



Welcome to Transit Talk!

Hello, My name is John Lewis, CEO of GRTC Transit System. Welcome to another edition of transit talk.

Today I will be discussing the financial challenges facing GRTC as a result of the current economic recession that has made it necessary to raise our fares for the first time in 18 years.

GRTC is facing a potential \$6 million budget deficit for next year as a result of lost revenue from lower ridership, local and state funding cuts, and increased costs for fuel and health care.

We have worked diligently to find opportunities for greater efficiency by purchasing smaller, more fuel efficient vehicles, instituting a hiring freeze for non-essential personnel, cutting back on inefficient routes with low ridership, and reducing hours.

All of these efforts to increase operating efficiency and lower costs have resulted in approximately \$3.5 million in cost savings.

Unfortunately a fare increase is unavoidable. Raising GRTCs base fare by \$.25 will bring in an additional \$1.5 million, enabling us to close that projected deficit.

It's a challenging time for local governments and transit agencies nationwide. Many of my colleagues around the nation are facing their second and third rounds of fare increases and service cuts. I was saddened to read this morning that MARTA, the public transit system in Atlanta, is facing 30% service cuts as a result of funding shortages. Hundreds of buses were emblazoned today with red Xs, symbolizing service that will no longer continue under current levels of funding.

We have been fortunate over the last 18 years to have had a steady fare structure. The last time GRTC raised fares was 1992. However, we are not immune to the impact of our current recession and the need for revenue enhancement is clear, and unavoidable. You can continue to count on GRTC to squeeze every ounce of efficiency out of our system.

When Vision meets Opportunity you get Transformational Change.

Thanks again for listening. This John Lewis, CEO of GRTC. Good day.