

Topeka Metropolitan Transit Authority Motion to Reduce Mill Levy

Motion: Move to reduce the mill levy as set forth in the City Manager's Budget for the TMTA from 4.4 mills to 3.2 mills.

Facts:

- The Topeka City Council granted a 47% mill levy increase, from 3.0 to 4.4 mills, to the TMTA in 2009 on a temporary basis.
- According to HDR Engineering, Inc. "Reducing the peak period services would have net cost reductions of about \$1.2 to \$1.3 million annually."
- The Topeka Transit Comprehensive Operational Analysis, Table 42, page 101, shows that our typical peer provides 60 minute peak frequency service.
 - Sioux City, Iowa provides 60 minute peak frequency.
 - Cedar Rapids, Iowa provides 60 minute peak frequency.
 - Waterloo, Iowa provides 60 minute peak frequency.
 - Davenport, Iowa provides 60 minute peak frequency.
 - St. Joseph, Missouri provides 60 minute peak frequency.
 - Racine, Wisconsin provides **mostly** 60 minute peak frequency.
- The Topeka Transit Comprehensive Operational Analysis, Figure 16, page 24, shows that Monthly Fixed Route Ridership peaked in March, 2008 at about 150,000 passenger trips. The trend for ridership has been extremely unfavorable, with Monthly Fixed Route Ridership dropping to less than 80,000 passenger trips in March 2010.
- Although the comprehensive study indicated TMTA was efficient compared with its peers, it is not clear why there is a significant difference in annual operating expenses with the peers.
- TMTA set a budget for fiscal year 2011 where expenses are predicted to exceed revenues by half a million dollars.
- While the City of Topeka is slashing expenses and laying off employees, TMTA proposes to increase administrative expenses by \$216,000 in 2011.
- TMTA spent \$1.5 M for five trolleys in 2005 and the new plans for those trolleys are not clear.

Rationale: Because current levels and trends in ridership are unfavorable, comparisons with peers are unfavorable, and large, permanent mill levy increases are unacceptable, it is respectfully requested that this motion be approved.