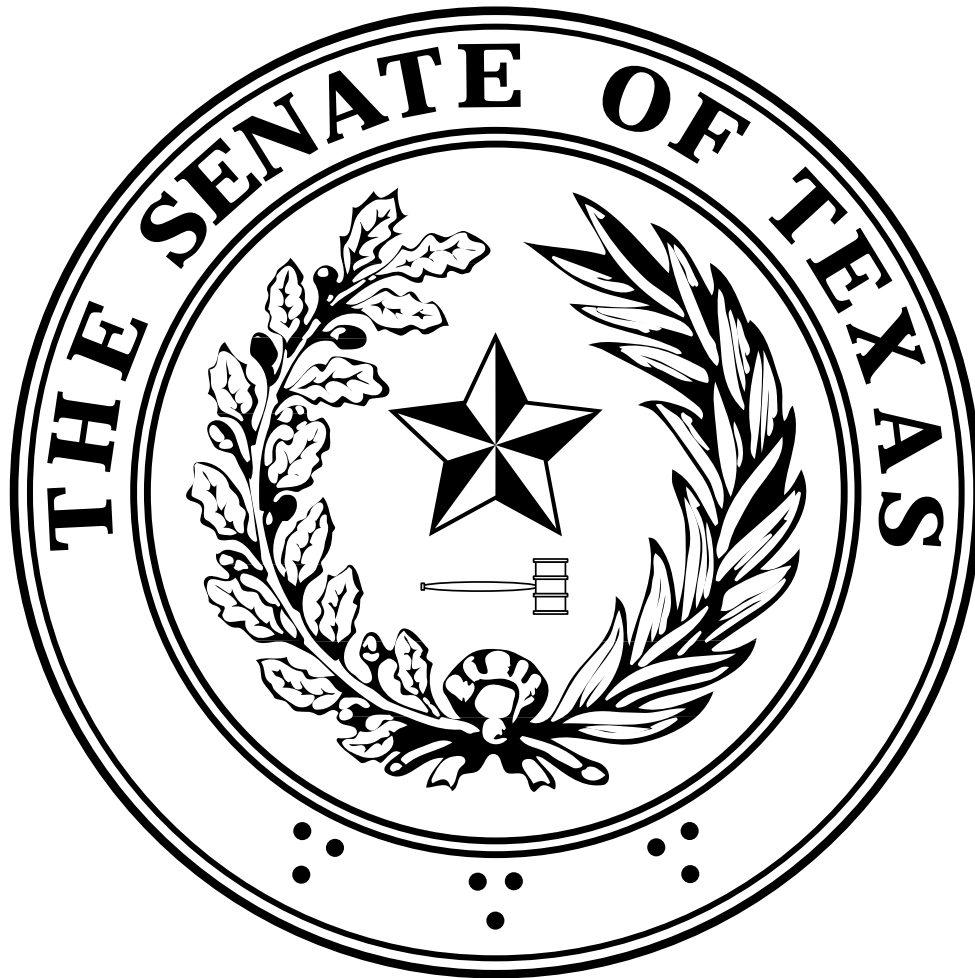


Senate Committee on State Affairs
Report to the 77th Legislature



Charge 5

Metropolitan Transit Authorities

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Executive Summary

The Charge:

Study the funding and expenditures of metropolitan transit authorities (MTAs) and budgetary relationships that MTAs have with the cities they serve. The Committee shall analyze the overall fiscal management of the MTAs and the effectiveness of their delivery of services on a cost-benefit basis.

Findings:

- (1) Revenues, expenses, and operating statistics were provided to the committee by each authority's staff. The following is a summary of each authority's funding and expenditures for fiscal years 1998 and 1999.
 - Total system ridership for Capital Metropolitan Transportation Authority in Austin (Capital Metro) increased 21.4 percent. Total revenue increased 9.8 percent as total expenses increased 7.4 percent.
 - Total system ridership for Corpus Christi Regional Transportation Authority (RTA) decreased .06 percent. Total revenue increased five percent while total expenses decreased 3.8 percent.
 - Total system ridership for Metropolitan Transit Authority of Harris County (METRO) increased five percent. Total revenue increased 13.4 percent while total expenses decreased 1.2 percent.
 - Total system ridership for VIA Metropolitan Transit in San Antonio (VIA) increased 9.1 percent. Total revenue decreased 0.7 percent as total expenses increased 10 percent.
 - Total system ridership for Dallas Area Rapid Transit (DART) increased 6.5 percent. Total revenue decreased 1.1 percent while total expenses increased 7.3 percent.
 - Total system ridership for Fort Worth Transportation Authority (The T) increased 9.2 percent. Total revenue increased 18.3 percent as total expenses increased seven percent.
 - Total system ridership for City of El Paso Mass Transit Department (Sun Metro) decreased four percent. Total revenue increased 17.9 percent while total expenses increased 9.3 percent.

- Total system ridership for Laredo Municipal Transit System (El Metro) increased 10.3 percent. Both total revenue and total expenses increased 9.7 percent.
- (2) In addition to providing transit services to their member cities, MTAs also contribute funds to transportation-related projects in their service areas. A majority of the MTAs have programs that return a percentage of sales tax back to member cities for street, sidewalk, curb, and other transit improvements.

With a few exceptions, the amount of sales tax collected by the six MTAs and the amount spent in the cities by the MTAs are fairly close. On the whole, the MTAs tended to spend more in their principal cities, but then, the principal cities contributed more in sales tax.

As city transit departments, Sun Metro and El Metro operate within the limits of only one city, and therefore, all the money spent by and sales tax collected for mass transit are within that city's limits.

- (3) The idea that some nonmember cities are statutorily precluded from joining their local transit authority arose in discussions at the hearings. Witnesses testified that one of the main barriers to cities joining an MTA is the lack of sales tax a city has available under the two percent cap, usually due to the cities commitment to a 4A or 4B sales tax for economic development. Currently, cities can charge up to two percent above the statewide sales tax rate of 6 1/4 percent to fund various programs and projects. Each city currently uses one percent for itself. The other one percent can be used to fund transit, economic development, property tax relief, or special districts such as hospitals, crime control, and libraries.

Article VIII of the Texas Constitution has been interpreted to dictate that all cities electing to become members of an MTA must enter at the same sales tax rate. The feeling among Texas cities is to have more options so local officials can choose other solutions for their communities.

Recommendations:

- (1) The committee recommends MTAs consider contracting with cities outside their service areas to provide specific services. Under such contracts, cities would pay all costs associated with the services, without subsidy from the MTAs. Voter approval would be required. Contracting cities would not have a seat on the MTAs' boards, nor would they be allowed to participate in the MTAs' community programs. This recommendation applies only to cities not currently members of an MTA.
 - Cities would be allowed to pay the costs through one or more of the following: available sales tax, bonds, or general revenue. A change in statute would be required so cities may levy an additional sales tax (within the cap) dedicated to a contract for transit services.
 - The Legislature should examine the viability of using economic development corporations created under 4A or 4B sales tax as a mechanism to finance a contract.

- (2) The committee recommends allowing cities with some sales tax left under the cap to join MTAs at a reduced rate for reduced services. The cities would not have a seat on the MTAs' boards, nor would they be allowed to participate in the MTAs' community programs. All current member cities would need to agree. This recommendation applies only to cities not currently members of an MTA.

Senate Committee on State Affairs

Lieutenant Governor Rick Perry charged the Senate Committee on State Affairs with studying “the funding and expenditures of metropolitan transit authorities (MTAs) and budgetary relationships that MTAs have with the cities they serve. The Committee shall analyze the overall fiscal management of the MTAs and the effectiveness of their delivery of services on a cost-benefit basis.”¹ In fulfilling the directive, the committee held a public hearing in Irving on February 22, 2000, and another public hearing in Houston on April 13, 2000, to take testimony from interested parties, including mass transit authorities and various city officials. A third public hearing in Austin on August 21, 2000, allowed comment regarding alternative methods for nonmember cities to join local MTAs.

This report summarizes the testimony received and contains the findings of the committee regarding the funding and expenditures of metropolitan transit authorities, along with city transit departments, and their budgetary relationships with the cities they serve. The committee, however, acknowledges the difficulty of analyzing the effectiveness of their delivery of services on a cost-benefit basis. As representatives from metropolitan transit authorities pointed out, none of the authorities operate money-making systems, nor do they anticipate an existence without subsidies in the near future.² They do not purport to operate self-sufficiently, therefore, the report does not include a formal cost-benefit analysis.

