

REQUESTED 2007 BUDGET

DEPARTMENT OF TRANSPORTATION & PUBLIC WORKS
Milwaukee County Transit/Paratransit System

UNIT NO. 5600
FUND: Enterprise - 0083

OPERATING AUTHORITY & PURPOSE

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

GENERAL SUMMARY

This is a programmatic presentation of the Transit Services budget. Each unit presentation includes a fiscal summary, a program description and budgetary highlights. The transit operations description indicates the number of authorized positions assigned to the unit and a departmental summary of changes. The Transit Policy and Capital Acquisition program has no authorized positions but is cross-charged for services provided by the Transportation Planning Division.

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

Account Summary	2005 Actual	2006 Budget	2007 Budget	2006 / 2007 Change
Contract Services	445,318	551,072	470,500	(80,572)
Internal Service Charges	2,035,977	2,332,517	1,928,487	(404,030)
Commodities	418,620	490,000	490,000	0
Depreciation	2,346,101	2,465,000	2,224,000	(241,000)
Transit Operations	138,519,053	143,871,944	149,766,069	5,894,125
Other Charges	2,016,416	583,313	583,313	0
Major Maintenance	238,893	342,000	105,000	(237,000)
New & Repl. Equip.	644,309	423,000	343,000	(80,000)
Planning	645,418	504,300	523,300	19,000
Capital Outlay Contra	(402,397)	(423,000)	(343,000)	80,000
Abatements	(218,201)	(317,504)	(175,572)	141,932
Total Expenditures	146,689,507	150,822,642	155,915,097	5,092,455
State & Federal Revenue	79,095,123	80,199,416	82,901,413	2,701,997
Other Direct Charges	2,380,789	1,318,500	1,562,500	224,000
Transit Revenues	45,444,057	48,905,545	51,056,106	2,150,561
Total Revenues	126,919,969	130,423,461	135,520,019	5,096,558
Property Tax Levy	19,769,538	20,399,181	20,395,078	(4,103)

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ORGANIZATIONAL COST SUMMARY					
DIVISION		2005 Actual	2006 Budget	2007 Budget	2006 / 2007 Change
Transit Operations	Expenditure	138,519,053	143,871,944	149,766,069	5,894,125
	Revenue	<u>45,444,057</u>	<u>48,905,545</u>	<u>51,056,106</u>	<u>2,150,561</u>
	Tax Levy	93,074,996	94,966,399	98,709,963	3,743,564
Transit Policy and Capital Acquisition	Expenditure	8,170,454	6,950,698	6,149,028	(801,670)
	Revenue	<u>81,475,912</u>	<u>81,517,916</u>	<u>84,463,913</u>	<u>2,945,997</u>
	Tax Levy	(73,305,458)	(74,567,218)	(78,314,885)	(3,747,667)

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 related Transit Plus paratransit service by Milwaukee Transport Services, Inc., a private nonprofit corporation under contract with Milwaukee County. The corporation employs a work force totaling approximately 1,250 employees who are assigned to three major functional classifications: Administration, Finance and Operations.

The *Transit Policy and Capital Acquisition* program is staffed by four positions in the Transportation Planning Division and is responsible for all studies related to transit planning, 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.

Transit Operations

- The 2007 budget was developed with no increase in adult cash fares. Adult tickets and weekly passes would increase from \$14.00 to \$16.00 in 2007, generating an additional \$2,620,000 in revenue. The \$1.30 student cash, \$13.00 ticket book and \$13.25 regular student pass fare classifications would be eliminated to simplify the pass structure and minimize operating issues. Proposed 2007 fares are detailed in the attached schedule.
- Ridership is projected to approximate 2006 budget estimates. It was assumed that potential losses from increased fares would be offset by increased ridership due to high fuel costs.
- Transit passenger revenue is projected to be \$43,724,000, an increase of \$3,182,600 (7.9%) when

compared to the 2006 budget. The increase in passenger revenue is primarily the result of the reduced discount for tickets and passes.

- Bus hours are projected to be 1,376,396, a decrease of 45,254 bus hours (3.2%) compared to the 2006 budget. Bus miles in 2007 are projected to be 18,484,287, a decrease of 3.7 percent compared to the 2006 budget. Significant service reductions and restructuring are proposed as follows: discontinuation of all service on Routes 8, 45, 47 and 219; Route 64 – discontinue Saturday and Sunday service; Routes 21 and 60 – discontinue service to UWM (all service east of Humboldt and Locust); Route 20 – discontinue service south of Layton Ave; Route 23 – discontinue service to Park Place and Bradley Woods; Route 31 – discontinue service on the Mayfair Branch; Route 35 – discontinue service south of Howard Avenue; Route 68 - discontinue service north of Bayshore; Routes 10 and 15 – reconfigure service north of Capital Drive eliminating direct service from the Humboldt Avenue corridor to Bayshore. The total operating cost savings from route elimination and restructuring is \$2,294,400.
- Operating expenses are estimated to be \$129,476,977, an increase of \$5,115,175 (4.1%) compared to the 2006 budget. The increase is primarily due to the accounting of OPEB pursuant to GASB 45. The 2007 expense estimate also assumes that significant changes will be made to medical insurance benefits provided to active employees and retirees when union contracts are negotiated in early 2007.
- Diesel fuel was budgeted at \$2.25 per gallon for 2007, resulting in an increase of \$900,000 over the 2006 budget amount.

