

Balancing Act

Engaging Milwaukee County



Mission

- The County Executive's goal is to build a **model government**
 - In the way it serves and empowers residents and strengthens the community as a whole.
- This means that others see us as a model in the way we **use limited public resources** to provide high-quality and responsive services to residents.

Balancing Act – Why?

- In order to become a model government, Milwaukee County must **engage residents** in the decision-making process in order to understand the public's priorities.
- The County Executive would like to hear from residents about how they would **prioritize services and how those services are paid for**, within these limitations that he's faced with:
 - Most Milwaukee County services are mandated by the State and Federal government.
 - Milwaukee County is very limited in its resources/funding opportunities for providing services.

Balancing Act – What is it?

- Balancing Act is an **interactive tool** that provides an opportunity for residents to look at the budget through the eyes of the County Executive and County Board.
- Gives residents the opportunity to **understand** what decisions, **opportunities and limitations** they are facing when balancing the budget.
- Gives residents the opportunity to **make** their own **decisions** about priorities and budget balancing options.
- Review, analyze, and **make your recommendations** for how to resolve budget policy debates, and budgetary needs through this interactive tool. This can be done in organized groups or individually at home. The responses will be used anonymously to help influence stakeholders in deciding a way forward.

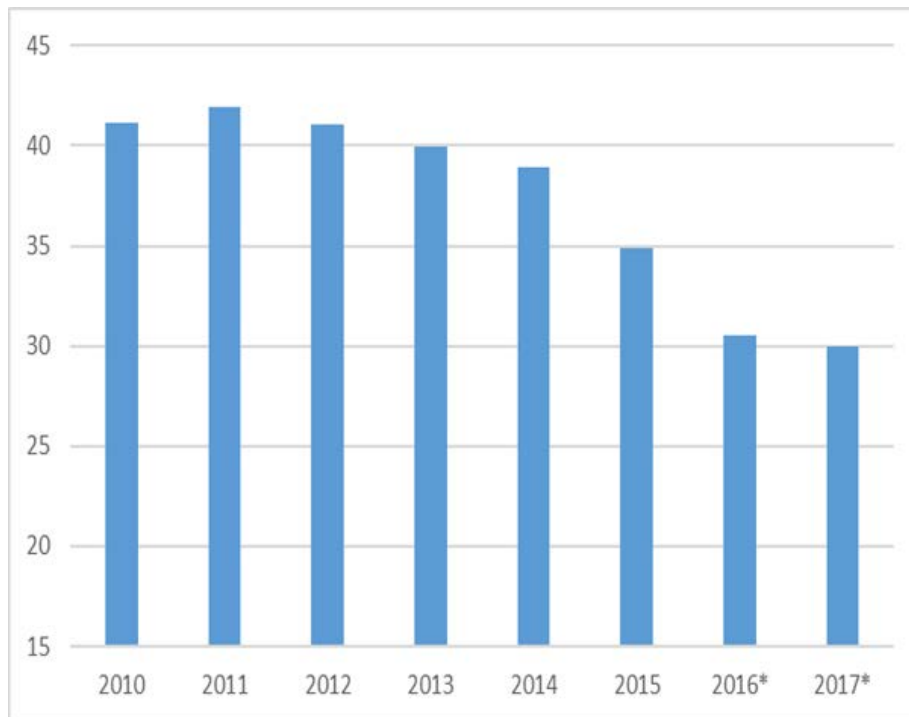
Balancing Act – How it Works

- Using the online tool, you will decide how to address the current transit deficit. **Adjust spending or revenues to balance the budget**, and submit your recommendations to us.
- **Evaluate the impact of each choice** by clicking the “i” bubble for more information on each revenue and expense item.
- Some revenues within the revenue budget are fixed and cannot be adjusted.