Introduction

Created by the legislature in the 1970s, mass transit authorities have broad powers to plan, design, construct, and operate a variety of transit services and support facilities. In this report, mass transit authorities (hereinafter referred to as “authorities”) refer to metropolitan transit authorities and city transit departments. (See Appendix I for a glossary of terms found in this report). Voters in San

¹ Letter from Lieutenant Governor Rick Perry to the Senate Committee on State Affairs, September 7, 1999.

² Robert Pope, Board Member, Dallas Area Rapid Transit, testimony presented to the Senate Committee on State Affairs, August 21, 2000.

Antonio were the first to approve the creation of a mass transit authority in 1977, with Houston following the next year. Six metropolitan transit authorities (MTAs) and two city transit departments (CTDs) currently receive funding from a dedicated sales tax to provide service to the cities they serve.³ (See Appendix II.)

MTAs organized under Chapter 451, Transportation Code:

- Capital Metropolitan Transportation Authority in Austin (Capital Metro)
- Corpus Christi Regional Transportation Authority (RTA)
- Metropolitan Transit Authority of Harris County (METRO)
- VIA Metropolitan Transit in San Antonio (VIA)

MTAs organized under Chapter 452, Transportation Code:

- Dallas Area Rapid Transit (DART)
- Fort Worth Transportation Authority (the T)

CTDs organized under Chapter 453, Transportation Code:

- City of El Paso Mass Transit Department (Sun Metro)
- Laredo Municipal Transit System (El Metro)

Mass transit authorities exhibit similar characteristics. Each is created and approved by voters in a proposed service area to provide transportation services funded by a dedicated sales tax. The MTAs are governed by a board of directors (board) composed of public or elected officials appointed by a combination of city and county elected officials. The boards of directors for CTDs are their city councils.

Considered governmental units, all mass transit authorities have extensive powers to carry out their purposes, including the power to hold, use, sell, lease, dispose of,

³ The format of this report was inspired by the Texas Legislative Council, *Profiles of Texas Mass Transit Authorities*, October 1998.

and acquire property and licenses, patents, rights, and other interests.⁴ All authorities are required to obtain voter approval before issuing bonds payable from taxes, but boards may issue short-term bonds by resolution.⁵ Further, all authorities may set fares, tolls, and other charges by a board vote.⁶

MTAs may initiate eminent domain proceedings if necessary to improve or develop the transit authority system,⁷ and are statutorily authorized to contract with a political entity outside the authority's service area to provide public transportation services.⁸ MTAs may impose any kind of tax except a property tax.⁹ Finally, the property, revenue, and income of MTAs are exempt from state and local taxes.¹⁰

Similar to MTAs, CTDs may impose a sales tax within the two percent cap that does not exceed a rate approved by voters in an election.¹¹ The assets of CTDs are exempt from any tax of the state or a state taxing authority.¹² Unlike MTAs, CTDs do not have the power of eminent domain. They may, however, seize property through their municipalities' power of eminent domain.¹³

MTAs may acquire additional territory through either member cities annexing property or nonmember cities electing to join the MTA. When a municipality that

⁴ Sections 451.054, 452.054, and 453.102, Transportation Code.

⁵ Sections 451.352, 452.352, and 453.302, Transportation Code.

⁶ Sections 451.061, 452.061, and 453.104, Transportation Code.

⁷ Sections 451.059 and 452.059, Transportation Code.

⁸ Sections 451.056 and 452.056, Transportation Code.

⁹ Sections 451.401 and 452.407, Transportation Code.

¹⁰ Sections 451.063 and 452.063, Transportation Code.

¹¹ Section 453.401, Transportation Code.

¹² Section 453.110, Transportation Code.

¹³ Section 453.108(a)(2), Transportation Code.

is part of an MTA annexes territory, the new area becomes part of the MTA.¹⁴ A municipality or part of a county that is not a member of an MTA may join the MTA with approval from voters in the requesting territory along with the MTA's governing body.¹⁵ For El Paso and Laredo, the service areas of the transit departments correspond to the city limits.¹⁶

Capital Metro, the T, and DART are the only MTAs that allow *all* member cities and counties to withdraw from the authority.¹⁷ The City of San Antonio may not withdraw from VIA.¹⁸ A city or county within the service area of Capital Metro may hold an election once every five years to withdraw from the authority,¹⁹ within DART once every six years,²⁰ and within VIA and the T once every year.²¹

Mass transportation provides some economic, safety and environmental benefits to the areas it serves. It provides an affordable and reliable means of transportation to low and fixed income persons, the physically disabled, and persons without access to automobiles.

Financial Aspects of MTAs

MTAs receive funding from several sources, including a dedicated sales tax, operating and capital grants from the Federal Transit Administration, operating revenue from passenger fares and advertising, and nonoperating revenue such as

¹⁴ Sections 451.551 and 452.601, Transportation Code.

¹⁵ Sections 451.552, 451.553, 451.554, 452.602, 452.603, and 452.606, Transportation Code.

¹⁶ Section 453.051(b), Transportation Code.

¹⁷ Sections 451.602 and 452.651, Transportation Code.

¹⁸ Section 451.617, Transportation Code.

¹⁹ Section 451.603(c), Transportation Code.

²⁰ Section 452.651(c), Transportation Code.

²¹ Sections 451.617(e) and 452.651(c), Transportation Code.

interest income, income on investments, and income on the sale of assets. Sales taxes account for the majority of revenue received.²² While an increase in the sales tax rate must be approved by voters, a decrease in the tax rate may be approved by voters or authorized by a board vote.²³

MTAs are required to conduct an annual financial audit to provide evaluative information to local and state offices with oversight functions, and to provide information necessary for improving efficiency and effectiveness.²⁴ Additionally, Capital Metro, RTA, METRO, and DART are required to conduct a performance review at least once every four years using nine performance indicators: operating cost per passenger, per revenue mile, and per revenue hour; sales and use tax receipts per passenger; fare recovery rate; average vehicle occupancy; on-time performance; number of accidents per 100,000 miles; and number of miles between mechanical road calls.²⁵

Further, the administration and management of the authority, transit operations, or transit authority system maintenance must be examined at least once in every third audit.²⁶ These four transit authorities also must be reviewed by the Sunset Advisory Commission every 12 years.²⁷

Funding and Expenditure Highlights

Revenues, expenses, and operating statistics were provided to the committee by each authority's staff. The following is a summary of each authority's funding and expenditures for fiscal years 1998 and 1999. Actual numbers for each MTA and

²² *Profiles of Texas Mass Transit Authorities*, Texas Legislative Council, 5-6.

²³ Sections 451.407 and 452.405, Transportation Code.

²⁴ Section 451.451, Transportation Code.

²⁵ Section 451.454(c)(3), Transportation Code.

²⁶ Sections 451.454(c)(1) and (d), Transportation Code.

²⁷ Section 451.453, Transportation Code.

CTD can be found in Appendix III.

Capital Metro

Between 1998 and 1999, Capital Metro's fixed route bus ridership increased 17 percent, while total system ridership increased 21.4 percent. Other highlights include an increase in sales tax collections of 9.4 percent and passenger fare revenue of 7.1 percent. Total revenue increased 9.8 percent as total expenses increased only 7.4 percent. The total cost per passenger increased 1.4 percent and the total fare recovery rate increased 7.6 percent.

RTA

Between 1998 and 1999, RTA's fixed bus route and water taxi ridership increased .07 percent, compared to a .06 percent decrease in total system ridership. Other highlights include an increase of five percent in total revenues, while total expenses decreased 3.8 percent. The MTA saw modest gains in sales tax collections of 2.7 percent. Conversely, passenger fare revenue decreased 0.7 percent. Total cost per passenger and total fare recovery rate increased 8.2 percent and 2.3 percent, respectively.

METRO

METRO's fixed bus route increased 5.1 percent, while total system ridership increased five percent between 1998 and 1999. Other highlights include an increase of 13.4 percent in total revenues, while total expenses decreased 1.2 percent. Sales tax collections increased 6.2 percent, while passenger fare revenue decreased 2.4 percent. Total cost per passenger and total fare recovery rate decreased 1.4 percent and 1.7 percent, respectively.