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Paratransit Operations

- The passenger fare will be \$3.50 per one-way trip, an increase of \$0.25 compared to 2006.
- Total trips are estimated at 1,026,320, an increase of 37,024 (3.7%) compared to the 2006 budget. The increase is based on current paratransit ridership trends through April 2006.
- Purchased transportation expense is estimated at \$20,289,092, an increase of \$778,950 (4.0%) compared to the 2006 budget. Cost per paratransit ride is projected at \$19.77, an increase of 0.3 percent compared to the 2006 budget.
- Overall productivity for van service is projected to be 2.03 rides per hour in 2007, an increase of 3.1 percent compared to the 2006 budget.
- State specialized transportation assistance is projected to increase \$224,797 (17.8%) to \$1,490,060.
- Federal formula funds used for transit operations (capitalized maintenance) will be \$18,300,000, a reduction of \$100,000 compared to the 2006 budget.
- Other state and federal funding to support WETAP / Job Access programs are estimated to be \$628,000, a decrease of \$99,000 compared to the 2006 budget. The 2007 budget includes funding to maintain current WETAP service and a WETAP grant for the extension of Route 54 to UMOS.
- The paratransit budget assumes the receipt of \$250,000 in federal "New Freedom" funds to cover a portion of the cost of service beyond ¾ of a mile of fixed-route service.
- Federal cost of contracting funds (FTA formula funds) in the amount of \$1,650,000 will be used for paratransit operations.

Transit Policy and Capital Acquisition

- State operating assistance is estimated to be \$59,107,000, an increase of \$1,159,000 (2.0%) compared to the 2006 budget.

ACTIVITY & STATISTICAL SUMMARY			
	<u>2005 Actual</u>	<u>2006 Budget</u>	<u>2007 Budget</u>
Buses Assigned	476	518	479
Buses Operated	433	410	410
Bus Miles	19,267,476	19,201,894	18,484,287
Bus Hours	1,433,523	1,421,650	1,376,396
Revenue Passengers	47,457,417	46,940,000	46,880,000
Cost Per Mile	\$6.19	\$6.48	\$7.00
Cost Per Revenue Passenger	\$2.51	\$2.65	\$2.76
Revenue Per Revenue Passenger	\$0.81	\$0.86	\$0.93
Farebox Recovery Ratio	32.23%	32.60%	33.77%
Transit Plus Van Trips/Hour	1.98	1.97	2.03
Transit Plus Ridership	1,015,162	989,296	1,026,320
Transit Plus Cost/Ride	\$18.92	\$19.72	\$19.77

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Passenger Fares

Fare Form	2002	2003	2004	2005	2006	2007
Adult cash fare	\$1.50	\$1.50	\$1.75	\$1.75	\$1.75	\$1.75
Adult weekly pass	\$12.00	\$12.00	\$13.00	\$13.00	\$14.00	\$16.00
Adult ticket book (a)	\$12.00	\$12.00	\$13.00	\$13.00	\$14.00	\$16.00
Half fare cash fare	\$0.75	\$0.75	\$0.85	\$0.85	\$0.85	\$0.85
Half fare ticket book (a)	\$7.50	\$7.50	\$8.50	\$8.50	\$8.50	\$8.50
Student with Permit	\$1.10	\$1.10	\$1.30	\$1.30	\$1.30	n/a
Student fare ticket book (a)	\$10.00	\$10.00	\$11.00	\$11.00	\$13.00	n/a
Student regular weekly pass	\$10.00	\$10.00	\$11.00	\$11.00	\$13.25	n/a
Student special weekly pass	\$10.50	\$10.50	\$11.50	\$11.50	\$13.75	\$15.00
UPASS (b)	\$35.00	\$35.00	\$38.00	\$38.00	\$41.00	\$41.00
Commuter Value Pass (c)	\$117.00	\$117.00	\$126.00	\$126.00	\$155.00	\$177.00
Premium cash fare	\$1.80	\$1.80	\$2.05	\$2.05	\$2.25	\$2.25
Premium fare ticket book (a)	\$15.00	\$15.00	\$16.00	\$16.00	\$19.00	\$21.00

(a) 10 tickets per ticket book.

