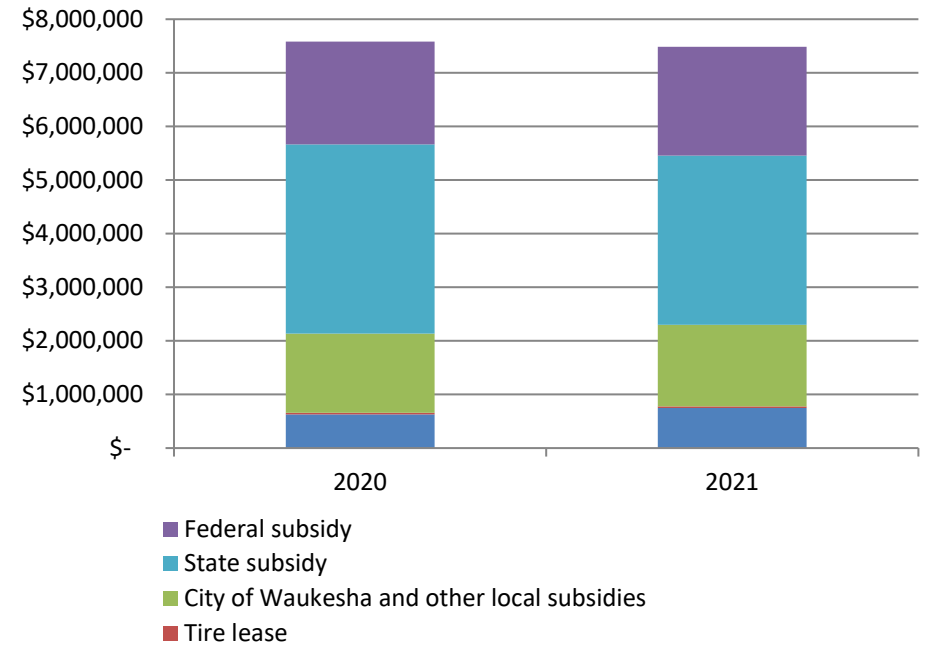
#### CITYWIDE SINGLE AUDIT

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

# WAUKESHA METRO TRANSIT

## 2021 FINANCIAL STATEMENT HIGHLIGHTS

	<u>2020</u>		<u>2021</u>	
<b><u>Ridership</u></b>				
Fixed Route	364,383		317,605	
MCTS	83,734		94,920	
WCL	28,253		14,010	
Paratransit	1,486		769	
 <b><u>Operating Revenues</u></b>				
Passenger fares & other operating	\$ 628,262	8%	\$ 745,818	10%
Tire lease	31,625	0.4%	30,903	0.4%
City of Waukesha and other local subsidies	1,472,169	19%	1,526,217	20%
State subsidy	3,533,817	47%	3,153,289	42%
Federal subsidy	<u>1,916,697</u>	25%	<u>2,031,360</u>	27%
 <b>TOTAL</b>	 <u>\$ 7,582,570</u>	 100%	 <u>\$ 7,487,587</u>	 100%



### What it means...

Standard state and federal operating subsidies were used to the maximum grant agreement award for operating deficit in 2021. The increase in passenger fares and other operating revenue is a result of fares being charged for the full year in 2021 compared to a portion of the year in 2020 due to the COVID 19 pandemic. The change in revenues follows the change in expenses as seen below.

	<u>2020</u>		<u>2021</u>	
<b><u>Operating Expenses</u></b>				
Labor and benefits	\$ 3,854,561	52%	\$ 3,937,475	53%
Services	547,189	7%	572,204	8%
Materials and supplies	394,601	5%	515,732	7%
Purchased transportation	2,354,357	32%	2,200,712	29%
Other	<u>238,601</u>	3%	<u>253,361</u>	3%
 <b>TOTAL (excluding depreciation)</b>	 <u>\$ 7,389,309</u>	 100%	 <u>\$ 7,479,484</u>	 100%

### What it means...

Labor and benefits remained relatively stable for 2021 compared to 2020. Materials and supplies increased by 31% due to a large increase in the purchase of diesel fuel in 2021. The overall expense profile of the transit remained consistent with labor, benefits and purchased transportation categories accounting for approximately 82% of the total costs.

