

January 17, 2018

Dan Boehm, Managing Director
Milwaukee County Transit System
1942 N. 17th St.
Milwaukee, WI 53205



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Michael Mayo, Sr.

**County Board Supervisor,
7th District
Chairman, Transportation,
Public Works and Transit**

Dear Director Boehm,

I'm writing to request an explanation and a detailed analysis regarding your decision to cut nine Milwaukee County Transit System (MCTS) bus routes that residents of Milwaukee County depend on daily for their essential transportation needs and what alternatives you considered, especially in light of your department's 2017 surplus and past measures to improve administrative efficiencies, as well as how you plan to ensure continuity of services for the riders who are served by MCTS. We are aware of your claim that the adoption of the 2018 county budget, which included a .75% expenditure reduction for 2018 caused you to eliminate these routes. However, as you know, the County Board did not meddle in the day-to-day decision making of your department and tell you where to find the savings necessary to manage your budget, leaving you in control of these choices.

As you know, the Milwaukee County Comptroller's November 27, 2017 report on the fiscal condition of the county projected a \$1,000,000 surplus in transit at the close of 2017. Given that this surplus exceeds the .75% expenditure reduction by \$117,414, please explain why your department is unable to absorb your expenditure reduction within this framework for 2018 and is proposing to cut transit services.

In your analysis of what led to your choice to cut these specific routes, please include data on ridership and revenue, as well as an analysis of the impact that cuts to different routes would have on riders, and on communities, employers, and commercial centers served by these route. Please also provide details of alternative plans for finding the necessary savings within administrative and other non-service expenditures, as well as alternative plans to ensure continuity of service for MCTS riders through modification of routes.

Also, please provide a written report to the Transportation, Public Works, and Transit Committee in the March, 2018 cycle, detailing what efficiencies your department has achieved, and what costs savings you have realized, as a result of the County Board's 2014 budget amendment 1A019, which transitioned management internally, thereby avoiding duplication of management expenses previously borne by Milwaukee Transport Services, Inc. As you know, internal management of MCTS was expected to save on a variety of expenses, such as shared overhead costs, including procurement, risk management, legal services, accounting, budget, payroll, accounts payable, treasury, human resources, pension, health care, information technology, facilities management, and labor relations. Please specify what your department has done with the funds that you no longer need to spend on these costs.

Lastly, please provide an analysis of how the transportation department's current budget would be impacted, and what service cuts you would recommend, if Governor Walker signs into law a measure that eliminates Milwaukee County's vehicle registration fee. As you know, the state Assembly held a December hearing on AB-361, a bill that would require public approval for a wheel tax and potentially cause the loss of all wheel tax revenue retroactive to the County's implementation of this revenue source. Such action could eliminate tens of millions of dollars in expected revenue for Milwaukee County, a loss that could be even more devastating if the wheel tax were doubled. The County Board listened to the public, which rejected doubling the wheel tax by a 72% margin, and instead restored unrealized and risky wheel tax revenue for 2018 with funding with property tax levy.

I look forward to your prompt and thorough reply to my request for information.

Sincerely,

Michael Mayo
Chairman, Transportation, Public Works & Transit Committee
Milwaukee County Supervisor, 7th District

Cc: James Martin, Interim Director, Department of Transportation