

ST. CLOUD METROPOLITAN TRANSIT COMMISSION

September 30, 1978

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32032

ST. CLOUD METROPOLITAN TRANSIT COMMISSION

COMMISSIONERS, ADMINISTRATION AND OTHER DATA
For the Year Ended September 30, 1978

COMMISSIONERS

Bernard Gratzek
City of Sauk Rapids
Three-year term expires July 1, 1981

Chairman

Alcuin J. Ringsmuth
City of Waite Park
Three-year term expires July 1, 1980

Secretary

Sybil M. Hollern
City of St. Cloud
Three-year term expires July 1, 1979

Treasurer

Alcuin G. Loehr
City of St. Cloud
Three-year term expires July 1, 1981

Commissioner

ADMINISTRATION

Wayne R. Carlson

Executive Director

OPERATOR-TRANSIT SYSTEMS, INC.

Melvin Voigt
Norbert Voigt
Darwin Voigt

President
Vice-President
Secretary-Treasurer

LEGAL COUNSEL

Kevin J. Hughes

OTHER DATA

Number of Bus Miles
Number of Passengers
Bus Hours Operated

643,467
937,501
46,839

COTE, POGANSKI, KERN & CO.
CERTIFIED PUBLIC ACCOUNTANTS

Fourteen Hundred Saint Germain
ST. CLOUD, MINNESOTA 56301

American Institute C.P.A.'s
Minnesota Society C.P.A.'s
Tel. (612) 251-7010

Donald E. Cote
LeRoy P. Poganski
Alvin M. Kern
Jerome J. Hirschfeld

December 6, 1978

Commissioners
St. Cloud Metropolitan Transit Commission
St. Cloud, Waite Park and Sauk Rapids,
Minnesota

We have examined the balance sheet of the St. Cloud Metropolitan Transit Commission as of September 30, 1978, and the related statements of revenue and expenses, changes in capital, and changes in financial position for the year then ended. Our examination was made in accordance with generally accepted auditing standards and accordingly included such tests of the accounting records and such other procedures as we considered necessary in the circumstances.

In our opinion, the aforementioned financial statements present fairly the financial position of the St. Cloud Metropolitan Transit Commission, at September 30, 1978, and the results of its operations and changes in its financial position for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Cote, Poganski Kern & Co.

COTE, POGANSKI, KERN & CO.

cc: 12

ST. CLOUD METROPOLITAN TRANSIT COMMISSION

BALANCE SHEET
September 30, 1978

ASSETS

CURRENT ASSETS:

Cash.....	\$ 136,788	
Accounts Receivable -		
Local Tax Levies.....	135,283	
State Supplemental and Demonstration Aid.....	66,583	
Federal UMTA Grant.....	60,000	
Other.....	114	
Prepaid Insurance.....	<u>8,095</u>	
Total Current Assets.....		\$ 406,863

FIXED ASSETS:

Buses.....	365,471	
Less: Accumulated Depreciation.....	<u>249,753</u>	
Total Fixed Assets.....		115,718

OTHER ASSETS:

State Grants Receivable - Prior Years.....		<u>56,969</u>
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TOTAL ASSETS.....		\$ <u>579,550</u>
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LIABILITIES AND CAPITAL

CURRENT LIABILITIES:

Accounts Payable.....	\$ 59,615	
Deferred Grant.....	<u>44,078</u>	
Total Current Liabilities.....		\$ 103,693

CAPITAL:

Grants, Donations and Other Paid-In Capital.....	218,952	
Accumulated Earnings.....	<u>256,905</u>	
Total Capital.....		<u>475,857</u>

TOTAL LIABILITIES AND CAPITAL.....		\$ <u>579,550</u>
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See notes to the financial statements.

ST. CLOUD METROPOLITAN TRANSIT COMMISSION

STATEMENT OF REVENUE AND EXPENSES
For the Year Ended September 30, 1978

REVENUE:

Passenger Fares for Transit Service.....	\$ 82,858	
Auxiliary Transportation Revenues.....	1,080	
Non-Transportation Revenue.....	9,397	
Taxes Levied Directly by Transit System.....	257,007	
State Cash Grants and Reimbursements.....	360,955	
Federal Cash Grants and Reimbursements.....	240,000	
Total Revenue.....		\$ 951,297

EXPENSES:

