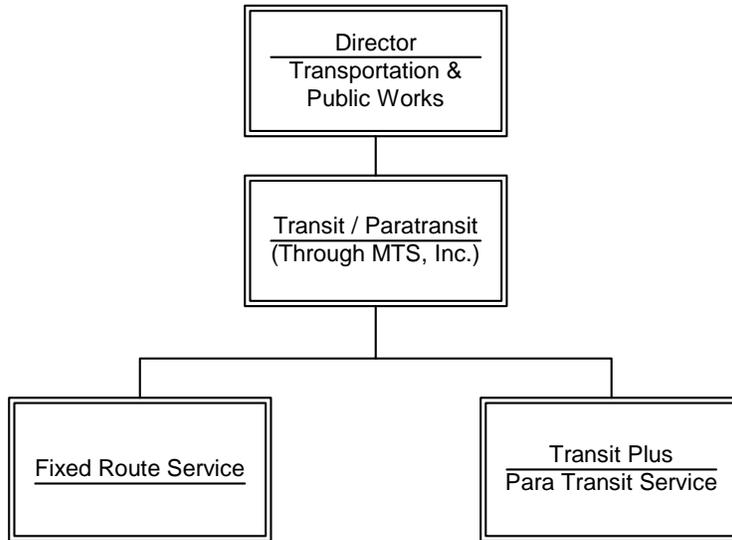


MILW CO TRANSIT-PARATRANSIT SYSTEM (5600)



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.

Budget Summary

	2011	2010/2011 Change
Expenditures	171,383,458	(1,853,517)
Revenue	153,877,503	(226,546)
Levy	17,505,955	(1,626,971)

Major Programmatic Changes

- Paratransit agency rates are increased to eliminate property tax levy subsidy.
- Provide \$2 million in additional revenues through the implementation of video advertising.
- Hours of service are reduced to reflect ridership patterns.
- Service frequency is reduced on Saturdays on 13 routes to reflect ridership patterns.
- Festival shuttle costs are offset with additional revenues.
- Design and construct a Bus Rapid Transit line on Fond du Lac and National Avenues.

COUNTY EXECUTIVE'S 2011 BUDGET

DEPT: Milw Co Transit-Paratransit System

UNIT NO. 5600
FUND: Enterprise - 0083

OBJECTIVES

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

DEPARTMENTAL PROGRAM DESCRIPTION

The Department of Transportation & Public Works (DTPW) provides public transit services through the Milwaukee County Transit System (MCTS). Direct management and operation of the transit system, including paratransit services, is provided by Milwaukee Transport Services, Inc. (MTS), a private non-profit 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 Director's Office 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.

2011 BUDGET

Approach and Priorities

- The 2011 budget was developed in a manner to ensure the County's transit services continue to provide efficient and reliable transportation options for residents of Milwaukee County, by focusing on core service routes and high demand service hours.
- To ensure the sustainability of the paratransit system, rates charged to Family Care agencies for paratransit services are increased in order to eliminate the property tax subsidy for the program, maximize cost reimbursement from outside revenue sources, and to provide additional incentives to seek lower-cost alternatives.

Programmatic Impacts

- Per County Board adopted resolution 10-267, \$2,000,000 in additional revenues through the implementation of video advertising are budgeted.
- Hours of operation are reduced to 4:30 AM to 12:00 AM on weekdays and 6:00 AM to 12:00 AM on weekends (see chart below).
- Service frequency on Saturdays is reduced on 13 routes.
- Costs for festival flyer service are fully offset through increased sponsorship revenues and increasing the roundtrip fare by \$0.50.

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Budget Highlights

Departmental Operations

Wage and Benefit Modifications* **(\$14,335)*

This budget includes a crosscharge expenditure reduction of \$14,335 based on the changes described in the non-departmental account for wage and benefit modifications (Org-1972), for a total tax levy savings of \$14,335.

Federal Funding* **\$3,200,000*

The 2011 budget reflects the anticipated allocation of capitalized maintenance funding of \$15.4 million, a reduction from the 2010 Adopted Budget of \$3,200,000.

State Funding* **(\$1,991,800)*

State operating assistance for MCTS increased by 2.5 percent per the 2009-2011 biennial budget, including anticipated funding for the Job Access and Reverse Commute (JARC) program.

