

## B U D G E T S U M M A R Y

Category	2018 Actual	2019 Actual	2020 Budget	2021 Budget	2021/2020 Variance
<b>Expenditures</b>					
<b>Personnel Costs</b>	\$0	\$0	\$0	\$0	\$ 0
<b>Operation Costs</b>	\$150,829,539	\$148,609,582	\$153,234,531	\$155,544,540	\$2,310,009
<b>Debt &amp; Depreciation</b>	\$3,787,932	\$4,064,581	\$3,492,953	\$3,492,953	\$0
<b>Capital Outlay</b>	\$581,919	\$416,601	\$390,000	\$290,000	(\$100,000)
<b>Interdepartmental.</b>	\$2,161,776	\$2,152,315	\$2,831,386	\$3,174,734	\$343,348
<b>Total Expenditures</b>	<b>\$157,361,166</b>	<b>\$155,243,079</b>	<b>\$159,948,870</b>	<b>\$162,502,227</b>	<b>\$2,553,357</b>
<b>Revenues</b>					
<b>Direct Revenue</b>	\$40,819,617	\$39,002,282	\$38,688,480	\$35,602,954	(\$3,085,526)
<b>Intergovernmental</b>	\$92,121,939	\$89,635,250	\$92,940,694	\$103,599,634	\$10,658,940
<b>Indirect Revenue</b>	\$0	\$0	\$0	\$0	\$ 0
<b>Local VRF Revenues</b>	\$15,822,183	\$16,186,470	\$16,101,243	\$16,014,577	(\$86,666)
<b>Total Revenues</b>	<b>\$148,763,739</b>	<b>\$144,824,002</b>	<b>\$147,730,417</b>	<b>\$155,217,165</b>	<b>\$7,486,748</b>
<b>Tax Levy</b>	<b>\$8,597,427</b>	<b>\$10,419,077</b>	<b>\$12,218,453</b>	<b>\$7,285,062</b>	<b>(\$4,933,391)</b>

**Department Mission:**

The Milwaukee County Transit System (MCTS) connects our community to jobs, education and life with essential transit services. We strive to be the preferred transportation choice through service excellence and innovation.

**Department Description:**

The Director's Office of the Milwaukee County Department of Transportation (MCDOT) provides oversight of MCTS, conducts transit related studies, and prepares and administers Federal and State transit grants. MCDOT personnel also facilitate the acquisition of capital equipment and provide the Architecture & Engineering Division (A&E) of the Department of Administration Services (DAS) capital improvement recommendations for MCTS facilities. Milwaukee Transport Services, Inc. (MTS), is a quasi-governmental instrumentality of Milwaukee County that is recognized as an element of Milwaukee County by the Federal Transit Administration (FTA). Transit employees work for MTS, which is responsible for managing day to day transit operations using facilities and equipment provided by Milwaukee County.

**Major Changes in FY 2021**

There are no major changes to paratransit service or to the fixed route transit service, but uncertainty surrounding short-and-long term fiscal impacts caused by the novel Coronavirus Disease-2019 (COVID-19) pandemic remains. In early 2020, the closing of schools, businesses and other local destinations resulted in significantly reduced transit ridership and passenger revenue. In response, the Coronavirus Aid, Relief, and Economic Security Act (CARES) Act of 2020 was passed to provided \$25 billion for transit nationally. If not for these funds being made available to Milwaukee County for transit, MCTS originally projected a budget gap of over \$12.1 million for 2021 due to total expenditures increasing by \$2.5 million (1.6%) and decreases in revenue and tax levy in the amounts of \$5.3 million and \$4.9 million, respectively.

