## Testimony Before the Senate Finance Committee
## and the
## Assembly Ways and Means Committee

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## January 29, 2015

Good morning. I am Frank Kobliski, Executive Director of the Central NY Regional Transportation Authority, and I am here today to represent the citizens of 4 Central NY counties and 6 cities who take 12 million rides on our buses each year.

I'll get right to the point.

There are 3 principal sources of revenue which together constitute over 60% of our income, and over which we have no control whatsoever:

- NYS Operating Assistance (STOA)
- A ¼% Mortgage Recording Tax levied in each member county.
- As designated by the State, certain funds required to come from each CNYRTA member county as a match for portions of STOA

Over the past 6 years, those revenue streams in the aggregate have grown on average *½ of one percent per year* collectively.

Despite substantial growth in costs of many "large ticket" expense categories such as health care, bus parts, and a high demand for use of mandated paratransit services, the Authority has managed to keep its annual budget increase to an average of 2.2% over those 6 years. In order to sustain our operations over that period, we have

- Cut services and staff
- Raised fares and the fees for sponsored services
- Reduced employee health care and retirement benefits
- Converted an unacceptably high level of our federal capital revues into operating funds
- Spent down Authority cash reserves

We expect to make it through the end of the current fiscal year by the skin of our teeth, largely through the aforementioned actions and a couple of "one-shot" infusions.

As of April 1 we will hit the wall.

If there is no change to our revenue stream, we will have no choice but to initiate drastic cuts in service, especially - but not exclusively - in Syracuse and Onondaga County.

**This means:**

- Elimination of all scheduled service, and paratransit services for persons with disabilities, as follows :
    - Sundays and holidays all day
    - Weekdays after 9pm
    - Saturdays after 7pm
- Elimination of a significant number of bus trips in Utica
- Elimination of certain other services in Oswego and Cayuga Counties

**This means:**
- A serious impact on the economic life of Central New York, and the disenfranchisement of many citizens.

Over the years, with guidance and suggestion from various sources, we as a statewide industry have suggested ways in which the structural shortcomings of transit funding may be addressed. Bluntly speaking, nothing has taken hold, and we are now out of options, other than seriously reducing services to our communities. Such reductions run contrary to our sole purpose and mission, and cause serious harm to our mutual constituencies and to our local economic conditions.

I will leave with you today, in addition to copies of my remarks, a 6-year chart which includes details of the funding numbers to which I have just referred.

Thank you for this opportunity to discuss the critical condition of public transit.

# 6 - Year History of CNYRTA Revenue Sources

| | FY 2009 | FY 2015 | Difference FY 2009 to FY2015 | Percentage Difference FY 2009 to FY2015 | Average Difference Per Year |
|---|---|---|---|---|---|
| Passenger Fares & Contract Services | $11,263,500 | $15,377,900 | $4,114,400 | 36.5% | 6.09% |
| NYS Operating Assistance (STOA) | $28,487,648 | $29,458,500 | $970,852 | 3.4% | 0.57% |
| Mortgage Recording Tax Proceeds (MRT) | $5,715,000 | $5,930,000 | $215,000 | 3.8% | 0.63% |
| Local County Matching Funds | $3,233,000 | $3,193,100 | -$39,900 | -1.2% | -0.21% |
| Federal Capital Funds Converted to Operating | $3,083,400 | $7,134,600 | $4,051,200 | 131.4% | 21.90% |
| Other: Advertising Revenue, Parking Revenue, Federal Fuel Credits, Use of Reserves | 4,946,887 | 3,263,200 | -$1,683,687 | -34.0% | -5.67% |
| **Total Revenue** | **$56,729,435** | **$64,357,300** | | | |
| Total Expenses | $56,729,435 | $64,357,300 | | | |

**The 3 dedicated revenue sources which account for 60%+ of the CNYRTA's annual operating income have collectively risen 0.52% annually over the past 6 years.**