VIA

VIA's fixed route bus ridership increased 9.2 percent, while total system ridership increased 9.1 percent between 1998 and 1999. Other highlights include a decrease of 0.7 percent in total revenue, while total expenses increased 10 percent. Sales tax collections increased 7.3 percent, while passenger fare

revenue²⁸ decreased almost 12 percent. The total cost per passenger increased 0.5 percent, while the total fare recovery rate decreased 17.1 percent.

DART

Between 1998 and 1999, DART's fixed route bus ridership increased 3.3 percent, while ridership for the total system increased 6.5 percent. DART is the only MTA in Texas with light rail and commuter rail systems. Light rail ridership increased by 3.6 percent between 1998 and 1999, while commuter rail saw a gain in ridership of 29.6 percent. Other highlights include an increase of 5.7 percent in sales tax collections, while the total subsidy per passenger increased 1.4 percent. Total expenses increased 7.3 percent, compared to a decrease of 1.1 percent in total revenue. The fare recovery rate for the total system decreased by 2.5 percent.

The T

The T's fixed route bus ridership increased 10.6 percent between 1998 and 1999, while ridership for the total system increased 9.2 percent. Other highlights include an increase in sales tax collections of 9.3 percent and passenger fare revenue²⁹ of 10.7 percent. Total revenue increased 18.3 percent, while total expenses increased only seven percent. Total cost per passenger increased 0.7 percent as total fare recovery rate decreased 2.6 percent.

Sun Metro

Sun Metro's fixed bus ridership decreased 4.1 percent between 1998 and 1999, while at the same time the total system ridership decreased four percent. Other highlights include an increase of 5.8 percent in sales tax collections, while passenger fare revenue decreased 1.9 percent. Total revenue increased 17.9 percent, compared to an increase of 9.3 percent in total expenses. Total cost per passenger increased 19.8 percent, while fare recovery rate system wide decreased 13 percent.

²⁸ VIA defines "passenger fare revenue" as "line service."

²⁹ The T defines "passenger fare revenue" as "line service, contract service, and special service."

El Metro

Between 1998 and 1999, El Metro's fixed bus route increased 10.5 percent, similar to a system wide increase of 10.3 percent. Other highlights include an increase of 123 percent in sales tax collections, while passenger fare revenue³⁰ increased 5.2 percent. Both total revenue and total expenses increased 9.7 percent during this time period. Total cost per passenger decreased 29.7 percent, while simultaneously, the total fare recovery rate increased 29.9 percent.

MTAs and the Cities They Serve

Overview

In addition to providing transit services to their member cities, MTAs also contribute funds to transportation-related projects in their service areas. For instance, METRO's General Mobility Program constructs infrastructure improvements, including streets, bridges, and overpasses throughout the service area. A majority of the MTAs have programs that return a percentage of sales tax back to member cities for street, sidewalk, curb, and other transit improvements.³¹

Appendix IV shows a breakdown of the sales tax contributions by city and the tax dollars each MTA spends in their member cities. Sun Metro and El Metro are not included because each CTD operates within the limits of only one city, and therefore, all the money spent by and sales tax collected for mass transit are within that city's limits.

With a few exceptions, the amount of sales tax collected by the MTA and the amount spent in the cities by the MTA are fairly close. On the whole, the MTAs tended to spend more in their principal cities, but then, the principal cities contributed more in sales tax.

³⁰ El Metro defines "passenger fare revenue" as "fixed route."

³¹ Information on the various programs provided by each MTA's staff.

Barriers to Cities Joining MTAs

The idea that some nonmember cities are statutorily precluded from joining their local transit authorities arose in discussions at the hearings. Witnesses testified that one of the main barriers to cities joining an MTA is the lack of sales tax cities have available under the two percent cap,³² in many instances due to the cities' commitment to an economic development sales tax established under Section 4A or 4B, Development Corporation Act of 1979.³³ Currently, cities can charge up to two percent above the statewide sales tax rate of 6 1/4 percent to fund various programs and projects. Each city currently uses one percent for itself. The other one percent can be used to fund transit, economic development, property tax relief, or special districts such as hospitals, crime control, and libraries.

Of course, every constituency thinks its program or project is *the* most important to maintaining a vital economy for the city and securing quality of life for the residents. And, to an extent, they are right. But, with the exception of two, the programs and projects are parochial rather than regional. Mass transportation and economic development frequently cross city and county lines, and the success of both often determines the viability of a region and even the state.

Through the years, the two concepts have become more and more interlocked. Regions and states can no longer ignore one in favor of the other. According to Joel S. Hirschhorn, author of *Growing Pains: Quality of Life in the New Economy*, "Americans are using more cars to travel more miles, and the growth rate for vehicle miles is greater than the growth in Gross Domestic Product and population." He also writes that both commuters and their employers are increasingly agitated by the increase in traffic congestion and commute times.³⁴

Further, Irving City Councilwoman Linda Harper-Brown said at the committee's

³² John Bartosiewicz, Vice President for Metros, Texas Transit Association, testimony presented to the Senate Committee on State Affairs, February 22, 2000.

³³ Article 5190.6, Vernon's Texas Civil Statutes.

³⁴ Joel S. Hirschhorn, *Growing Pains: Quality of Life in the New Economy* (Washington, D.C.: National Governors' Association, 2000), p. 9.

February 22 meeting, “Many citizens within the service area of Dallas Area Rapid Transit have come to completely rely on DART to provide them with a means of which to get to work and back home. This concept, known as ‘access to jobs,’ is critical not only for the employee, but also for the employer who needs to be able to attract and retain a qualified workforce that may not live directly adjacent to the worksite.”³⁵

Responding to constituent demands for relief from traffic congestion has many local officials desperate for solutions that balance mass transit needs with fiscal responsibility. Denton Mayor Jack Miller told the committee, “Almost weekly I am asked such questions as ‘Why don’t we have commuter rail service to Dallas?’ or ‘When are we going to have commuter rail service to Dallas?’ When I ask ‘How do you think we should pay for it?’ frankly no one knows.”³⁶ The City of Denton, located near Fort Worth and Dallas, is not a member of the T nor DART.

Cities are not the only ones frustrated. VIA General Manager John Milam told the committee at its Houston hearing, “As the urbanized area has grown in geographic size, travel distances have increased to the point that another class of relatively high speed express service is needed in order to keep regional passenger travel times reasonable. Park and ride express service is needed from strategic locations along this corridor [Austin-San Antonio corridor along IH-35], such as New Braunfels and San Marcos and perhaps other communities. However, these communities are not in VIA’s service area, and new funding arrangements would be needed for this service to occur.”³⁷

Short of raising the sales tax cap, what can the legislature do to assist cities with little or no sales tax available under the two percent cap that want to join an MTA? One problem is that all cities that elect to become members of an MTA must enter

³⁵ Linda Harper-Brown, Irving City Councilwoman, testimony presented to the Senate Committee on State Affairs, February 22, 2000.

³⁶ Jack Miller, Mayor of Denton, presented to the Senate Committee on State Affairs, February 22, 2000.

³⁷ John Milam, General Manager, VIA, testimony presented to the Senate Committee on State Affairs, April 13, 2000.

at the same sales tax rate.³⁸ For example, all member cities of DART pay one percent sales tax. Leaders of Texas cities feel that they need more options to allow local officials to provide other solutions for their communities.

Findings

- (1) Revenues, expenses, and operating statistics were provided to the committee by each authority's staff. The following is a summary of each authority's funding and expenditures for fiscal years 1998 and 1999.
 - Total system ridership for Capital Metropolitan Transportation Authority in Austin (Capital Metro) increased 21.4 percent. Total revenue increased 9.8 percent as total expenses increased 7.4 percent.
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 - Total system ridership for City of El Paso Mass Transit Department (Sun Metro) decreased four percent. Total revenue increased 17.9 percent while total expenses increased 9.3 percent.
 - Total system ridership for Laredo Municipal Transit System (El Metro) increased 10.3 percent. Both total revenue and total expenses

³⁸ Section 1(a), Article VIII, Texas Constitution.

increased 9.7 percent.

- (2) In addition to providing transit services to their member cities, MTAs also contribute funds to transportation-related projects in their service areas. A majority of the MTAs have programs that return a percentage of sales tax back to member cities for street, sidewalk, curb, and other transit improvements.

