

June 24, 2015 Audit Presentation To
FOX CITIES TRANSIT COMMISSION
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FINANCIAL STATEMENT HIGHLIGHTS

- > Clean audit opinion (pages 1-3)
 - Financial statements are the responsibility of management
 - In our opinion fairly stated
- > Management Discussion & Analysis (pages 4-11) provides highlights
- > No federal or state compliance issues
- > Federal and State share of funding is limited to 60% of eligible expenses (page 33)
 - Federal and state operating grants were \$2.47million and \$2.1 million, respectively

MANAGEMENT LETTER.

- > No material weaknesses in internal control identified
- > Significant deficiency in internal control - information technology (city-wide related item)
- > Current year recommendations/informational points
 - Policy for agency tickets
 - Delayed grant close-outs from State of Wisconsin operating grants
- > Required communications
 - Financial statements contain estimates, i.e. sick leave, OPEB and potentially uncollectible state grants
 - 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

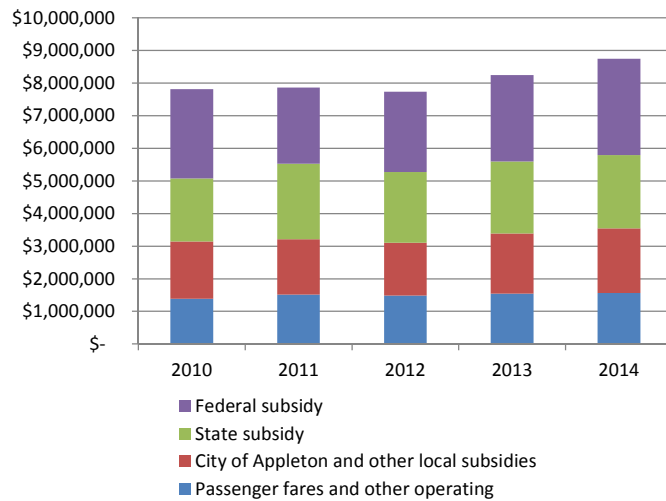
- > Required since city receives more than \$500,000 federal and/or state funding
- > Tests city compliance with laws and regulations related to program requirements, for example Buy America, Civil Rights, and Minimum wage standards. More issues added for ARRA grants.
- > Citywide report goes to Common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

CITY OF APPLETON VALLEY TRANSIT

2014 FINANCIAL STATEMENT HIGHLIGHTS

	<u>2010</u>			<u>2011</u>			<u>2012</u>			<u>2013</u>			<u>2014</u>		
<u>Ridership</u>															
Fixed Route	956,088			1,073,655			1,095,650			1,093,202			1,081,882		
ADA Paratransit	81,236			90,128			87,261			92,643			94,487		
<u>Operating Revenues</u>															
Passenger fares and other operating	\$	1,383,740	18%	\$	1,517,609	19%	\$	1,485,517	19%	\$	1,547,558	19%	\$	1,563,356	18%
City of Appleton and other local subsidies		1,755,145	22%		1,689,866	21%		1,621,880	21%		1,841,665	22%		1,981,692	23%
State subsidy		1,936,798	25%		2,322,036	30%		2,169,356	28%		2,208,486	27%		2,246,007	26%
Federal subsidy		<u>2,739,622</u>	35%		<u>2,336,554</u>	30%		<u>2,455,837</u>	32%		<u>2,649,815</u>	32%		<u>2,952,625</u>	34%
TOTAL	\$	<u>7,815,305</u>	100%	\$	<u>7,866,065</u>	100%	\$	<u>7,732,590</u>	100%	\$	<u>8,247,524</u>	100%	\$	<u>8,743,680</u>	100%
<u>Operating Expenses</u>															
Labor and benefits	\$	3,689,760	48%	\$	3,515,575	46%	\$	3,451,382	45%	\$	3,587,920	44%	\$	3,685,729	42%
Services		222,368	3%		188,649	2%		213,327	3%		271,349	3%		384,024	4%
Materials and supplies		623,858	8%		800,097	10%		867,131	11%		905,241	11%		959,385	11%
Purchased transportation		2,820,515	37%		2,869,324	37%		2,798,417	37%		3,098,708	38%		3,296,289	38%
Other		<u>318,022</u>	4%		<u>335,059</u>	4%		<u>260,913</u>	3%		<u>255,813</u>	3%		<u>362,878</u>	4%
TOTAL (excluding depreciation)	\$	<u>7,674,523</u>	100%	\$	<u>7,708,704</u>	100%	\$	<u>7,591,170</u>	100%	\$	<u>8,119,031</u>	100%	\$	<u>8,688,305</u>	100%

Transit Operating Revenues



Transit Operating Expenses