**Strategic Program Area 1: Paratransit**

**Service Provision: Mandated**

<b>How We Do It: Program Budget Summary</b>					
<b>Category</b>	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Budget</b>	<b>2021 Budget</b>	<b>2021/2020 Variance</b>
Expenditures	\$16,602,155	\$16,768,841	\$17,127,297	\$17,149,722	\$22,425
Revenues	\$14,629,533	\$14,499,156	\$14,577,617	\$14,935,609	\$357,992
Tax Levy	\$1,972,622	\$2,269,686	\$2,549,680	\$2,214,113	(\$335,567)

<b>What We Do With It: Activity Data</b>				
<b>Activity</b>	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Target</b>	<b>2021 Target</b>
Van Trips per Hour	1.85	2.04	1.89	1.93
Van Ridership	440,374	437,466	431,567	431,567
Agency Ridership	14,524	13,643	13,100	14,092
Taxi Ridership	73,043	62,500	69,391	62,500
Total Ridership	527,941	513,609	514,058	508,159
Individualized Travel Training	78	87	80	50

<b>How Well We Do It: Performance Measures</b>				
<b>Performance Measure</b>	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Target</b>	<b>2021 Target</b>
Van Service On-Time Performance	92.5%	93.7%	95%	94.0%
Van Cost per Ride ( <i>provider</i> )	\$28.44	\$29.29	\$30.06	\$30.20
Agency Cost per Ride ( <i>provider</i> )	\$10.02	\$10.66	\$11.83	\$14.01
Taxi Cost per Ride ( <i>provider</i> )	\$11.98	\$12.28	\$12.70	\$12.80
Total Cost per Ride ( <i>incl. admin.</i> )	\$31.03	\$32.15	\$32.78	\$33.20

**Strategic Overview:**

Transit Plus is Milwaukee County’s paratransit program. There are over 8,400 registered Transit Plus participants who are Americans with Disabilities Act (ADA) paratransit eligible. MCTS contracts with paratransit service companies to provide rides to persons with disabilities border-to-border in the County following strict requirements of the ADA.

**Strategic Implementation:**

Paratransit van and taxi costs per ride continue to be lower than national averages of \$39.51 and \$27.94, respectively (based on 2018 National Transit Database Summaries and Trends Report). 2021 ridership is projected to mirror that of 2020, leaving total costs flat. MCTS will once again apply for a two-year FTA grant under Section 5310 to continue mobility management activities in 2021 (and 2022) inclusive of fixed route travel training, community outreach and education, mobility device training, and bus operator ADA sensitivity and passenger assistance training.

**Strategic Program Area 2: Fixed Route**

**Service Provision: Mandated**

**Strategic Outcome: Quality of Life**

How We Do It: Program Budget Summary					
Category	2018 Actual	2019 Actual	2020 Budget	2021 Budget	2021/2020 Variance
Expenditures	\$140,759,010	\$138,474,238	\$142,821,573	\$145,351,244	\$2,529,671
Revenues	\$134,134,206	\$130,324,847	\$133,152,800	\$140,281,556	\$7,128,756
Tax Levy	\$6,624,804	\$8,149,393	\$9,668,773	\$5,069,688	(\$4,599,085)

What We Do With It: Activity Data				
Activity	2018 Actual	2019 Actual	2020 Target	2021 Target
Buses in Fleet	409	394	348	355
Buses in Peak Hour	334	320	290	296
Bus Miles	18,306,995	17,965,918	17,583,166	17,650,259
Miles / Bus	44,760	45,599	50,526	49,719
Bus Hours	1,394,808	1,371,441	1,339,778	1,348,128
Passengers	29,071,243	26,447,214	27,721,853	24,949,669
Passenger Revenue	\$32,417,553	\$31,475,475	\$30,771,257	27,694,132
Revenue per Passenger	\$1.12	\$1.19	\$1.11	\$1.11

How Well We Do It: Performance Measures				
Performance Measure	2018 Actual	2019 Actual	2020 Target	2021 Target
Farebox Recovery Ratio*	23.0%	23.9%	22.8%	20.1%
Passengers per Bus Hour	20.8	19.3	20.7	18.5
Cost per Bus Hour	\$100.92	\$100.97	\$106.07	\$107.81
Cost per Passenger	\$4.84	\$5.24	\$5.12	\$5.83
Passenger Trips per Capita**	30.4	28	29.1	26.4

Definitions: \* Farebox Recovery Ratio is calculated as the ratio of total expenses covered by total passenger fares

\*\* Passenger trips per capita is calculated by dividing annual passenger trips by the population of Milwaukee County (service area)

**Strategic Overview:**

There are no service changes or fare increases proposed for 2021. The Transit Fare Table in this section of the budget shows a decrease in cost of the 1-day concession pass available to older adults (65+) and persons with disabilities from \$3 to \$2 per day to match the cost of similar passes (Go Pass and New Freedom Pass).