Operators' Salaries and Wages.....	322,657	
Other Salaries and Wages.....	58,534	
Commissioners Compensation.....	4,580	
Payroll Taxes.....	30,043	
Hospital, Medical and Surgical Plans.....	9,774	
Uniform and Work Clothing Allowances.....	606	
Other Fringe Benefits.....	3,703	
Management Service Fees.....	16,000	
Advertising Fees.....	30,227	
Professional and Technical Services.....	20,623	
Sublet Mechanic Labor and Preventive Maintenance..	100,693	
Other Services.....	2,958	
Fuel and Lubricants.....	70,266	
Tires and Tubes.....	9,627	
Other Materials and Supplies.....	70,573	
Utilities.....	3,415	
Insurance.....	45,755	
Dues and Subscriptions.....	885	
Travel and Meetings.....	563	
Printing and Publishing.....	3,914	
Miscellaneous Expenses.....	3,775	
Leases and Rentals -		
Transit Way and Transit Way Structures and		
Equipment.....	2,874	
Engine Houses, Car Shops and Garages.....	23,940	
General Administrative Facilities.....	4,776	
Depreciation Expense.....	18,038	
Total Expenses.....		858,799

EXCESS OF REVENUE OVER EXPENSES..... \$ 92,498

See notes to the financial statements.

ST. CLOUD METROPOLITAN TRANSIT COMMISSION

STATEMENT OF CHANGES IN CAPITAL
For the Year Ended September 30, 1978

	Grants, Donations and Other Paid in Capital	Accumulated Earnings	Total
Balance - September 30, 1977.....	\$ 185,032	\$ 185,436	\$ 370,468
Adjustment to Record Prior Year's Receivables (Note B).....	3,392	53,577	56,969
Adjustment to Reclassify Prior Year's Capital Grants (Note C).....	<u>30,528</u>	<u>(74,606)</u>	<u>(44,078)</u>
Restated Balance - September 30, 1977.....	218,952	164,407	383,359
Excess of Revenue Over Expenses for the Year Ended September 30, 1978.....	<u> </u>	<u>92,498</u>	<u>92,498</u>
Balance - September 30, 1978.....	\$ <u>218,952</u>	\$ <u>256,905</u>	\$ <u>475,857</u>

See notes to the financial statements.

ST. CLOUD METROPOLITAN TRANSIT COMMISSION

STATEMENT OF CHANGES IN FINANCIAL POSITION
For the Year Ended September 30, 1978

SOURCE OF WORKING CAPITAL:		
From Operations:		
Excess of Revenue Over Expense.....	\$ 92,498	
Depreciation and Other Items Not Requiring the Current Use of Working Capital.....	<u>18,038</u>	
Total Source of Working Capital.....		\$ <u>110,536</u>
APPLICATION OF WORKING CAPITAL:		
Additions to Fixed Assets.....	<u>7</u>	
Total Application of Working Capital.....		<u>7</u>
INCREASE IN WORKING CAPITAL.....		\$ <u>110,529</u>
CHANGES IN COMPONENTS OF WORKING CAPITAL - INCREASE (DECREASE):		
CURRENT ASSETS:		
Cash.....	\$ (3,299)	
Receivables.....	148,138	
Prepaid Insurance.....	<u>5,532</u>	
Increase in Current Assets.....		\$ 150,371
CURRENT LIABILITIES:		
Accounts Payable.....	<u>39,842</u>	
Increase in Current Liabilities.....		<u>39,842</u>
INCREASE IN WORKING CAPITAL.....		110,529
WORKING CAPITAL AT BEGINNING OF YEAR.....		<u>192,641</u>
WORKING CAPITAL AT END OF YEAR.....		\$ <u>303,170</u>

See notes to the financial statements.

ST. CLOUD METROPOLITAN TRANSIT COMMISSION

NOTES TO THE FINANCIAL STATEMENTS
September 30, 1978

NOTE A - SUMMARY OF ACCOUNTING POLICIES

The more significant accounting policies followed by the Commission are summarized below to assist the reader in understanding the accompanying financial statements.

Method of Accounting

The Transit Commission, in conformity with Section 15 of the Urban Mass Transportation Act of 1964, maintains its accounting system on the accrual method.

Taxes Receivable

Taxes receivable include the unpaid portion of the 1977 levy payable in 1978 and any unpaid taxes due from prior years.

State and Federal Grants Receivable

State and federal grants receivable include the unpaid portion of contracts for the year ending September 30, 1978.

Fixed Assets

Fixed assets are stated at cost. The Metropolitan Transit Commission provides for depreciation on the straight-line method by annual charges calculated to allocate the cost over the estimated useful lives of the assets.

Additions or disposals to the accounts are depreciated on a pro-rata basis in the year of acquisition or disposal. Charges for the year ended September 30, 1978 were \$ 18,038.