With a few exceptions, the amount of sales tax collected by the six MTAs and the amount spent in the cities by the MTAs are fairly close. On the whole, the MTAs tended to spend more in their principal cities, but then, the principal cities contributed more in sales tax.

As city transit departments, Sun Metro and El Metro operate within the limits of only one city, and therefore, all the money spent by and sales tax collected for mass transit are within that city's limits.

- (3) The idea that some nonmember cities are statutorily precluded from joining their local transit authority arose in discussions at the hearings. Witnesses testified that one of the main barriers to cities joining an MTA is the lack of sales tax a city has available under the two percent cap, usually due to the cities commitment to a 4A or 4B sales tax for economic development. Currently, cities can charge up to two percent above the statewide sales tax rate of 6 1/4 percent to fund various programs and projects. Each city currently uses one percent for itself. The other one percent can be used to fund transit, economic development, property tax relief, or special districts such as hospitals, crime control, and libraries.

Article VIII of the Texas Constitution has been interpreted to dictate that all cities electing to become members of an MTA must enter at the same sales tax rate. The feeling among Texas cities is to have more options so local officials can choose other solutions for their communities.

Recommendations

- (1) The committee recommends MTAs consider contracting with cities outside their service areas to provide specific services. Under such contracts, cities would pay all costs associated with the services, without subsidy from the MTAs. Voter approval would be required. Contracting cities would not have a seat on the MTAs' boards, nor would they be allowed to participate in the MTAs' community programs. This recommendation applies only to cities not currently members of an MTA.
 - Cities would be allowed to pay the costs through one or more of the following: available sales tax, bonds, or general revenue. A change in statute would be required so cities may levy an additional sales tax (within the cap) dedicated to a contract for transit services.
 - The legislature should examine the viability of using economic development corporations created under 4A or 4B sales tax as a mechanism to finance a contract.

- (2) The committee recommends allowing cities with some sales tax left under the cap to join MTAs at a reduced rate for reduced services. The cities would not have a seat on the MTAs' boards, nor would they be allowed to participate in the MTAs' community programs. Approval would be required from all current member cities. This recommendation applies only to cities not currently members of an MTA.

Appendix 1
Glossary of Terms

Glossary

Capital expenses: The expenses related to the purchase of long-term tangible assets such as facilities, revenue vehicles (rolling stock), and property.

Casualty and liability: An object class expense related to insurance premiums for physical damage and public liability and property damage, recoveries of physical damage losses, payouts and recoveries for public liability and property damage settlements, and premiums for other corporate insurance, such as fidelity bonds.

Charter bus: A bus hired on contract for the exclusive use of a group of people and not available to the general public for use as fixed route bus service.

Cost per passenger: An efficiency ratio that measures the cost of providing for one passenger boarding. This cost is computed by dividing the annual operating expense by the number of annual passenger trips.

Demand response service: A non-fixed route transportation service that is provided in response to calls from customers requesting door-to-door service. A car, van, or bus with fewer than 25 seats is dispatched to a specific location for transportation to a specific destination. This service is also called paratransit.

Depreciation and amortization: The changes that reflect the loss of the service value of a transit agency's assets. Assets can include physical facilities such as guideways, tracks and roadbeds, passenger stations, parking facilities, revenue vehicles, operating stations, power generation facilities, data processing, revenue collection and processing, and other general administration. Amortization of the intangible costs includes organization costs, patents, franchises, goodwill, and other intangible assets.

Directly operated service: Transportation service that is provided directly by the transit agency in contrast to purchased transportation.

Fare recovery rate: An efficiency ratio that measures the proportion of operating costs that are reclaimed through passenger fares. The fare recovery rate is computed by dividing the annual passenger fares revenue by the annual operating cost.

Fixed route: Transportation service provided on a repetitive, fixed schedule along a specific route that serves the same origins and destinations.

Fringe benefits: An object class expense related to additional compensation beyond the cost of labor that is provided by the transit agency to its employees. Fringe benefits can include: retirement and pension plans; medical, dental, and life insurance; workers compensation and unemployment insurance and short-term disability plans; sick, holiday, vacation, and other paid leave; and uniform and work clothing allowances.

High occupancy vehicle (HOV): Vehicles used to transport two or more passengers. HOVs such as buses, vans, and carpools, have exclusive use of barrier-restricted traffic lanes called HOV lanes, transitways, busways, and commuter lanes.

Mass transit: The transportation of passengers by any means of surface, overhead, or underground transportation, other than an aircraft or taxicab.

Materials and supplies: An object class expense related to the purchase of tangible items such as gasoline, diesel fuel, propane, lubricating oil, transmission fluid, and grease.

Miscellaneous expenses: An object class expense related to expenses that do not fit into any of the other major expense categories, such as local meetings, travel and training, dues and subscriptions, employee awards, bad debt expenses, advertising and promotion media, and vehicle inspections.

Nonoperating revenue: Revenue generated by the collection of sales and use taxes, federal and state grants, interest income, and the sale of assets. Nonoperating revenue excludes revenue earned by providing a transit service.

Operating expense by cost center: A group of expenses that identifies the cost of transportation service by mode, such as fixed route bus, paratransit, and charter.

Operating expense by function: The expenses associated with the operation of a transit agency. It is the sum of vehicle operations, vehicle maintenance, nonvehicle maintenance, and general administration as compared to the sum of various object class expenses.

Operating expense by object class: A grouping of expenses based on the purchase of goods and services by a transit agency. Object class expenses include salaries and wages, fringe benefits, services, materials and supplies, utilities, casualty and liability insurance, purchased transportation, and other expenses. Expenses can alternatively be classified by function.

Operating revenue: Revenue generated when a transit service is provided to a paying customer. Operating revenue, as defined by the American Public Transit Association, includes all passenger fares from buses, paratransit, charter, and other transportation services and also includes income generated by advertising.

Other (object class) expense: An object class expense related to taxes, miscellaneous expenses, and expense transfers. Tax expenses can include taxes on fuel, lubricants, electric propulsion power, income, property, vehicle licensing, and registration fees. Miscellaneous expenses are those that fall outside the major expense categories. Expense transfers are accounts used for reporting adjustments and reclassifications of previously reported expenses.

Paratransit: A transportation service using accessible cars, vans, and buses that is designed to meet the needs of disabled clients.

Passenger fares: The revenue earned from carrying passengers on a regularly scheduled service.

Purchased transportation: Transportation service that is performed by an outside transportation provider who is contracted to assist the transit agency in meeting demands for transportation services. An object class expense related to payments for services performed by a provider who is under contract.

Revenue vehicle: A vehicle operated by a transit authority or an outside transportation provider that is used to transport paying passengers.

Ridership: The number of rides taken by people using a public transportation system in a given period of time. In this report, all ridership numbers are unlinked.

Salaries and wages: An object class expense related to the pay earned by employees in exchange for work services provided to the transit agency.

Services: An object class expense related to the labor provided by outside organizations. Services can include management service fees, professional and technical services, advertising fees, temporary help, contract maintenance services, security services, and custodial services.

Subscription service: A commuter bus express service operated for a guaranteed number of patrons from a given area on a prepaid, reserved seat basis. An employer, for example, may purchase this service for its employees.

Utilities: An object class expense related to the purchase of electricity, gas, water and sewer services, telephone service, and garbage collection services. Utilities include purchased propulsion power from an outside utility company for use in propelling electrically driven vehicles.

Vanpool: An arrangement in which a group of passengers share the use and cost of a van to travel to and from a prearranged destination.

Vehicle revenue hours: The number of hours revenue vehicles are operated while providing a transit service, exclusive of charter and school bus services, operator training, and maintenance testing.

Vehicle revenue miles: The number of miles a vehicle travels while providing a transit revenue service. Vehicle revenue miles exclude miles associated with charter services, school bus service, operator training, and maintenance testing.

Sources:

1. Texas Legislative Council, *Profiles of Texas Mass Transit Authorities*, October 1998.
2. Chapters 451 and 452, Transportation Code.