MCTS carries more passengers per capita at a lower cost per bus hour of service in comparison to national averages<sup>1</sup>. MCTS is starting to lag national trends in farebox recovery, passengers per bus hour and cost per passenger. Each of these measures are heavily influenced by ridership. Under normal conditions, strategies to increase ridership through increasing the availability of high frequency transit services and increasingly using grant dollars to improve advertising for transit services can aid in increasing ridership. In 2021, ridership is more dependent upon State and Local conditions related to COVID-19, and the eventuality of a vaccine.

In addition to passenger revenue, the MCTS budget includes anticipated revenue contracts that exceed \$300,000 from state and federal sources, and in accordance with Wisconsin Statute 59.52(31) approval from the County Board is required. Passage of the MCTS budget allows MCDOT to execute these revenue grant contracts in 2021:

- State Urban Mass Transit Operating Assistance Contract (Section 85.20)
- State Urban Mass Transit Paratransit Assistance Contract (Section 85.205)
- State Specialized Transportation Assistance Program for Counties (Section 85.21)
- Federal Urbanized Area Formula (Section 5307)
- Federal Bus and Bus Facilities Formula (Section 5339)

**Strategic Implementation:**

Transit's role in Milwaukee is critical now and will continue to be in the future. An inclusive and accessible transit network benefits all users and transforms communities by connecting people to opportunities. Through MCTS, the County is providing a strong transit network that supports economic growth and competitiveness of the region. On-going investments in transit will help Milwaukee County to realize a future where an individual's race no longer predicts one's success while also improving outcomes for everyone.

**Route 81 – Amazon Oak Creek:**

In File No. 20-468 the County Board of Supervisors appropriated money for Route 81 beginning at N. 35th St. and W. Fond du Lac Ave. in the City of Milwaukee and terminating at the new Amazon Distribution Center in the City of Oak Creek to provide transit access to jobs. The Route began service in mid-October 2020.

For 2021, transit service for Route 81 will be funded through August with the remaining funding set aside in an allocated contingency account in Org. Unit 5600. MCDOT and MCTS in July 2021 will present an action report based on ridership data to the County Board which may decide to continue the route, otherwise Route 81 service will terminate by September 6, 2021, in line with when MCTS schedules normally change.

**Bus Rapid Transit and Racial Equity**

BRT focuses on faster, more frequent transit service that is easier to use in high passenger-demand transit corridors. In 2020, the FTA indicated that up to \$40.9M in Federal Section 5309 funds has been appropriated for the East-West BRT project. Upon execution of an FTA Small Starts Grant Agreement (SSGA) award, MCTS will begin construction of BRT stations in 2021 and procure equipment necessary to begin BRT operations in late 2022. The BRT project will strengthen the entire transit network and aid in achieving opportunity and racial equity in a way that moves Milwaukee County closer to achieving its vision of becoming the healthiest County in the state.

Milwaukee County and MCTS has initiated a new study for transit enhancements – potentially a 2<sup>nd</sup> BRT line – in the 27th Street transit corridor, where the Purple Line, one of MCTS's highest ridership routes is located. Racial equity will be given deliberate consideration in the study, as this corridor is accessible to environmental justice populations (predominantly low income, non-white and non-English speaking). Communities along this corridor have also experienced some of the highest rates of COVID-19 infection and fatality in Milwaukee County, all of which underscore the need for investment.

