

## Laketran Facts

Laketran will be out of money by the end of 2011 unless Federal and State aid is restored and a financial recovery plan is put into place.

- In 2008, Laketran had a \$500,000 deficit; in 2009 it is projected to be more than \$1.8 million – and more than \$2.5 million in 2010.

Laketran receives SALES TAX revenues, not gas tax or property tax revenues.

Laketran's present fares are among the lowest in the State.

- Laketran has had ONLY two fare increases in 23 years.

Laketran operating costs per passenger trip:

- Dial-a-Ride \$30 per passenger trip – the proposed July 1, 2009 fare is \$4
- Fixed Route \$7 per passenger trip – the proposed July 1, 2009 fare is \$2
- Commuter Express \$5 per passenger trip – the proposed July 1, 2009 fare is \$4

The difference between the fare paid and cost must be made up by local sales tax revenues, Federal and State aid.

Laketran provided over 1,000,000 trips in 2008.

- Fixed Route carried 400,000 annual riders – 1,450 per weekday and 450 on Saturdays
- Dial-a-Ride transported 350,000 annual riders – 1,100 per weekday and 275 on Saturdays
- Commuter Express carried 250,000 annual riders – 1,000 people per weekday

Laketran Medicaid-certified Dial-a-Ride customers can have their transportation to medical services paid through Medicaid.

Using transit instead of a vehicle can save a Lake County citizen \$4,500 to \$12,500 per year in vehicle operating costs.

### Why Action is Needed

**Problem # 1: Reduction in State Aid since 2000**

- Statewide operating assistance to all transit systems has been cut from \$44 million in 2000 to \$14 million in the State 2010-2011 budget.
- In 2000, State operating assistance for Laketrans was \$1.1 million; today it is less than \$650,000.

**Problem #2: Loss of Sales Tax Revenue**

- Lost \$500,000 Local Sales Tax revenues in 2008 — \$180,000 more in the first two months of 2009.
- 70% of Laketrans's Operating Revenues is generated by a local sales tax.

### Cost Cutting Measures

• Human Resource expense reductions including staff, overtime, early retirement, health insurance, etc., and Marketing reductions.	\$1,145,000	annually
• Participation in group savings programs for subcontracting and vehicle insurance.	\$400,000	annually
• Reduced or eliminated underutilized and special event services.	\$400,000	annually
• Competitive bidding, inventory management and group purchasing programs for fuel.	\$350,000	To-date

### New Revenue since 2003

• Congestion Mitigation Air Quality (CMAQ) grant restricted to fuel.	\$1,000,000	One-time
• New revenue streams dedicated to service for dialysis patients, seniors, people with disabilities and transportation disadvantaged.	\$700,000+	annually
• Financial earnings from investment activities and auctions of obsolete vehicles.	\$700,000	To-date

Federal Stimulus funds:

• Restricted to bus and equipment purchases and cannot be used to pay for operating expenses.	\$4,800,000	To-date
• Provide 100% of funding for these items, saving \$960,000 in local matching funds.		

## TOTAL

**\$9,495,000**

## Services Not Offered by Most Transit Systems

- The American's with Disabilities Act (ADA) of 1990 requires transit systems to provide complementary rides only to origins and destinations within  $\frac{3}{4}$  of a mile of a fixed route.
  - ◆ Laketran's Dial-a-Ride service goes anywhere in Lake County.
- The ADA only requires Dial-a-Ride services for individuals with functional disabilities who cannot use fixed routes.
  - ◆ Laketran's Dial-a-Ride is open to ALL Lake County residents.
- The ADA allows transit systems to charge twice the regular fixed route fare for Dial-a-Ride services for people with disabilities.
  - ◆ Lake County's seniors and individuals with disabilities have paid significantly discounted fares for Dial-a-Ride since 1985.
- In most systems discounted senior/disabled fares are restricted to off-peak hours – typically between 10 am and 3 pm.
  - ◆ Reduced fares are available throughout all service hours on Laketran.
- Dial-a-Ride is most commonly a curb-to-curb service to reduce operating time and cost.
  - ◆ Laketran's Dial-a-Ride service takes riders door-to-door.