

June 12, 2013 Audit Presentation To
FOX CITIES TRANSIT COMMISSION
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FINANCIAL STATEMENT HIGHLIGHTS

- > Clean audit opinion (pages 1-2)
 - Financial statements are the responsibility of management
 - In our opinion fairly stated
- > Management Discussion & Analysis (pages 3-11) provides highlights
- > No federal or state compliance issues (page 29).
- > Federal and State share of funding is limited to 60% of eligible expenses (page 35)
 - Federal and state operating grants were both earned at the contract maximum of \$2.3 million and \$2.0 million, respectively

MANAGEMENT LETTER.

- > No significant deficiencies or material weaknesses in internal control identified.
- > Professional standards/ informational points
 - GASB 65: Items previously reported as assets and liabilities—affects YE 12/31/13
 - GASB 67: Financial reporting for pension plans—affects YE 12/31/14
 - GASB 68: Accounting and financial reporting for pensions—affects YE 12/31/15
- > Required communications
 - Implementation of GASB 63 in 2012; no unusual transactions
 - Financial statements contain estimates, i.e. sick leave and OPEB
 - No material audit adjustments, all proposed immaterial adjustments made
 - We assist with preparation of financial statements, management retains responsibility
 - Management representations provided
 - No difficulties during audit

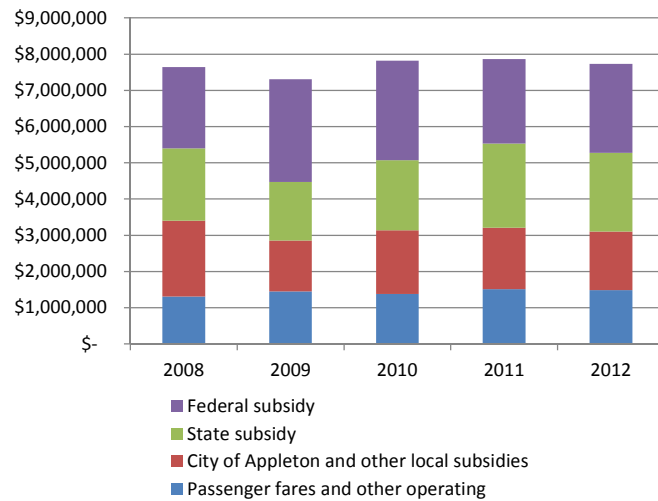
CITYWIDE SINGLE AUDIT

- > Required since city receives more than \$500,000 federal and/or state funding
- > Tests city compliance with laws and regulations related to program requirements, for example Buy America, Civil Rights, and Minimum wage standards. More issues added for ARRA grants.
- > Citywide report goes to Common Council – No transit findings

CITY OF APPLETON VALLEY TRANSIT 2012 FINANCIAL STATEMENT HIGHLIGHTS

| | <u>2008</u> | | <u>2009</u> | | <u>2010</u> | | <u>2011</u> | | <u>2012</u> | | | | | | |
|--|-------------|-------------------------|-------------|-----------|-------------------------|-------------|-------------|-------------------------|-------------|-----------|-------------------------|-------------|-----------|-------------------------|-------------|
| <u>Ridership</u> | | | | | | | | | | | | | | | |
| Fixed Route | 1,001,325 | | 909,109 | | 956,088 | | 1,073,655 | | 1,095,650 | | | | | | |
| ADA Paratransit | 77,578 | | 78,392 | | 81,236 | | 90,128 | | 87,261 | | | | | | |
| <u>Operating Revenues</u> | | | | | | | | | | | | | | | |
| Passenger fares and other operating | \$ | 1,310,187 | 17% | \$ | 1,452,588 | 20% | \$ | 1,383,740 | 18% | \$ | 1,517,609 | 19% | \$ | 1,485,517 | 19% |
| City of Appleton and other local subsidies | | 2,090,264 | 27% | | 1,402,997 | 19% | | 1,755,145 | 22% | | 1,689,866 | 21% | | 1,621,880 | 21% |
| State subsidy | | 2,001,653 | 26% | | 1,612,854 | 22% | | 1,936,798 | 25% | | 2,322,036 | 30% | | 2,169,356 | 28% |
| Federal subsidy | | <u>2,244,027</u> | 29% | | <u>2,841,965</u> | 39% | | <u>2,739,622</u> | 35% | | <u>2,336,554</u> | 30% | | <u>2,455,837</u> | 32% |
| TOTAL | \$ | <u>7,646,131</u> | 100% | \$ | <u>7,310,404</u> | 100% | \$ | <u>7,815,305</u> | 100% | \$ | <u>7,866,065</u> | 100% | \$ | <u>7,732,590</u> | 100% |
| <u>Operating Expenses</u> | | | | | | | | | | | | | | | |
| Labor and benefits | \$ | 3,523,652 | 46% | \$ | 3,522,248 | 48% | \$ | 3,689,760 | 48% | \$ | 3,515,575 | 46% | \$ | 3,451,382 | 45% |
| Services | | 232,368 | 3% | | 201,453 | 3% | | 222,368 | 3% | | 188,649 | 2% | | 213,327 | 3% |
| Materials and supplies | | 794,756 | 10% | | 492,107 | 7% | | 623,858 | 8% | | 800,097 | 10% | | 867,131 | 11% |
| Purchased transportation | | 2,804,789 | 37% | | 2,779,032 | 38% | | 2,820,515 | 37% | | 2,869,324 | 37% | | 2,798,417 | 37% |
| Other | | <u>290,566</u> | 4% | | <u>315,954</u> | 4% | | <u>318,022</u> | 4% | | <u>335,059</u> | 4% | | <u>260,913</u> | 3% |
| TOTAL (excluding depreciation) | \$ | <u>7,646,131</u> | 100% | \$ | <u>7,310,794</u> | 100% | \$ | <u>7,674,523</u> | 100% | \$ | <u>7,708,704</u> | 100% | \$ | <u>7,591,170</u> | 100% |

Transit Operating Revenues



Transit Operating Expenses

