

ENROLLED ORDINANCE 174-036

MODIFY 2019 TRANSIT BUDGET FOR ADDITIONAL
2018 LOCAL SHARE COSTS

WHEREAS, the Waukesha County Transit system is administered by the City of Waukesha; and

WHEREAS, funding for the Waukesha County Transit system is a combination of funding from Waukesha County tax levy, the State of Wisconsin Department of Transportation (WisDOT), and the Federal Transit Administration; and

WHEREAS, the Waukesha County Transit system and the City of Waukesha Metro Transit are considered a single grantee by the WisDOT and Federal Transit Administration; and

WHEREAS, WisDOT matches eligible operating expenses and local share payments with federal and state revenues at a rate between the annually established minimum guaranteed percentage and the state statute maximum of 60 percent; and

WHEREAS, Waukesha Metro bills the County for its transit costs net of these projected WisDOT reimbursements, farebox revenues, and other adjustments; and

WHEREAS, audits of the Waukesha Metro and Waukesha County Transit systems are conducted by Baker Tilly at the close of the fiscal year and by WisDOT at multi-year intervals typically between two to five years later; and

WHEREAS, these audits determine what the final WisDOT reimbursement rate should have been; and

WHEREAS, auditors' review of expenses can result either in a revenue to the City and County if they determine that the WisDOT reimbursement rate should have been higher, or an additional local share costs to the City and County if it was determined that the rate should have been lower; and

WHEREAS, favorable program budget variances, including favorable audit results, have had positive impacts on the General Fund balance in recent years; and

WHEREAS, Baker Tilly's 2018 audit of Waukesha Metro Transit and Waukesha County Transit has determined that City and County reimbursement rate was too high, resulting in a higher local share of \$219,597; and

WHEREAS, Baker Tilly's audit determined that the County's share of the \$219,597 owed is \$92,638; and

WHEREAS, the City of Waukesha has initially paid the full \$219,597 to WisDOT, and will need to be reimbursed by Waukesha County for its share.

FISCAL NOTE

MODIFY 2019 TRANSIT BUDGET FOR ADDITIONAL 2018 LOCAL SHARE COSTS

This ordinance authorizes the transfer of \$92,638 of appropriations from the Contingency Fund to cover additional operating expense related to an independent audit of the 2018 Transit program. Contingency funds are being requested because this is a one-time payment that was unanticipated in the 2019 budget.

The County's transit program is provided through third-party contracts and is administered by the City of Waukesha. Federal and state funding covers a specific percentage of transit costs, which varies from year to year, and the County funds the remainder as a local share. After fiscal years end, auditors determine whether the County's transit system was billed at a rate that was higher or lower than it was eligible. In this case, auditors determined that federal and state reimbursements were too high by \$92,638 in 2018, and that the county has to pay for this additional local share.

In previous years, the opposite situation has occurred, and the auditors determined that the County had been eligible for higher levels of federal and state reimbursements, resulting in additional revenue to the County. These additional revenues contributed to favorable budget results in prior years, which had a positive impact on General Fund balance. The Contingency Fund is funded each year with General Fund balance, and at year-end any remaining funds lapse to the General Fund balance.

This ordinance does not result in a direct levy impact.



Danielle Igielski
Accounting Services Manager
6/5/2019
BPD
JE #2019-00005681

MODIFY 2019 TRANSIT BUDGET FOR ADDITIONAL
2018 LOCAL SHARE COSTS

Presented by:
Public Works Committee

Approved by:
Finance Committee

absent
David W. Swan, Chair

James A. Heinrich
James A. Heinrich, Chair

Jennifer Grant
Jennifer Grant

Absent
Timothy Dondlinger

Keith Hammitt
Keith Hammitt

302
Tyler J. Foti

Darlene Marie Johnson
Darlene M. Johnson

Thomas A. Michalski
Thomas A. Michalski

Richard Morris
Richard Morris

Absent
Richard Morris

Thomas J. Schellinger
Thomas J. Schellinger

Duane E. Paulson
Duane E. Paulson

absent
Steve Whittow

Ted Wysocki
Ted Wysocki

The foregoing legislation adopted by the County Board of Supervisors of Waukesha County, Wisconsin, was presented to the County Executive on:

Date: June 27 2019, Margaret Wartman
Margaret Wartman, County Clerk

The foregoing legislation adopted by the County Board of Supervisors of Waukesha County, Wisconsin, is hereby:

Approved: X
Vetoed: _____

Date: 8/7/19, Paul Farrow
Paul Farrow, County Executive



Ordinance 174-O-037

Modify 2019 Transit Budget For Additional 2018 Local Share Costs

VOTE RESULTS: Passed With 17 Yes Votes Needed

AYE: 25 **NAY: 0**

ABSENT: 0

D1 - Foti	AYE	D14 - Wood	AYE
D2 - Zimmermann	AYE	D15 - Mitchell	AYE
D3 - Morris	Second	D16 - Crowley	AYE
D4 - Batzko	AYE	D17 - Paulson	AYE
D5 - Dondlinger	AYE	D18 - Nelson	AYE
D6 - Walz	AYE	D19 - Cummings	AYE
D7 - Grant	AYE	D20 - Schellinger	AYE
D8 - Michalski	AYE	D21 - Gaughan	AYE
D9 - Heinrich	AYE	D22 - Wysocki	AYE
D10 - Swan	AYE	D23 - Hammitt	Motion
D11 - Howard	AYE	D24 - Whittow	AYE
D12 - Wolff	AYE	D25 - Johnson	AYE
D13 - Decker	AYE		