(b) Effective beginning with the Fall term of the year indicated. Fall and Spring terms are full price. Summer term is half price.

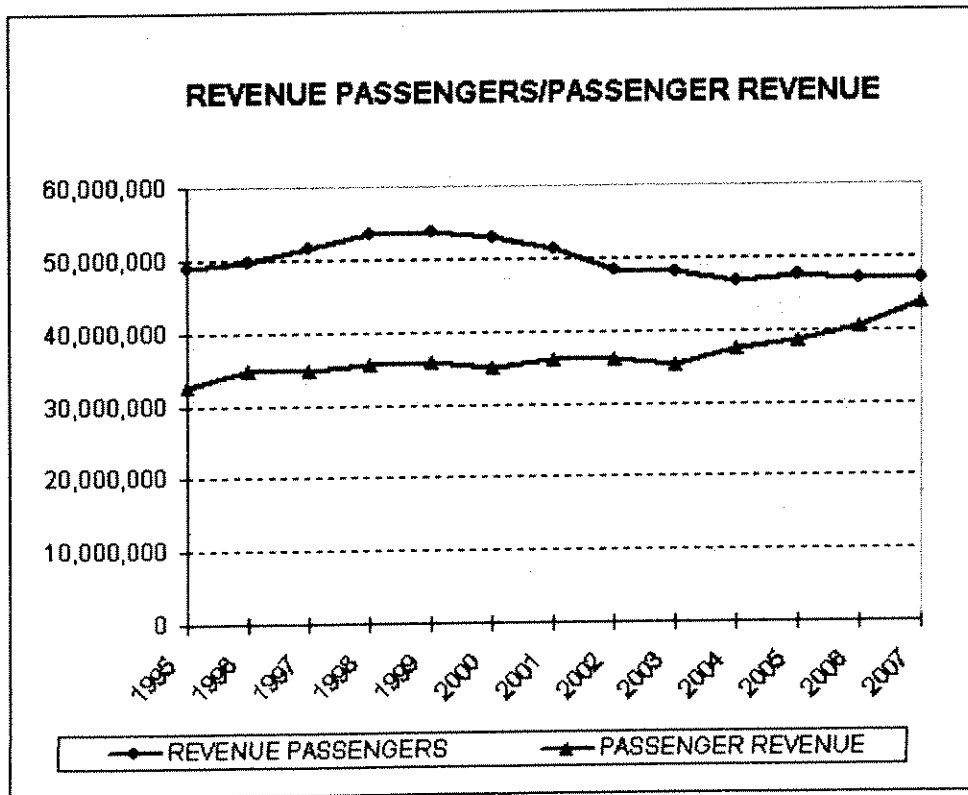
(c) Valid for three months, issued each calendar quarter.

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FISCAL YEAR	REVENUE PASSENGERS	PASSENGER REVENUE	ADULT CASH FARE	ADULT WEEKLY PASS
1995	48,936,683	\$ 32,511,399	\$ 1.25	\$ 10.00
1996	49,698,882	\$ 34,819,863	\$ 1.35	\$ 10.50
1997	51,681,105	\$ 34,840,720	\$ 1.35	\$ 10.50
1998	53,476,379	\$ 35,540,060	\$ 1.35	\$ 10.50
1999	53,889,111	\$ 35,872,279	\$ 1.35	\$ 10.50
2000	52,855,750	\$ 35,155,602	\$ 1.35	\$ 10.50
2001	51,306,441	\$ 36,243,263	\$ 1.50	\$ 11.00
2002	48,455,302	\$ 36,061,834	\$ 1.50	\$ 12.00
2003	47,952,308	\$ 35,249,447	\$ 1.50	\$ 12.00
2004	46,585,331	\$ 37,527,917	\$ 1.75	\$ 13.00
2005	47,457,417	\$ 38,453,154	\$ 1.75	\$ 13.00
2006	46,940,000	\$ 40,541,400	\$ 1.75	\$ 14.00
2007	46,880,000	\$ 43,724,000	\$ 1.75	\$ 16.00



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YEAR	TAXI	VAN	AGENCY	TOTAL
1998	150,832	412,958	216,000	779,790
1999	154,717	492,595	241,590	888,902
2000	192,170	525,843	266,348	984,361
2001	204,779	557,005	265,407	1,027,191
2002	193,345	594,303	260,393	1,048,041
2003	171,837	636,865	251,823	1,060,525
2004	154,518	651,976	196,882	1,003,376
2005	166,328	658,511	190,323	1,015,162
2006	159,942	656,866	172,488	989,296
2007	168,304	666,764	191,252	1,026,320