MCTS is committed to community engagement and involvement so that County investments in transit improvements reflect the needs, values and interests of the community. In 2021, MCTS will continue to expand the level of public engagement among communities of color, increase utilization of technology and face-to-face interactions to reach

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<sup>1</sup> 2018 National Transit Summaries and Trends, Office of Budget and Policy, FTA, December 2019

riders, stakeholders, businesses and elected officials, enabling them to provide feedback on proposed services and service changes.

Finally, the 2021 transit budget is dependent, in part, on ridership climbing back from record low levels in 2020 that resulted from COVID-19. Federal CARES Act funds for Milwaukee County in the amount of \$54.9 million were determined using the FTA allocation formula under the Urbanized Area Formula Program (49 USC 5307). CARES Act funds help MCTS to prevent, prepare for, and respond to COVID-19. If long-term impacts of the pandemic on public transportation persist into 2021 and CARES Act funds are completely exhausted, mid-year corrections may have to be pursued to ensure that MCTS remains on budget. In addition, it is unclear how COVID-19 may impact future federal, State and local funding. It is the intent of MCTS to use CARES Act as prescribed, to aid in responding to the impacts of COVID-19 that may linger until a vaccine is universally available.

FARE TABLE

FARE NAME	CURRENT FARE	PROPOSED FARE	COMMENT
<b>Cash Fares</b>			
Adult	\$2.25	\$2.25	No change
Premium	\$3.50	\$3.50	No change
Concession (Half-Fare)	\$1.10	\$1.10	No change
<b>M-Card/Stored Value Fares</b>			
Adult Single Ride	\$2.00	\$2.00	No change
Premium Single Ride	\$2.50	\$2.50	No change
Concession (Half-Fare)	\$1.10	\$1.10	No change
<b>Pass Fares</b>			
1-Day Adult Pass	\$4.00	\$4.00	No change; purchased at ready fare outlet
1-Day Adult Pass	\$5.00	\$5.00	No change; loaded on existing smartcard at farebox
1-Day Premium Pass	\$6.00	\$6.00	No change; purchased at ready fare outlet
1-Day Concession Pass	\$2.00	\$2.00	No change; purchased at ready fare outlet
1-Day Concession Pass	\$3.00	\$2.00	Decrease to match GOPass program; loaded on existing smartcard at farebox
1-Day Prem. Concession Pass	\$3.00	\$2.00	Decrease to match GOPass program.
3-Day Adult Pass	\$12.00	\$12.00	No change
3-Day Premium Pass	\$18.00	\$18.00	No change
3-Day Concession Pass	\$6.00	\$6.00	No change
3-Day Concession Premium Pass	\$9.00	\$9.00	No change
7-Day Adult Pass	\$19.50	\$19.50	No change
7-Day Premium Pass	\$27.00	\$27.00	No change
7-Day Concession Pass	\$11.00	\$11.00	No change
31-Day Adult Pass	\$72.00	\$72.00	No change
31-Day Premium Pass	\$96.00	\$96.00	No change
31-Day Concession Pass	\$32.00	\$32.00	No change
<b>Other Special Fares</b>			
Student 5-Day Pass	\$17.50	\$17.50	No change
U-PASS Semester Pass	\$50.00	\$50.00	No change
Commuter Value Pass	\$220.00	\$220.00	No change; per three months (quarter)
New Freedom Pass	\$2.00/day	\$2.00/day	No change
Transfer	Free	Free	No change, Encoded on rider's M-Card;
M-Card Lite: One 90-minute pass	\$2.25	\$2.25	No change; Fare form for eligible social service agencies/non-profits
M-Card Lite: Two 90-minute passes	\$4.25	\$4.25	No change; Fare form for eligible social service agencies/non-profits
Mobile App Fares	\$2.00 for 90 minutes	\$2.00 for 90 minutes	No change; new fares under development will be consistent with pass fares
Paratransit Fare	\$4.00	\$4.00	No change (per one-way trip)
GO Pass	\$2.00/day	\$2.00/day	No change