Appendix II
Comparable Table of Texas Mass Transit Authorities
(Compiled by State Affairs Committee Staff)

Comparable Table of Texas Mass Transit Authorities

MTAs and CTDs with Principal City	Transportation Code	Sales Tax Rate	Service Area (square miles)	Service Population	Transit Services
Capital Metro Austin	Chapter 451	1%	502	617,954	fixed route bus, express park & ride, flyers, and trolleys; University of Texas shuttle; 'Dillo Dash; paratransit; vanpool; public events; Apple; and E-Z Rider
RTA Corpus Christi	Chapter 451	1/2%	858	315,000	fixed route bus, trolleys, and park & ride; paratransit; and water taxi
METRO Houston	Chapter 451	1%	1281	2,632,241	fixed route bus and trolleys; METROLift; HOV lanes; RideSponsor; RideShare; METROVan; and special events
VIA San Antonio	Chapter 451	1/2%	1231	1,358,087	fixed route bus, express line, paratransit, special events, charter, and school contract
DART Dallas	Chapter 452	1%	700	1,980,000	fixed route bus, light rail, commuter rail, paratransit, HOV lanes, and vanpool

The T Fort Worth	Chapter 452	1/2%	294	520,150	fixed route bus, MITS, vanpool, special events, commuter rail, shuttle to and from DFW Airport
Sun Metro El Paso	Chapter 453	1/2%	251	627,556	fixed route bus and paratransit
El Metro Laredo	Chapter 453	1/4%	78	187,000	fixed roue bus, paratransit, and charter

Appendix III
Revenues, Expenses, and Operating Statistics
(Compiled by State Affairs Committee Staff)

Capital Metro

Table 1: Operating and Nonoperating Revenue

Fiscal Year	Operating Revenue		Nonoperating Revenue				Total Revenues
	Passenger Fare	Third Party	Sales Tax Rate	Sales and Use Tax	Investment Income	Other ¹	
1998	\$3,671,939	\$4,530,894	1%	\$97,896,747	\$4,921,122	\$453,847	\$111,474,549
1999	\$3,933,770	\$4,931,732	1%	\$107,134,304	\$5,557,773	\$876,593	\$122,434,172

Table 2: Operating Expenses by Type

Fiscal Year	Labor	Fringe Benefits	Services	Materials and Supplies	Utilities	Casualty and Liability	Taxes	Purchased Transp.	Other	Depreciation & Amortization	Total Operating Expenses
1998	\$28,416,039	\$13,586,634	\$3,416,938	\$6,179,685	\$695,984	\$997,059	\$646,836	\$13,786,517	\$1,212,644	\$9,505,622	\$78,443,958
1999	\$30,814,834	\$15,604,499	\$4,379,163	\$6,715,363	\$668,895	\$882,201	\$695,909	\$12,393,439	\$1,140,920	\$11,225,661	\$84,520,884

¹“Other” nonoperating revenue includes advertising, fees for railroad licensing, and auctions for used buses.

Table 3: Nonoperating Expenses by Type

Fiscal Year	Build Greater Austin Program	Other	Total Nonoperating Expenses
1998	\$6,416,299	\$196,190	\$6,612,489
1999	\$6,871,604	-0-	\$6,871,604

Table 4: Operating Statistics

Fiscal Year	Ridership				
	Fixed Route	Paratransit	University of Texas	Other Purchased Transportation	Van Pool
1998	20,900,000	400,000	7,100,000	1,500,000	See Note ²
1999	24,500,000	400,000	6,500,000	4,700,000	200,000

²Note: Capital Metro's VanPool program was converted to a directly operated service in 1999. Prior to 1999, the VanPool program was operated by a third party contractor and reported as part of purchased transportation.

Table 5: Operating Statistics (continued)

Fiscal Year	Cost Per Passenger	Fare Recovery Rate	Revenue Miles	Revenue Hours
	Total System	Total System	Total System	Total System
1998	\$2.22	11.65%	15,122,643	1,108,888
1999	\$2.25	12.53%	17,090,421	1,218,157

Corpus Christi RTA

Table 1: Operating and Nonoperating Revenue

Fiscal Year	Operating Revenue			Nonoperating Revenue				Total Revenues
	Passenger Fares	Charter	Other ¹	Sales Tax Rate	Sales Tax	Federal Grants ²	Other ³	
1998	\$1,107,708	\$16,895	\$24,157	1/2%	\$15,135,818	-0-	\$475,000	\$16,759,000
1999	\$1,100,335	\$23,690	\$38,424	1/2%	\$15,549,401	-0-	\$890,000	\$17,602,000

Table 2: Operating Expenses by Source

Fiscal Year	Transportation	Customer Programs	Purchased Transportation	Service Development	MIS	Vehicle Maintenance	Facilities Maintenance	General Management	Finance & Accounting
1998	\$4,744,000	\$391,000	\$3,416,000	\$282,000	-0-	\$2,174,000	\$596,000	\$503,000	\$239,000
1999	\$5,010,000	\$417,000	\$3,572,000	\$184,000	\$61,000	\$2,179,000	\$624,000	\$560,000	\$325,000

¹“Other” operating revenue includes bench advertising revenues and pay phone revenues.

²RTA does not receive any Federal Grants for operating revenues.

³“Other” nonoperating revenue includes interest income, rental income, and revenues from sales of assets. (NOTE: There will be no rental income after February 2000.)

Table 3: Operating Expenses by Source (continued)

Fiscal Year	Materials Management	Human Resources	Contracts & Grants	DBE/EEO	Capital Projects	Special Projects	Depreciation	Sales Tax Distributions	Total Expenses
1998	\$151,000	\$303,000	\$116,000	\$101,000	-0-	\$61,000	\$3,618,000	\$1,960,000	\$17,755,000
1999	\$136,000	\$268,000	\$101,000	\$95,000	\$124,000	\$76,000	\$3,344,000	\$1,637,000	\$17,082,000

Table 4: Operating Statistics

Fiscal Year	Ridership		Cost Per Passenger	Fare Recovery Rate	Revenue Miles	Revenue Hours
	Fixed Route & Water Taxi	Paratransit Services	Total System	Total System	Total System	Total System
1998	5,708,154	197,890	\$2.20	8.6%	4,117,271	259,551
1999	5,711,893	190,608	\$2.38	8.8%	4,004,286	264,246

METRO

Table 1: Revenues by Source

Fiscal Year	Operating Revenue		Nonoperating Revenue					Total Revenue
	Passenger Fares ¹	Other ²	Sales Tax Rate	Sales Tax ³	Federal Grants	Investment Income ⁴	Other	
1998	\$48,895,000	\$274,000	1%	\$313,479,000	\$66,255,000	\$14,613,000	\$378,000	\$441,894,000
1999	\$47,698,000	\$303,000	1%	\$332,938,000	\$107,951,000	\$12,169,000	\$101,000	\$501,160,000

¹“Passenger Fares” include fixed route bus service, subscription bus service, METROLift, and METROVan.

²“Other” includes concessions and billboard advertising on a right-of-way purchased by METRO. The billboards were already in place when METRO purchased the property.

³“Sales Tax” includes the sales taxes dedicated to transit purposes, the general mobility sales taxes (see Footnote 7), and the expanded sales taxes. In 1987, state law expanded the number of items that could be taxed. The revenue collected from these additional items between 1987 and 1995 was reimbursed to the local governments in METRO’s service area for use on approved general mobility projects.

⁴“Investment Income” includes income from the authority’s investments and from the general mobility account.

Table 2: Operating Expenses by Fund

Fiscal Year	General Government ⁵	General Mobility Projects ⁶	Enterprise Funds ⁷	Internal Service Fund ⁸	Total Expenses
1998	\$15,386,000	\$90,510,000	\$261,930,000	\$8,856,000	\$376,682,000
1999	\$16,555,000	\$73,017,000	\$272,098,000	\$10,416,000	\$372,086,000

⁵“General Government” is a general operating fund used to report all financial transactions that are not required to be reported in another fund. It is used principally to account for administrative activities and sales tax receipts, which have not been restricted.

⁶“General Mobility” is a fund used to account for all transactions related to construction and maintenance of bridges, grade separations, roads, streets, sidewalks, hike and bike trails, and curbs. (In 1988, METRO received voter approval to dedicate up to 25 percent of sales tax revenues for general mobility projects such as streets, bridges, and overpasses in the City of Houston, Harris County, and other cities in METRO’s service area. METRO may expend more than 25 percent of sales tax revenues on general mobility projects at the discretion of the board of directors.)

⁷“Enterprise Funds” are used to account for transit operations that include designing and constructing maintenance and bus storage facilities, selecting bus routes, purchasing and maintaining revenue vehicles, training personnel to deliver transit services, security and traffic enforcement, and administering and managing the transit system.

