

2023 Audit Presentation To  
**WAUKESHA METRO TRANSIT**  
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#### FINANCIAL STATEMENT HIGHLIGHTS

- > Continue to issue a full audit report for the transit. The supplemental information on the Waukesha County Operating Assistance contract is issued in a separate report
- > County information flows through the transit's financial statements
- > Clean audit opinion (pages 1-3)
  - Financial statements are the responsibility of management
  - In our opinion fairly stated
- > Supplemental information on grants (pages 24-26)

#### MANAGEMENT LETTER

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

#### CITYWIDE SINGLE AUDIT

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

# WAUKESHA METRO TRANSIT

## 2023 FINANCIAL STATEMENT HIGHLIGHTS

	<u>2022</u>		<u>2023</u>	
<b><u>Ridership</u></b>				
Fixed Route	330,784		426,146	
MCTS	105,523		59,807	
WCL	18,195		18,384	
Paratransit	531		447	
<b><u>Operating Revenues</u></b>				
Passenger fares & other operating	\$ 813,639	10%	\$ 804,328	10%
Tire lease	32,389	0.4%	42,795	0.5%
City of Waukesha and other local subsidies	1,101,331	14%	1,543,946	20%
State subsidy	4,244,963	53%	3,260,957	42%
Federal subsidy	1,869,972	23%	2,187,539	28%
<b>TOTAL</b>	<b>\$ 8,062,294</b>	<b>100%</b>	<b>\$ 7,839,565</b>	<b>100%</b>

### What it means...

Standard state and federal operating subsidies were used to the maximum grant agreement award for operating deficit in 2023. The increase in passenger fares and other operating revenue is a result of increased ridership. There was also an increase in revenues due to Milwaukee Metro rideshare agreement. The change in revenues follows the change in expenses as seen below.

	<u>2022</u>		<u>2023</u>	
<b><u>Operating Expenses</u></b>				
Labor and benefits	4,210,470	52%	4,613,605	59%
Services	613,330	8%	747,227	10%
Materials and supplies	695,773	9%	697,591	9%
Purchased transportation	2,252,230	28%	1,263,359	16%
Other	294,477	4%	465,790	6%
<b>TOTAL (excluding depreciation)</b>	<b>\$ 8,066,280</b>	<b>100%</b>	<b>\$ 7,787,572</b>	<b>100%</b>

### What it means...

Labor and benefits increased in 2023 compared to 2022 due to increase in benefit costs. Materials and supplies remained relatively stable in 2023 compared to 2022. The purchased transportation decrease relates to transfers for the share of the Route 1 extension.

