

COUNTY EXECUTIVE'S 2009 BUDGET

DEPT: MILWAUKEE COUNTY TRANSIT/PARATRANSIT SYSTEM

UNIT NO. 5600
FUND: Enterprise - 0083

OPERATING AUTHORITY & PURPOSE

The Department of Transportation & Public Works (DTPW) provides public transit services through the Milwaukee County Transit System. Direct management and operation of the transit system, including paratransit services, is provided by Milwaukee Transport Services, Inc. (MTS), a private nonprofit corporation under contract to the County. The corporation uses transit facilities and equipment owned and provided by Milwaukee County.

Paratransit operations include the provision of demand responsive transportation and orientation to

transportation services. These services provide a complement to the fixed-route services of MCTS and are available to those who are Americans with Disabilities Act (ADA) Paratransit eligible.

The Transportation Planning Division of the DTPW provides County oversight as well as conducts various transit related studies, and prepares and administers federal and state transit grants. Division personnel also facilitate the acquisition of capital equipment, and provide design and construction services for capital facilities.

BUDGET SUMMARY				
Account Summary	2007 Actual	2008 Budget	2009 Budget	2008/2009 Change
Personal Services (w/o EFB)	\$ 0	\$ 0	\$ 0	\$ 0
Employee Fringe Benefits (EFB)	0	0	0	0
Services	479,550	434,204	432,204	(2,000)
Commodities	472,783	490,000	460,000	(30,000)
Transit Operations	131,164,393	136,084,896	141,186,490	5,101,594
Other Charges	23,718,620	24,376,642	26,722,146	2,345,504
Capital Outlay	571,841	540,396	297,300	(243,096)
County Service Charges	1,926,386	1,846,358	2,629,796	783,438
Abatements	(193,706)	(12,024)	0	12,024
Total Expenditures	\$ 158,139,867	\$ 163,760,472	\$ 171,727,936	\$ 7,967,464
State & Federal Revenue	82,475,576	87,719,762	90,420,640	2,700,878
Other Direct Revenue	2,780,592	3,303,730	6,808,000	3,504,270
Transit Revenue	49,611,132	50,565,522	52,809,725	2,244,203
Total Revenue	\$ 134,867,300	\$ 141,589,014	\$ 150,038,365	\$ 8,449,351
Direct Total Tax Levy	23,272,567	22,171,458	21,689,571	(481,887)

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ADDITIONAL COSTS NOT INCLUDED IN TAX LEVY*				
Account Summary	2007 Actual	2008 Budget	2009 Budget	2008/2009 Change
Central Service Allocation	\$ 125,024	\$ 0	\$ 0	\$ 0
Courthouse Space Rental	0	0	0	0
Tech Support & Infrastructure	0	0	0	0
Distribution Services	0	0	0	0
Telecommunications	0	0	0	0
Record Center	0	0	0	0
Radio	56,861	0	0	0
Computer Charges	0	0	0	0
Applications Charges	0	0	0	0
Apps Charges - Network	0	0	0	0
Apps Charges - Mainframe	0	0	0	0
HRIS Allocation	0	0	0	0
Total Charges	\$ 181,885	\$ 0	\$ 0	\$ 0
Direct Property Tax Levy	\$ 23,272,566	\$ 22,171,458	\$ 21,689,571	\$ (481,887)
Total Property Tax Levy	\$ 23,454,451	\$ 22,171,458	\$ 21,689,571	\$ (481,887)

** In 2007, these costs were included in other charging departmental and non-departmental budgets. They were reflected here to show the "total" amount of tax levy support for this Department. In 2008 and 2009, these costs are budgeted within the receiving department to show the tax levy cost in the department.

MISSION

The Milwaukee County Transit/Paratransit System exists to provide reliable, convenient and safe public transportation services that efficiently and effectively meet the varied travel needs of the community and contribute to its quality of life.

OBJECTIVES

- Operate within established budgets while maximizing the quality and timeliness of services provided.
- Work with service providers to ensure that high quality paratransit service is provided cost effectively while meeting the needs of individuals with disabilities.
- Provide a safe and dependable transit system for the traveling public.
- Implement cost control measures while working with executive and legislative bodies toward improved fiscal sustainability.

DEPARTMENT DESCRIPTION

The *Transit Operations Program* includes all activities necessary for the efficient, day-to-day management and operation of the Milwaukee County Transit System, and the Transit Plus paratransit service by Milwaukee Transport Services, Inc. (MTS), a private nonprofit corporation under contract with Milwaukee County. MTS corporation employs a work force totaling approximately 1,100 employees.

The *Transit Policy and Capital Acquisition* program is staffed by four positions in the Transportation Planning Division and is responsible for studies related to transit planning, oversight of the replacement and acquisition of transit capital assets, and providing design and construction services for capital facilities. In addition, this division develops and submits grant applications and administers all approved state and federal grants.

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Transit Operations

- The budget has been developed without any reduction in bus routes or frequency of service.
- Operating expenses total \$138,657,219, an increase of \$4,246,747 (3.2 percent) over the 2008 budget. Higher operating expenses are primarily due to an increase of approximately \$6,000,000 in fuel cost and additional expenses for increased maintenance. For 2009, fuel is budgeted at \$3.75 per gallon compared to \$2.30 per gallon in the 2008 budget.
- The budget includes passenger fare increases for fixed route bus service in order to offset increases in fuel costs. Refer to the table below entitled "FARE STRUCTURE" for detailed fare information.
- Passenger revenue (passenger abatement) is estimated at \$46,202,100, an increase of \$2,653,162 (6.1 percent) due to a combination of passenger fare increases and an overall projected increase in ridership.
- Bus ridership is projected to be 41,938,100, an increase of 223,225 (0.5 percent) compared to the 2008 budget.
- The DTPW will prepare and submit an application to the Federal Transportation Administration under the Very Small Starts grant program for bus rapid transit (BRT). \$50,000 is budgeted for consultant services related to BRT. Upon approval of the application, DTPW will receive and expend grant funds for the purpose of BRT.
- The level percentage method of calculating OPEB costs results in a required contribution of \$16,821,992.
- In 2008, MTS joined the Business Health Care Group (BHCG), which includes more than 500 businesses in Southeastern Wisconsin and covers approximately 89,000 individuals. A competitive bid process revealed that the High Performance Network offered by BHCG was approximately \$1,750,000 million less per year than the next closest bid, and nearly \$3,800,000 million less than the highest bidder. MTS intends to remain a member of the BHCG in