⁸“Internal Service Fund” is used to account for risk management activities that provide insurance coverage for real and personal property, including transit buses, that are on METRO’s property, but excludes off-property coverage.

Table 3: Enterprise Fund: Operating Expenses by Function

Fiscal Year		Transportation					Maintenance	
	Labor	Purchased Transportation	Fuel	Other ⁹	Depreciation & Amortization	Labor	Materials & Supplies	Other ¹⁰
1998	\$81,594,000	\$24,991,000	\$10,090,000	\$955,000	\$55,493,000	\$44,692,000	\$16,862,000	\$87,000
1999	\$89,414,000	\$30,083,000	\$10,949,000	\$418,000	\$57,858,000	\$42,558,000	\$13,861,000	\$89,000

⁹“Other” transportation expenses include utilities, telephone, temporary services, and custodial services.

¹⁰“Other” maintenance expenses include rental equipment.

Table 4: Enterprise Fund: Operating Expenses by Function (continued)

Fiscal Year	Administrative & General		Traffic Management ¹¹	Transit Security ¹²	Total Operating Expenses
	Labor	Other ¹³			
1998	\$4,335,000	\$5,608,000	\$13,051,000	\$4,170,000	\$261,930,000
1999	\$1,619,000	\$6,477,000	\$14,204,000	\$4,568,000	\$272,098,000

Table 5: Operating Statistics

Fiscal Year	Ridership						Cost Per Passenger	Fare Recovery Rate	Revenue Miles	Revenue Hours
	Fixed Route	Paratransit	MetroVan	Special Events	Charter	FasTrak	Total System	Total System	Total System	Total System
1998	93,247,531	1,077,115	1,031,734	807,361	61,996	48,634	\$2.18	22.31%	47,869,000	3,172,009
1999	98,022,311	1,133,937	1,056,100	850,099	31,443	12,484 ¹⁴	\$2.15	21.92%	50,087,000	3,316,000

¹¹“Traffic Management” includes activities by METRO’s traffic engineers, who use ITS technologies to monitor traffic and roadway incidents, and police force activities related to increasing safety of motorists and pedestrians, including the management of freeway, activity center, and special events congestion and the operation of the motorist assistance program.

¹²“Transit Security” includes salaries for the METRO police who provide security for the transit system, as well as salaries for security guards.

¹³“Other” administrative and general expenses include service development (advertising, promotions, and printing), waste removal, courier services, supplies, postage, telephone service, power, etc.

¹⁴FasTrak service ceased in 1999.

VIA

Table 1: Operating Revenue

Fiscal Year	Line Service	Robert Thompson Terminal	Other Special Events	VIAtrans (Paratransit)	Charter	Contract	Real Estate Development	Bus Advertising	Misc. ¹	Total Operating Revenues
1998	\$15,061,906	\$345,229	\$184,638	\$935,438	\$355,183	\$984,036	\$49,576	\$600,454	\$685,596	\$19,202,056
1999	\$13,263,538	\$286,749	\$216,339	\$940,640	\$300,437	\$1,214,393	\$16,770	\$749,867	\$700,416	\$17,689,149

Table 2: Nonoperating Revenue

Fiscal Year	Sales Tax Rate	Sales Tax	Operating Grants	Grants Reimbursement	Investment Income	Net Gain on Sale of Assets	Total Nonoperating Revenues
1998	1/2%	\$59,282,584	\$393,778	\$2,343,531	\$6,569,305	\$33,349	\$68,622,547
1999	1/2%	\$63,638,146	\$0	\$3,128,327	\$2,735,892	\$0	\$69,502,365

¹“Miscellaneous” includes tuition monies for the child development center, service fee from the Alamodome, and sales on VIA system maps and identification cards for patrons.

Table 3: Operating Expenses

Fiscal Year	Line Service ²	Robert Thompson Terminal	Other Special Events	VIATrans (Paratransit)	Charter	Contract	Real Estate Development	Depreciation	Total Operating Expenses
1998	\$62,138,660	\$337,190	\$167,462	\$17,320,628	\$205,655	\$1,001,812	\$76,564	\$8,676,302	\$89,924,273
1999	\$67,921,198	\$307,327	\$237,457	\$19,087,888	\$170,959	\$1,136,025	\$60,277	\$9,503,068	\$98,424,199

Table 4: Nonoperating Expenses

Fiscal Year	Net Loss on Sale of Assets	Model Deployment Initiative	Transit 2025	Local Assistance Programs	Total Nonoperating Expenses
1998	-0-	\$281,000	-0-	-0-	\$281,000
1999	\$197,821	\$132,684	\$368,018	\$126,081	\$824,604

² Except for “Real Estate Development” and “Depreciation,” all categories in “Operating Expenses” include such items as labor, fringe benefits, materials and supplies, and taxes.

Table 5: Operating Statistics

Fiscal Year	Ridership		Cost Per Passenger (excludes depreciation)	Fare Recovery Rate (excludes depreciation)	Revenue Miles	Revenue Hours
	Bus Service	Paratransit Service	Total System	Total System	Total System	Total System
1998	36,347,931	944,365	\$2.18	19.89%	27,829,712	1,762,919
1999	39,706,904	966,638	\$2.19	16.49%	29,572,472	1,861,264

DART

Table 1: Operating Revenue

Fiscal Year	Passenger Revenue	Special Events Revenue	Paratransit Revenue	Advertising/Rental Income	Total Operating Revenues
1998	\$27,982,000	\$1,342,000	\$1,158,000	\$4,599,000	\$35,081,000
1999	\$29,238,000	\$1,067,000	\$1,168,000	\$5,305,000	\$36,778,000

Table 2: Nonoperating Revenue

Fiscal Year	Sales Tax Rate	Sales Tax	Investment Income and Other Misc. ¹	Net Gain on Capital Lease Transactions	Federal Funds	Total Nonoperating Revenues
1998	1%	\$314,826,000	\$7,272,000	\$10,819,000	\$89,219,000	\$422,136,000
1999	1%	\$332,657,000	\$6,506,000	\$0	\$76,363,000	\$415,526,000

¹Investment income and other miscellaneous includes disposal of assets, such as the sale of old buses and other vehicles/equipment.

Table 3: Operating Expenses by Object Class

Fiscal Year	Salaries & Wages	Benefits	Services	Materials & Supplies	Utilities & Comm.	Claims & Insurance	Purchased Transp.	Taxes, Leases & Other ²	Transit System Planning & Dev. Costs	Total Expenses
1998	\$91,037,000	\$30,620,000	\$20,257,000	\$21,708,000	\$5,487,000	\$2,243,000	\$50,883,000	\$4,987,000	(\$12,129,000)	\$215,093,000
1999	\$99,163,000	\$33,303,000	\$22,294,000	\$20,990,000	\$5,974,000	\$2,623,000	\$56,525,000	\$5,291,000	(\$15,458,000)	\$230,705,000

²Taxes, leases and other includes training, business travel, recruiting and relocation, employee programs and awards, court costs and trial board, parking tolls and fees, memberships dues, books and subscriptions, business meetings, public information, charter, general mobility, operating and maintenance facilities and equipment leases, passenger facilities leases, administration facilities and equipment leases, service vehicle leases, fuel and lube taxes, and other taxes and fees.

Table 4: Operating Statistics

Fiscal Year	Ridership						Subsidy Per Passenger	Fare Recovery Ratio	Revenue Miles	Revenue Hours
	Bus	Light Rail	Commuter Rail	Paratransit	HOV Lanes	General Mobility ³	Total System ⁴	Total System ⁵	Total System ⁶	Total System ⁷
1998	45,889,000	10,949,000	503,000	670,000	27,524,000	162,000	\$2.10	16.3%	29,362,000	2,482,000
1999	47,405,000	11,346,000	652,000	597,000	30,930,000	304,000	\$2.13	15.9%	30,299,000	2,455,000

³General Mobility refers to vanpooling.

⁴DART believes that using subsidy per passenger is a better measure than cost per passenger because the ratio includes revenues earned. Total system includes bus, light rail, commuter rail, paratransit, HOV lanes, and general mobility.

⁵Fare recovery ratio includes bus, light rail, commuter rail, and paratransit.

⁶Revenue miles includes bus, light rail, commuter rail, and paratransit.