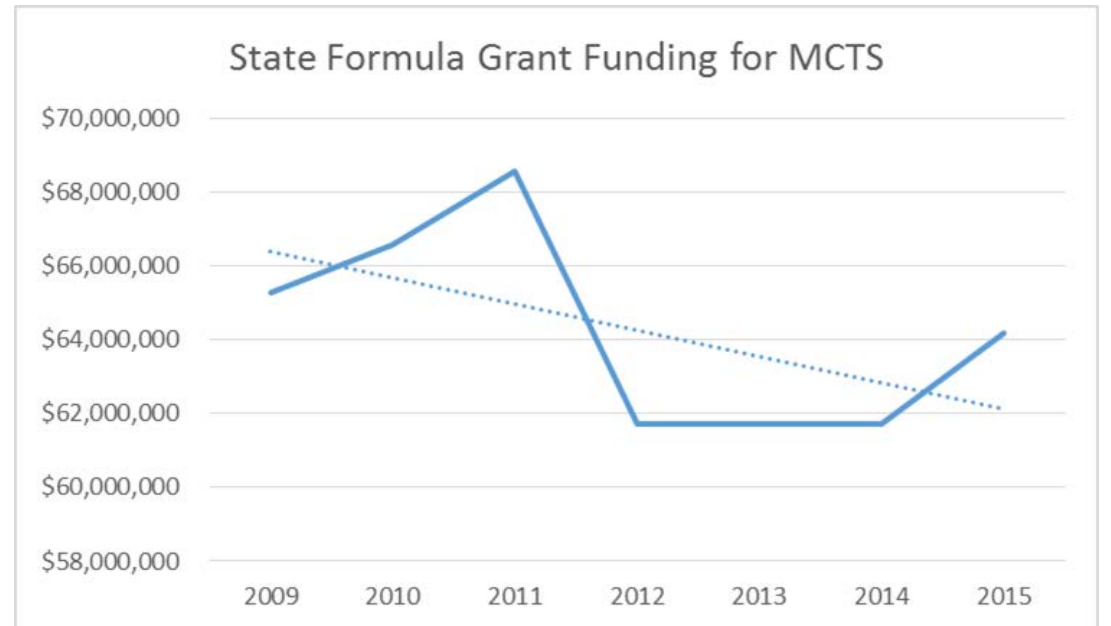
2018 Transit Budget Deficit

Current estimates project a \$3 million budget deficit for the 2018 Transit Budget.

Passenger Revenue (Millions)



State Formula Grant Funding for MCTS



Where The Money Comes From I

Growing Opportunities (GO) Pass – The GO Pass program reduces the amount of direct revenue that MCTS can recover. Eliminating GO Pass would provide an additional \$3.3 million in passenger revenue each year.

Bus Fares – MCTS relies on fare box revenue to be sustainable. Decide whether to increase the benchmark fare (adult cash fare) by \$0.25 to \$2.50 or by \$0.50 to \$2.75. The FTA allows paratransit fares to be twice the amount of fixed route cash fares, decide to increase paratransit fares by the maximum allowable or maintain current levels.

Where the Money Comes from II

Vehicle Registration Fee – In 2016, the County passed a \$30 VRF as one of the only new revenue sources statutorily available to the County. Options for the County's VRF are: to eliminate it, maintain it at \$30 per year, increase it to \$60 per year.

Property Tax – The County property tax levy can be increased up to a limit each year dependent on a formula including: the amount of net new construction, debt service, and Tax Increment District closures. Decide whether the total property tax levy should be increased up to the legal limit or decreased using increments of \$100,000.

Where the Money Comes From III

Fixed Revenues

Reimbursements – Revenue generated from non-profit donations for paratransit service is forecasted and will remain static for budgetary purposes

State Revenue – The State of Wisconsin supports transit through grants and statutory aids. These amounts are determined by the State and cannot be changed.

Federal Revenue – Federal revenue such as grants are set at the onset of the budget process and cannot be changed in this tool.

Where the Money Goes – Paratransit

The Americans with Disabilities Act (ADA) requires that paratransit services be made available to eligible citizens living within 0.75 miles of a fixed transit route. Milwaukee County exceeds ADA requirements and provides access to all eligible citizens within the County. Reducing current service would reduce access for people across the County.



Reducing paratransit service to the Federal mandate would reduce expenditures by \$1.6 million.



Where the Money Goes – Fixed Route

MCTS currently provides 40 million rides a year. Continuing current funding trends would allow the same service levels.

A 5% cut would create a significant reduction in service across Milwaukee County and effect approximately 1.5 million passenger rides to work, school, medical appointments and special events like Summerfest, State Fair and Brewers games. Eliminating this service would also result in the layoff of about 35 bus drivers.

A general service reduction of 10% would eliminate services such as Freeway Flyers, U-Bus, School Services and up to 5 of the lowest performing local routes.



Where the Money Goes – Fixed Route

A 5% increase to MCTS would mean more access and service across Milwaukee County. It's estimated the increased service would generate 1.7 million more rides a year. As more people take the bus, roads become less congested and fewer greenhouse gases are emitted into the atmosphere. Increasing service would also allow MCTS to hire 35 more bus drivers.

A 10% increase to MCTS would mean more access and service across Milwaukee County. It's estimated the increased service would generate 2.4 million more rides a year. As more people take the bus, roads become less congested and fewer greenhouse gases are emitted into the atmosphere. Increasing service would also allow MCTS to hire 70 more bus drivers.

Balancing Act Demonstration

1. Eliminate GO Pass
2. Increase fares and reduce routes
3. Increase Vehicle Registration Fees, increase service and reduce property taxes

Balancing the Budget

This budget tool is meant to provide the public a way of providing feedback on the future of the Vehicle Registration Fee, and more broadly, transit funding. These issues play a key role in the balancing of the County's annual budget.

Please follow this link to balance the budget:

<http://Milwaukee-County.abalancingact.com/meetings/59>