order to continue to benefit from its negotiating power, but reserves the right to seek competitive bids if warranted. This change and increased employee and retiree co-pays negotiated in 2007 have also helped to mitigate the increases in operating costs of the fixed route system.

Paratransit Operations

- Paratransit trips are estimated at 1,155,477, an increase of 78,726 (7.3 percent) compared to the 2008 budget.
- The fare for Paratransit riders remains at the 2008 Adopted Budget level of \$3.25 per trip (one-way).
- Purchased transportation expense is estimated at \$24,063,524 an increase of \$2,204,247 (10.1 percent) compared to the 2008 Adopted Budget.
- The Milwaukee County Department on Aging and Milwaukee County Department of Disability Services will provide funding for trips provided to their clients in the amount of \$10.25 per trip. This is an increase of \$3.25 from the amount previously billed to these agencies of \$7.00 per trip in the 2008 Adopted budget. The additional net revenue from these agencies of approximately \$2,000,000 will be used to offset increased expenses that are primarily due to an increase in trips provided over the 2008 budgeted level.
- Overall productivity for van service is projected to be 2.05 rides per hour in 2009, a slight increase from the 2008 budget.
- This budget assumes that MCTS will continue to receive full reimbursement for Title XIX trips provided by paratransit.
- The Transit System will partner with DAS – Office for Persons with Disabilities to initiate a pilot program during 2009 to offer conditionally eligible paratransit clients complimentary rides on the existing fixed route bus system. The purpose of this program is to foster greater independence of conditionally eligible paratransit clients and to transition these clients to the less costly fixed route bus system.

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Transit Policy and Capital Acquisition

- State operating assistance is estimated to be \$65,300,000, an increase of \$1,515,000 (2.4 percent) compared to the 2008 budget.
- State specialized transportation assistance is projected to increase \$17,000 (1.2 percent) to \$1,494,000.
- Federal formula funds used for transit operations decrease \$100,000 from the 2008 budget level to \$18,600,000.
- Federal cost of contracting funds (FTA formula funds) used for paratransit operations will be \$1,850,000, an increase of \$100,000 compared to the 2008 budget.
- Expenditures of \$2,908,000 are budgeted for capital improvements in 2009 for Transit. This appropriation includes replacement equipment for the MCTS Dispatch Center; roof and heating, ventilation, and air conditioning (HVAC) repairs to the MCTS administration building, and a diesel pump/piping replacement project at the Kinnickinnic operating garage. For further detail, refer to the 2009 Recommended Capital Improvements Budget.
- All departments are required to operate within their expenditure appropriations and their overall budgets. Pursuant to Section 59.60(12), Wisconsin Statutes, "No payment may be authorized or made and no obligation incurred against the county unless the county has sufficient appropriations for payment. No payment may be made or obligation incurred against an appropriation unless the director first certifies that a sufficient unencumbered balance is or will be available in the appropriation to make the payment or to meet the obligation when it becomes due and payable. An obligation incurred and an authorization of payment in violation of this subsection is void. A county officer who knowingly violates this subsection is jointly and severally liable to the county for the full amount paid. A county employee who knowingly violates this subsection may be removed for cause."

FARE STRUCTURE			
<i>Fare Type</i>	<i>Current Fare</i>	<i>2009 Fare</i>	<i>Fare Change</i>
Adult Cash	\$2.00	\$2.25	\$0.25
Adult Ticket	10/\$16.00	10/\$16.50	\$0.50
Premium Cash	\$2.75	\$3.00	\$0.25
Premium Ticket	10/\$22.00	10/\$22.50	\$0.50
All Half Fares Cash	\$1.00	\$1.10	\$0.10
All Half Fares Tickets	10/\$10.00	10/\$11.00	\$1.00
Adult Pass*	\$16.00	\$16.50	\$0.50
Student Pass - Special*	\$15.00	\$15.50	\$0.50
U-Pass**	\$41.00	\$42.00	\$1.00
Commuter Value Pass***	\$177.00	\$183.00	\$6.00
*Per week **Per school term ***Per Quarter			

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ACTIVITY & STATISTICAL SUMMARY			
	2007	2008	2009
	Actual	Budget	Budget
Buses Fleet	483	483	483
Buses Operated	431	394	394
Bus Miles	18,494,513	17,903,359	17,776,847
Bus Hours	1,376,762	1,339,612	1,322,692
Revenue Passengers	42,531,691	41,714,875	41,938,100
Cost per Mile	\$ 6.97	\$ 7.51	\$ 7.80
Cost per Revenue Passenger	\$ 3.03	\$ 3.22	\$ 3.30
Revenue per revenue passenger	\$ 1.00	\$ 1.04	\$ 1.10
Farebox Recovery Ratio	33.01%	32.40%	33.34%
Transit Plus Van trips/Hour	2.04	2.02	2.05
Transit Plus Ridership	1,091,823	1,076,751	1,155,477
Transit Plus Cost/Ride	\$ 20.14	\$ 21.32	\$ 21.82