Transit Operations (Fixed Route)

Revenue and Expenditure Overview

Operating expenses total \$133,902,002, a decrease of \$3,859,831 (-2.9%) from the 2010 Adopted Budget. Passenger revenue (passenger abatement) is estimated at \$41,004,878, a decrease of \$4,170,412 (-10.2%) from the 2010 Adopted Budget. Included in the passenger revenue decrease from 2010 is a reduction of \$3,700,000 based on recent actual collections, and approximately \$470,000 related to the service reductions noted below.

Video Advertising Revenue* **(\$2,000,000)*

In the July 2010 cycle the Board passed a resolution, 10-267, an initiative by the Vice Chair of the Committee on Finance and Audit, that would provide video advertising on buses, with estimated revenues of \$2,000,000 annually. Consistent with the Board's intent, \$2,000,000 in revenue is budgeted for the implementation of video advertising in accordance with County Board resolution 10-267.

Hours of Service* **(\$1,837,580)*

Based on low levels of ridership and a tax levy subsidy of \$4.33 per ride, hours of operation are reduced on weekdays and weekends as shown in the chart below. This adjustment to service hours reduces gross operating expenditures by \$2,223,400, passenger revenue by \$385,820, net tax levy support by \$1,837,580, and will result in a reduction of approximately 424,000 rides annually, representing one percent of the total number of rides provided annually.

Day	Current Start	Current End	Recommended Start	Recommended End
Weekdays	4:00 AM	2:00 AM	4:30 AM	12:00 AM
Saturdays	4:30 AM	2:00 AM	6:00 AM	12:00 AM
Sundays	4:30 AM	2:00 AM	6:00 AM	12:00 AM

Saturday Service Frequency* **(\$668,600)*

Based on low ridership and a tax levy subsidy of \$6.01 per ride, frequency on 13 routes is reduced on Saturdays to match Sunday service. The affected routes are: 10, 11, 12, 14, 31, 33, 35, 51, 53, 54, 57, 67, and 80. This frequency adjustment reduces gross operating expenditures by \$769,860, passenger revenue by \$101,260, and net tax levy support by \$668,600, and results in a reduction of approximately 111,280 rides annually, representing less than one percent of the total number of rides provided annually.

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Advertising Revenues **(\$75,000)**

Based on recent annual activity, non-video advertising revenues are increased over the 2010 Adopted Budget by \$75,000 to \$650,000.

Fuel **\$688,211**

Fuel expenditures increase by \$688,211 over the 2010 Adopted Budget, from \$8,633,072 to \$9,321,283, based on an increase price per gallon from \$2.10 to \$2.40, offset by reduced volume of 215,815 gallons to the ongoing purchase of new, more fuel efficient buses and related to service reductions noted above.

Bus Repair Materials **(\$150,000)**

Based on recent experience and the ongoing replacement of 125 buses (approximately one-quarter of the fleet) over the next two years, bus repair parts are reduced by \$150,000, from \$3,887,164 in 2010 to \$3,737,164.

Festival Service **(\$230,960)**

Festival flyer service will be maintained with gross operating costs of \$931,500, offset with passenger revenue of \$758,518. The round-trip fare for festival service is increased from \$6 to \$6.50, resulting in increased revenues of \$58,378. The Department will pursue sponsorship opportunities to provide additional resources for the remaining cost of the service.

Paratransit Operations

Revenue and Expenditure Overview

Operating expenses total \$30,514,571, an increase of \$2,387,531 (8.5%) over the 2010 Adopted Budget. Program revenue is budgeted at \$16,364,259, an increase of \$5,172,060 (46.0%) over 2010. The increase in program revenues is mainly related to an increase in the rate charged to Family Care organizations for client services (see below), and increased cash fare collections due to higher ridership. Combined with an increase in state transit operating assistance (\$674,712), the Paratransit program requires no tax levy support in the 2011 recommended budget.

Family Care Agency Contracting and Rate Increase **(\$3,778,000)**

Paratransit shall charge managed care organizations \$15.80 per van ride, and the full cost per taxi ride (estimated at \$13.25 per ride), for paratransit services provided to their clients, an increase over the 2010 Adopted Budget of \$5.00 per ride. The increase is estimated to provide an additional \$3,828,000 in revenues from Family Care providers, offset by a decrease of approximately \$50,000 in Title XIX revenues. Additionally, DTPW-Transit is authorized to enter into contracts with managed care provider agencies, including the Milwaukee County Department of Family Care, Community Care, IRIS, and iCare, and any other appropriate agencies, regarding the provision of transportation services for eligible clients. DTPW-Transit shall seek to include utilization incentives to further reduce costs in these agreements.