NOTE B - PRIOR PERIOD ADJUSTMENT - ACCOUNTS RECEIVABLE

The St. Cloud Metropolitan Transit Commission's balance sheet as previously reported to September 30, 1977 did not include the following State grants receivable:

Supplemental Transit Aid - Contract No. SPA 6703, due for the year ending, September 30, 1976.....	\$ 18,560
Supplemental Transit Aid - Contract No. SPA 7805, due for the year ending September 30, 1977.....	30,690
Public Transit Demonstration Program - Contract No. SPA 6728, due for the year ending September 30, 1977.....	<u>7,719</u>
Total.....	\$ <u>56,969</u>

ST. CLOUD METROPOLITAN TRANSIT COMMISSION

St. Cloud, Waite Park and Sauk Rapids

AUDITED FINANCIAL STATEMENT

For the Year Ended

September 30, 1978

STATE OF MINNESOTA
DEPARTMENT OF STATE
FILED
MAR - 8 1979

James Anderson Stewart
Secretary of State

32032

ST. CLOUD METROPOLITAN TRANSIT COMMISSION

NOTES TO THE FINANCIAL STATEMENTS
September 30, 1978
(Continued)

NOTE B - PRIOR PERIOD ADJUSTMENT - ACCOUNTS RECEIVABLE - Continued

The preceding grant balances should have been recorded as revenue or contributed capital in the period for which they were earned. These retained grant balances are still subject to audit by the State of Minnesota Department of Transportation.

NOTE C - PRIOR PERIOD ADJUSTMENT - CAPITAL GRANTS

The St. Cloud Metropolitan Transit Commission's balance sheet as previously reported had included in accumulated earnings the following capital grants:

Public Transit Demonstration Program - Contract No. SPA 6728.....	\$ 30,528
Urban Mass Transportation Capital Grant - Project No. MN-05-0001.....	<u>44,078</u>
Total.....	\$ <u>74,606</u>

The effect of this reclassification is to decrease accumulated earnings of prior years by \$ 74,606 and increase grants, donations and other paid-in capital by \$ 30,528 and deferred grants by \$ 44,078.

NOTE D - DEFERRED GRANT

The St. Cloud Metropolitan Transit Commission had received from the Urban Mass Transportation Administration \$ 44,078 to be used for the purchase of buses. Because the Commission received the cash prior to September 30, 1978, but has yet to receive the buses, this amount is shown as a deferred grant.

ST. CLOUD METROPOLITAN TRANSIT COMMISSION

NOTES TO THE FINANCIAL STATEMENTS
September 30, 1978
(Continued)

NOTE E - ACCOUNTS RECEIVABLE - TAX LEVIES

Tax levies receivable at September 30, 1978 included the following:

Current Taxes Receivable -	
Stearns County.....	\$ 96,601
Benton County.....	23,971
Sherburne County.....	<u>6,972</u>
Total Current Taxes Receivable.....	127,544
Delinquent Taxes Receivable -	
Stearns County.....	5,062
Benton County.....	<u>2,677</u>
Total Delinquent Taxes Receivable.....	<u>7,739</u>
Total Taxes Receivable.....	\$ <u>135,283</u>

NOTE G - AGREEMENT FOR OPERATION AND MANAGEMENT

The St. Cloud Metropolitan Transit Commission has an agreement with Transit Systems, Inc. to provide complete operation and management of the Metropolitan Public Transportation system. In accordance with the agreement, Transit Systems, Inc. is reimbursed for expenses incurred in the operation and management of the Metropolitan Public Transportation System.

COTE, POGANSKI, KERN & CO.
CERTIFIED PUBLIC ACCOUNTANTS

Fourteen Hundred Saint Germain
ST. CLOUD, MINNESOTA 56301

American Institute C.P.A.'s
Minnesota Society C.P.A.'s
Tel. (612) 251-7010

Donald E. Cote
LeRoy P. Poganski
Alvin M. Kern
Jerome J. Hirschfeld

December 6, 1978

Commissioners
St. Cloud Metropolitan Transit Commission
St. Cloud, Waite Park, and Sauk Rapids,
Minnesota

ACCOUNTANTS' REPORT ON OTHER FINANCIAL INFORMATION

The primary purpose of our examination was to formulate an opinion on the basic financial statements taken as a whole. The additional information which is presented in the following page for supplementary analysis purposes was subjected to the audit procedures applied in our examination of the basic financial statements. This information, while not considered necessary for fair presentation of the financial position, results of operation and changes in financial position in conformity with generally accepted accounting principles is, in our opinion, fairly stated in all material respects when considered in relation to the basic financial statements taken as a whole.

Cote, Poganski, Kern, & Co.

COTE, POGANSKI, KERN & CO.