⁷Revenue hours includes bus, light rail, commuter rail, and paratransit.

The “T”

Table 1: Operating and Nonoperating Revenue

Fiscal Year	Operating Revenue					Nonoperating Revenue				Total Revenues
	Line Service	Contract Service	Special Service	Advertising	Other ¹	Sales Tax Rate	Sales Tax	Federal Grants	Investment Income	
1998	\$3,056,874	\$61,217	\$32,258	\$286,245	\$18,785	1/2%	\$29,773,132	\$4,521,370	\$2,317,468	\$40,067,349
1999	\$3,452,769	\$18,585	\$15,197	\$348,006	\$8,147	1/2%	\$32,528,857	\$8,758,278	\$2,286,517	\$47,416,356

Table 2: Operating Expenses by Object Class

Fiscal Year	Salaries and Wages	Fringe Benefits	Materials and Supplies	Services	Utilities	Casualty and Liability Ins.	Purchased Transp.	Other ²	Depreciation	Total Operating Expenses
1998	\$11,525,971	\$5,278,991	\$3,117,297	\$2,181,123	\$427,406	\$296,499	\$1,955,266	\$13,899	\$4,753,827	\$29,550,279
1999	\$12,054,264	\$6,525,404	\$3,637,452	\$2,597,816	\$384,976	\$410,549	\$1,817,888	\$326,587	\$3,804,891	\$31,559,827

¹“Other” operating revenue includes the selling of identification cards and monthly covers for bus tickets.

²“Other” operating expenses include business travel, training, and membership dues.

Table 3: Nonoperating Expenses by Source

Fiscal Year	Street Improvements	Gain (Loss) Disposal of Assets	Other ³	Total Nonoperating Expenses
1998	\$3,942,392	\$45,360	\$1,294,464	\$5,264,216
1999	\$4,119,652	(\$13,268)	\$1,583,890	\$5,690,274

Table 4: Operating Statistics

Fiscal Year	Ridership			Cost Per Passenger	Fare Recovery Rate	Revenue Miles	Revenue Hours
	Fixed Route	Demand Response (Paratransit)	Vanpool	Total System	Total System	Total System	Total System
1998	4,818,953	306,029	742,218	\$2.88	15.2%	7,922,400	359,600
1999	5,330,103	320,564	754,133	\$2.90	14.8%	7,803,000	375,900

³“Other” includes items that occur only once, such as bad debt expenses.

SUN METRO

Table 1: Revenues by Source

Fiscal Year	Passenger Fare	Sales Tax Rate	Sales Tax	Investment Income	Federal Funds	Other ¹	Total Revenues
1998	\$7,605,682	1/2%	\$20,519,737	\$426,726	\$2,187,598	\$66,590	\$30,806,333
1999	\$7,459,895	1/2%	\$21,716,174	\$426,218	\$6,675,655	\$32,895	\$36,310,837

Table 2: Operating Expenses by Type

Fiscal Year	Vehicle Operations	Vehicle Maintenance	Non-Vehicle Maintenance	General Administration	Total Operating Expenses
1998	\$15,672,032	\$5,444,937	\$945,764	\$4,015,457	\$26,078,190
1999	\$17,090,096	\$6,382,035	\$1,008,178	\$3,625,143	\$28,105,452

¹“Other” nonoperating income includes office rental income.

Table 3: Nonoperating Expenses by Type

Fiscal Year	Transfer to City of El Paso ²	Hydrocarbon Cleanup	Other ³	Total Nonoperating Expenses
1998	\$3,994,084	-0-	\$379,972	\$4,374,056
1999	\$4,009,830	\$1,095,833	\$71,840	\$5,177,503

Table 4: Operating Statistics

Fiscal Year	Ridership			Cost Per Passenger	Fare Recovery Rate	Revenue Miles	Revenue Hours
	Fixed Route	Paratransit (Lift)	Paratransit (Taxi)	Total System	Total System	Total System	Total System
1998	13,327,526	233,690	40,960	\$2.02	27.7%	7,655,616	557,291
1999	12,774,608	237,420	44,115	\$2.42	24.1%	8,248,511	609,197

²“Transfer to the City of El Paso” includes payment to the City for use of the city’s mainframe computer, accounting system, legal department, and personnel.

³“Other” nonoperating expenses include grant matches, and loss or gain on equipment disposals.

El Metro

Table 1: Operating and Nonoperating Revenue

Fiscal Year	Operating Revenue			Nonoperating Revenue					Total Revenues
	Fixed Route	Paratransit	Other ¹	Sales Tax Rate	Sales Tax	Federal Grants	State Operating Grant	Other ²	
1998	\$2,127,310	\$37,201	\$69,465	1/4%	\$1,002,057	\$2,454,632	\$909,887	\$308,964	\$6,909,516
1999	\$2,238,723	\$35,266	\$55,744	1/4%	\$2,232,531	\$2,187,808	\$488,958	\$340,188	\$7,579,218

¹“Other” operating revenue includes charter service.

²“Other” nonoperating revenue includes transit center rent, parking fees, reimbursements, commissions, ID cards, CNG fees and collections, royalties, interest, advertising, and miscellaneous items.

Table 2: Operating Expense by Source

Fiscal Year	Personnel Services	Material & Supplies	Contractual Services	Other ³	Total Operating Expenses
1998	\$4,560,071	\$873,558	\$1,095,712	\$380,175	\$6,909,516
1999	\$5,254,050	\$819,005	\$1,096,705	\$409,458	\$7,579,218

Table 3: Operating Statistics

Fiscal Year	Ridership		Cost Per Passenger	Fare Recovery Rate	Revenue Miles	Vehicle Hours
	Fixed Route	Paratransit	Total System	Total System	Total System	Total System
1998	3,958,900	50,161	\$1.65	34.64%	1,849,704	158,224
1999	4,373,313	48,471	\$1.16	45.01%	1,587,082	168,786

³“Other” operating expenses by source includes transit center expenditures, shortage & overage, taxes, vehicle operations, van operations, vehicle maintenance, non-vehicle maintenance, and general administration.

Appendix IV
Sales Tax Contributions and Dollars Spent
Per City
(Compiled by State Affairs Committee Staff)

Capital Metro

Table 1: Sales Tax Contributions by City or Community¹

City or Community	1998	1999
Austin	\$ 93,158,600	\$ 101,462,313
Leander	322,530	365,006
Jonestown	48,151	58,042
Lago Vista	133,431	133,408
Manor	80,648	96,338
San Leanna	-0-	-0-
Cedar Park (withdrew in Nov. 98)	1,595,046	907,279
Pflugerville (withdrew in Jan. 00)	536,799	633,502
Unincorporated areas/other	1,312,895	2,335,168
Total	\$ 97,188,100	\$ 105,991,056

¹Source of information: Texas Comptroller of Public Accounts. The Comptroller does not report the actual amount of transit sales and use taxes collected in each member unit but uses the one-percent sales tax collected in each participating city to estimate the amount of transit taxes collected in those cities for Capital Metro.

Table 2: Estimated Cost of Service Provided and Build Greater Austin Expenditures
for FY 1998

Community	Fixed Route Service	Rural Fixed Route	Rural Demand Response	Teleride Service	STS	VanPool	EZRider/ Special Events	BGA	Support of Core	Total Expenses
Austin	\$51,842,000	\$16,000	-0-	\$762,000	\$11,954,000	\$1,001,000	\$275,000	\$5,184,000	-0-	\$71,034,000
Cedar Park	228,000	122,000	22,000	127,000	150,000	132,000	-0-	88,000	21,000	890,000
Leander	138,000	-0-	3,000	80,000	75,000	79,000	-0-	69,000	5,000	449,000
Pflugerville	43,000	-0-	-0-	138,000	152,000	172,000	2,000	80,000	30,000	617,000
Jonestown	24,000	60,000	8,000	-0-	21,000	13,000	-0-	44,000	3,000	173,000
Lago Vista	99,000	157,000	18,000	-0-	32,000	105,000	-0-	55,000	12,000	478,000
Manor	-0-	38,000	-0-	-0-	9,000	13,000	-0-	42,000	2,000	104,000
San Leanna	-0-	-0-	-0-	3,000	-0-	-0-	-0-	34,000	-0-	37,000
Travis Co. Pct. 2	-0-	-0-	-0-	-0-	-0-	-0-	-0-	524,000	-0-	524,000
Williamson Co., Pct. 1	241,000	-0-	-0-	193,000	-0-	-0-	-0-	148,000	39,000	621,000
Williamson Co., Pct. 2	241,000	-0-	-0-	193,000	-0-	-0-	-0-	148,000	39,000	621,000
Total	\$52,856,000	\$393,000	\$51,000	\$1,496,000	\$12,393,000	\$1,515,000	\$277,000	\$6,416,000	\$151,000	\$75,548,000