New Freedom Initiative **\$0**

DTPW-Transit will continue to coordinate with the Office for Persons with Disabilities and other County agencies to provide free rides on the fixed route system for eligible persons with disabilities through the Federal New Freedom Initiative, with the goals of expanding mobility and reducing the need for paratransit services.

Capital Investments

\$43,060,000 is budgeted for a Bus Rapid Transit (BRT) capital project on Fond du Lac and National Avenues in 2011. Funding includes \$36,601,000 in Federal Interstate Cost Estimate (ICE) revenue and \$6,459,000 in bond proceeds to be transferred from 2010 Adopted Capital Project WT026 - Bus Replacement Program. The funds transferred from the Bus Replacement capital project will later be replaced with the County's allocation of \$10 million of Surface Transportation Program (STP) funding. Additional details can be found in the 2011 Recommended Capital Improvement Budget.

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In addition, the 2011 Capital Improvements Budget includes \$355,200 for transit infrastructure improvements that are part of a countywide infrastructure improvement program. See the Department of Transportation and Public Works – Facilities Division Budget for additional details.

BUDGET SUMMARY				
Account Summary	2009 Actual	2010 Budget	2011 Budget	2010/2011 Change
Personal Services (w/o EFB)	\$ 0	\$ 0	\$ 0	\$ 0
Employee Fringe Benefits (EFB)	0	0	0	0
Services	413,642	432,204	335,422	(96,782)
Commodities	463,294	460,000	420,000	(40,000)
Transit Operations	136,650,420	140,255,647	136,946,513	(3,309,134)
Other Charges	26,930,556	29,152,417	31,028,864	1,876,447
Capital Outlay	562,093	222,500	222,500	0
County Service Charges	2,734,351	2,714,207	2,430,159	(284,048)
Abatements	0	0	0	0
Total Expenditures	\$ 167,754,356	\$ 173,236,975	\$ 171,383,458	\$ (1,853,517)
State & Federal Revenue	89,893,215	92,461,060	90,661,500	(1,799,560)
Other Direct Revenue	7,535,099	7,742,500	12,768,868	5,026,368
Transit Revenue	47,828,287	53,900,489	50,447,135	(3,453,354)
Total Revenue	\$ 145,256,601	\$ 154,104,049	\$ 153,877,503	\$ (226,546)
Direct Total Tax Levy	22,497,755	19,132,926	17,505,955	(1,626,971)

FARE STRUCTURE			
Fare Type	Current Fare	2011 Fare	Fare Change
Adult Cash	\$2.25	\$2.25	\$0.00
Adult Ticket	10/\$17.50	10/\$17.50	\$0.00
Premium Cash	\$3.25	\$3.25	\$0.00
Premium Ticket	10/\$23.50	10/\$23.50	\$0.00
All Half fares Cash	\$1.10	\$1.10	\$0.00
All Half Fares Tickets	10/\$11.00	10/\$11.00	\$0.00
Adult Weekly Pass*	\$17.50	\$17.50	\$0.00
Monthly Pass	\$64.00	\$64.00	\$0.00
Student Pass – Special*	\$16.50	\$16.50	\$0.00
U-Pass**	\$45.00	\$45.00	\$0.00
Commuter Value Pass***	\$195.00	\$195.00	\$0.00
Paratransit Fare****	\$3.25	\$3.25	\$0.00

*Per week

**Per School Semester

***Per Quarter

****Per one way trip

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ACTIVITY & STATISTICAL SUMMARY			
	2009 Actual	2010 Budget	2011 Budget
Fixed Route Service			
Buses in Fleet	466	483	414
Buses Operated in Peak Service	394	343	335
Annual Bus Miles	17,958,867	17,841,677	16,905,039
Annual Bus Hours	1,346,998	1,327,483	1,267,609
Revenue Passengers	39,405,363	40,175,860	38,117,500
Cost per Mile	\$7.51	\$7.72	\$7.92
Cost per Revenue Passenger	\$3.42	\$3.43	\$3.51
Revenue per Revenue Passenger	\$1.05	\$1.12	\$1.08
Farebox Recovery Ratio	30.57%	32.79%	30.62%
Transit Plus			
Van Trips per Hour	2.13	2.06	2.13
Ridership	1,170,456	1,216,430	1,273,632
Cost per Ride	\$22.18	\$23.05	\$23.90

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."