ST. CLOUD METROPOLITAN TRANSIT COMMISSION

STATEMENT OF EXPENSES AND FUNCTIONS
For the Year Ended September 30, 1978

<u>EXPENSE OBJECT CLASSES</u>	<u>Total Expenses</u>	<u>Operations 010</u>	<u>Maintenance 040</u>	<u>General Administration 160</u>
Labor -				
Operators' Salaries and Wages..	\$ 322,657	\$ 322,657 ✓		
Other Salaries and Wages.....	58,534	40,534 ✓		\$ 18,000 ✓
Commissioners' Compensation....	4,580			4,580 ✓
Fringe Benefits -				
Payroll Taxes.....	30,043	28,061 ✓		1,982 ✓
Hospital, Medical and Surgical Plans.....	9,774	8,694 ✓		1,080 ✓
Uniforms and Work Clothing Allowance.....	606	606 ✓		
Other Fringe Benefits.....	3,703	2,713 ✓		990 ✓
Services -				
Management Service Fees.....	16,000	16,000 ✓		
Advertising Fees.....	30,227			30,227 ✓
Professional and Technical Services.....	20,623	9,124 ✓		11,499 ✓
Sublet Mechanic Labor and Preventive Maintenance.....	100,693		\$ 100,693	
Other Services.....	2,958	1,565 ✓	1,081	312 ✓
Materials and Supplies Consumed -				
Fuel and Lubricants.....	70,266	70,266 ✓		
Tires and Tubes.....	9,627	9,627 ✓		
Other Materials and Supplies...	70,573	1,761 ✓	68,264	548
Utilities.....	3,415	2,636 ✓		779
Insurance.....	45,755	45,500 -		255
Miscellaneous Expenses -				
Dues and Subscriptions.....	885	42		843
Travel and Meetings.....	563	140		423
Printing and Publishing.....	3,914	3,527		387
Other Miscellaneous Expenses...	3,775	2,944		831
Leases and Rentals -				
Transit Way and Transit Way Structures and Equipment.....	2,874 ✓	2,874		
Engine Houses, Car Shops, and Garages.....	23,940 ✓	23,940		
Other General Administrative Facilities.....	4,776 ✓	3,576		1,200
Total Expenses Before Depreciation.....	840,761	596,787	170,038	73,936
Depreciation of Buses.....	18,038	18,038		
Total Expenses.....	\$ 858,799	\$ 614,825	\$ 170,038	\$ 73,936

ST. CLOUD METROPOLITAN TRANSIT COMMISSION

SCHEDULE OF TAX LEVIES AND RATES
For the Year Ended September 30, 1978

	<u>Total</u>	<u>St. Cloud</u>	<u>Waite Park</u>	<u>Sauk Rapids</u>	<u>Tax Rates in Mills</u>
Stearns County.....	\$ 196,399	\$ 182,434	\$ 13,965		1.95
Benton County.....	49,783	29,027		\$ 20,756	1.95
Sherburne County.....	<u>14,340</u>	<u>14,340</u>			1.95
Total.....	260,522	225,801	13,965	20,756	
Less: Homestead Credit.....	<u>44,195</u>	<u>35,183</u>	<u>2,596</u>	<u>6,416</u>	
Net Tax Levy.....	\$ <u>216,327</u>	\$ <u>190,618</u>	\$ <u>11,369</u>	\$ <u>14,340</u>	



COMMISSIONERS

Ben Gratzek - Chairman
A. J. Ringsmuth - Secretary
Sybil M. Hollern - Treasurer
A. C. Loehr - Member

EXECUTIVE DIRECTOR

Wayne R. Carlson
46 28th Avenue North
St. Cloud, Mn. 56301
(612) 251-1499

ST. CLOUD METROPOLITAN TRANSIT COMMISSION

WAITE PARK, SAUK RAPIDS, ST. CLOUD, MINNESOTA

RECEIVED

March 6, 1979

MAR 7 1979

SECRETARY OF STATE

The Honorable Joanne A. Growe
Secretary of State
State of Minnesota
180 State Office Building
St. Paul, Minnesota 55155

Re: St. Cloud Metropolitan Transit
Commission Annual Audit - F.Y.
1978

Dear Mrs. Growe:

In accordance with Section 6, Subdivision 9, chapter 1134 of 1969 Minnesota Laws, enclosed please find a copy of the fiscal year 1978 audit of the St. Cloud Metropolitan Transit Commission's financial accounts and affairs.

Please file the audit report and make it available for public inspection in accordance with your office policies.

Sincerely yours,

Wayne R. Carlson
Wayne R. Carlson
Executive Director

WRC/jf

cc: Alcuin J. Ringsmuth

SECRETARY'S OFFICE
134 - 3RD ST. N.
WAITE PARK,
MINNESOTA
56387