Table 3: Estimated Cost of Service Provided and Build Greater Austin Expenditures
for FY 1999

Community	Fixed Route Service	Rural Fixed Route	Rural Demand Response	Teleride Service	STS	VanPool	EZRider/ Special Events	BGA	Support of Core	Total Expenses
Austin	\$54,490,000	\$138,000	\$26,000	\$1,202,000	\$12,654,000	\$1,047,000	\$290,000	\$5,791,000	-0-	\$75,638,000
Leander	148,000	-0-	3,000	43,000	57,000	49,000	-0-	66,000	5,000	371,000
Pflugerville	41,000	-0-	-0-	68,000	185,000	61,000	-0-	71,000	30,000	456,000
Jonestown	25,000	64,000	7,000	-0-	6,000	6,000	-0-	43,000	3,000	154,000
Lago Vista	105,000	169,000	17,000	-0-	24,000	61,000	-0-	53,000	12,000	441,000
Manor	-0-	41,000	-0-	-0-	45,000	6,000	-0-	41,000	2,000	135,000
San Leanna	-0-	-0-	-0-	2,000	-0-	-0-	-0-	33,000	-0-	35,000
Travis Co., Pct.2	-0-	-0-	-0-	-0-	-0-	-0-	-0-	494,000	-0-	494,000
Williamson Co., Pct. 1	257,000	-0-	-0-	125,000	-0-	-0-	-0-	140,000	38,000	560,000
Williamson Co., Pct. 2	257,000	-0-	-0-	125,000	-0-	-0-	-0-	140,000	38,000	560,000
Total	\$55,323,000	\$412,000	\$53,000	\$1,565,000	\$12,971,000	\$1,230,000	\$290,000	\$6,872,000	\$128,000	\$78,844,000

Corpus Christi RTA

Table 1: Sales Tax Contributions by City

City	1998	1999
Agua Dulce	\$ 10,415	\$ 11,121
Bishop	35,745	32,894
Corpus Christi	14,203,512	14,979,679
Driscoll	12,338	12,664
Gregory	34,510	40,284
Nueces Co. (unincorporated)	180,000	187,423
Port Aransas	206,180	239,093
Robstown	282,759	278,336
San Patricio	2,500	2,603
Total	\$14,967,959	\$15,784,097

Table 2: Sales Tax Returned to Each City¹

City	1998	1999
Agua Dulce	\$ 2,863	\$ 4,256
Bishop	12,088	18,005
Corpus Christi	929,062	1,436,928
Driscoll	2,439	3,601
Gregory	8,907	13,258
Nueces Co. (unincorporated)	49,099	73,001
Port Aransas	8,059	16,859
Robstown	46,336	68,745
San Patricio	1,378	2,128
Total	\$1,060,231	\$1,636,781

¹RTA does not have any data on how much it spends in each city. The amounts shown in this table are sales tax revenues that RTA returns to each municipality in an annual program.

METRO

Table 1: Sales Tax Contributions by City

City	1998	1999
Houston	\$292,355,645	\$305,311,722
Harris County	5,653,480	10,480,412
Bellaire	1,795,283	1,715,184
Bunker Hill	18,375	18,375
El Lago	81,266	77,320
Hedwig Village	1,658,927	1,585,385
Hilshire Village	47,178	44,414
Humble	7,212,162	7,932,708
Hunters Creek Village	189,305	185,842
Katy	1,103,594	1,852,443
Missouri City	2,216,337	2,425,970
Piney Point Village	37,423	32,920
Southside Place	218,550	258,470
Spring Valley	273,420	428,513
Taylor Lake Village	24,966	18,479
West University Place	592,641	569,758
Total	\$313,478,552	\$332,937,915

Table 2: General Mobility Expenditures Per City

City	1998	1999
Houston	\$54,567,374	\$19,311,370
Harris County	18,161,357	39,295,394
Bellaire	292,445	494,510
Bunker Hill	1,029,314	156,996
El Lago	95,038	156,319
Hedwig Village	478,953	382,466
Hilshire Village	73,191	98,442
Humble	553,279	1,054,970
Hunters Creek Village	75,062	1,247,438
Katy	4,195,649	236,225
Missouri City	2,534,482	2,319,529
Piney Point Village	3,592,295	1,749,090
Southside Place	911,514	131,331
Spring Valley	174,097	151,355
Taylor Lake Village	93,267	125,537
West University Place	185,966	300,142
Area Wide Programs	751,518	967,177
Total	\$87,764,801	\$68,178,291

VIA

Table 1: Sales Tax Contributions by City

City	1998	1999
San Antonio	\$56,191,097	\$59,801,585
Alamo Heights	279,616	441,394
Balcones Heights	629,346	621,422
Castle Hills	454,729	427,266
China Grove	9,752	11,920
Converse	195,406	231,247
Elmendorf	10,135	11,417
Grey Forest	8,070	7,716
Helotes	88,220	83,535
Hollywood Park	105,109	101,782
Kirby	53,585	56,995
Leon Valley	842,779	891,357
Olmos Park	96,935	103,479
Saint Hedwig	14,516	13,932
Selma	132,963	158,724
Terrell Hills	42,955	40,299
Estimated Unincorporated	127,372	634,077
Total	\$59,282,584	\$63,638,146

Table 2: Tax Dollars Spent Per City (excluding depreciation)

City	1998	1999
San Antonio & Unincorporated Areas	\$75,286,460	\$83,348,941
Alamo Heights	677,936	608,218
Balcones Heights	794,709	930,396
Castle Hills	683,413	619,028
China Grove	14,574	13,334
Converse	324,562	323,159
Elmendorf	35,561	26,318
Grey Forest	-0-	-0-
Helotes	56,779	69,050
Hollywood Park	89,387	44,785
Kirby	157,388	131,035
Leon Valley	988,059	986,919
Olmos Park	77,505	69,028
St. Hedwig	33,671	30,338
Selma	85,344	71,915
Shavano Park	46,628	25,708
Terrell Hills	114,446	255,698
Windcrest	497,518	-0-
Total	\$79,963,940	\$87,553,870

DART

Table 1: Sales Tax Contributions by City¹

City	1998	1999
Dallas	\$173,959,000	\$181,248,000
Addison	7,975,000	8,356,000
Carrollton	14,546,000	15,839,000
Cockrell Hill	55,000	58,000
Farmers Branch	11,238,000	12,039,000
Garland	15,364,000	15,775,000
Glenn Heights	89,000	88,000
Highland Park	1,401,000	1,434,000
Irving	33,889,000	38,393,000
Plano	33,174,000	36,849,000
Richardson	19,861,000	18,754,000
Rowlett	1,499,000	1,602,000
University Park	1,776,000	2,221,000
Total	\$314,826,000	\$332,656,000

NOTE: DART does not track the amount it spends in each member city because this is a regional transportation authority supporting a multi-modal system that crosses multiple jurisdictional boundaries.

¹The State Comptroller does not report the exact amount of DART sales taxes collected in each member city because this is a regional transportation tax. Therefore, the amounts shown in this table are estimates based on each city's 1 percent sales tax collections.

The “T”

Table 1: Sales Tax Contributions by City

City	1998	1999
Fort Worth	\$24,880,597	\$26,199,049
Lake Worth	476,866	564,337
Richland Hills	676,142	700,952
Blue Mound	22,431	25,980
Total	\$26,056,036	\$27,490,318

Table 2: Tax Dollars Spent Per City¹

City	1998	1999
Fort Worth	\$3,732,090	\$3,929,858
Lake Worth	83,618	84,651
Richland Hills	101,422	105,143
Blue Mound ²	3,897	3,365
Total	\$3,920,495	\$4,123,549

¹The “T” does not track how much is spent in individual cities for operating or capital expenses. The “T” does allocate 15% of estimated sales tax revenue to each member city for transit related street improvements.

²Dollars paid in October FY 2000.