

## BOTTOM LINE

**Greenlink's local revenues are significantly lower than peer communities.**

- Local funds – from the City and County of Greenville – provide just 13% of Greenlink's revenues
- Greenlink receives \$3.76 per capita from local sources. The next lowest peer community – Charleston, SC – receives \$17.79 in local funds per capita
- Passenger fares at Greenlink, both in absolute terms and as a percentage of budget, are comparable to peer communities

# GREENLINK OPERATIONS

## INTRODUCTION



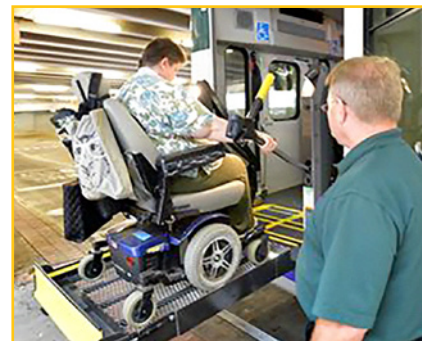
Greenlink, the public transit system operating in Greenville County, South Carolina, has long failed to meet most riders' (and non-riders') expectations for mobility in the community. Area residents and visitors bemoan the long wait times, limited geographic coverage, and lack of evening and Sunday service. This means that most residents who have their own cars use them rather than wait for the bus (even if it means sitting in heavy rush-hour traffic), and it means that those who don't own or can't use their own vehicles struggle to travel through Greenville County.

Greenlink staff and the Greenville Transit Authority Board, which governs the transit system, say that the service they can offer is limited by the funds they receive for operations. To better understand revenues for public transit in Greenville, the Piedmont Health Foundation conducted a revenue comparison study. The study uses 2015 data from the Federal Transit Administration's National Transit Database to compare Greenlink to transit systems in "peer communities" – areas in the Southeast that are similar in terms of population, geography, economy and culture (see figure A). The study considers only funding for fixed route bus systems (excluding paratransit for the disabled, because some systems provide Medicaid transportation which makes it hard to compare service revenues).



## BACKGROUND

Public transit systems across the country offer a variety of services. In large metropolitan areas, transit systems operate buses on fixed routes, and they may also run rail systems such as New York City's famous subways or Chicago's "L" trains.



**These fixed route services are funded by a variety of sources, but generally fall into five categories:**

- **Local Funds** – Revenues from local government, such as municipalities or the county in the service area. Funds may come as an annual apportionment or allocation and/or from a local sales or property tax dedicated to transit.
- **State Funds** – Many states fund transit in the same way: through annual budget allocations and/or through a dedicated tax.
- **Federal Funds** – The Federal Transit Administration (FTA), as a part of the US Department of Transportation, provides funds to local transit systems for operations. These funds must be matched by a local funding source, so some systems are not able to draw down as much federal funding as is available if they don't have adequate local match. Funds are provided based on the service area's population, population density, miles traveled, and passengers transported, so the more service a system provides, the more funds it may potentially receive.
- **Fares** – The fees riders pay to use the bus. Some systems, such as Greenlink, collect only cash on the bus while others accept credit cards. Some systems also waive fares for certain populations, such as students who show a university ID or City and County employees. Some services, such as Greenlink's trolley, charge no fares because they are fully funded (hospitality tax dollars and a general fund appropriation pay for our trolleys).
- **Other Revenues** – Local transit agencies can generate their own revenues through ad sales on vehicles or facilities; charging parking rent at their lots or parking decks; entering into service contracts with businesses, universities, hospitals, apartment complexes, and other partners; and any other creative approaches the agencies may use.

AREA	TRANSIT SYSTEM	POPULATION	SERVICE AREA POPULATION
Birmingham, AL	Birm-Jeff Co. Transit	749,495	442,804
Charleston, SC	CARTA	548,404	543,209
Chattanooga, TN	CARTA	381,112	167,674
Columbia, SC	The COMET	549,777	254,000
Greensboro, NC	GTA	311,810	269,666
Greenville, SC	GTA	491,863	188,991
Mobile, AL	WTS	326,183	227,566
Nashville, TN	Nashville MTA	969,587	655,900
Richmond, VA	GRTC	953,556	449,572
Winston-Salem, NC	WSTA	391,024	199,555

Figure A – Peer systems, source: 2015 Annual Agency Database Information, FTA NTD. Population is number of residents in the geographic area served by the system, which may be a county or a multi-county area. Service area population is the number of residents within 3/4 mile of the system's fixed routes for buses.

All transit systems report their revenue, ridership, and other data to the FTA each year, which is published in the National Transit Database and summarized on the back page of this report.

## FINDINGS

**Ridership** – Greenlink has the lowest county ridership and second lowest service area ridership per capita compared to peer communities in the Southeast (see figure B). This means that fewer residents in the geographic area it serves are choosing to ride transit.



**Revenue Sources** – Nearly half of Greenlink's \$5,666,655 in revenues in 2015 comes from the federal government (see figure C). This is unusual compared to other similar transit systems in the Southeast (and nationwide). Federal dollars are typically used as a supplement to locally generated dollars and are largely intended to support capital purchases – i.e. new buses and equipment – rather than operations. Because so many of these federal funds are used for operations in Greenville County, little is directed toward bus replacement, which means that Greenlink's fleet is aging and experiencing frequent breakdowns – further affecting service and the passenger experience.

**Passenger Fares** – Compared to peer communities, Greenlink's fares are competitive. Some suggest increasing passenger fares as a way to generate additional revenue. Greenlink charges \$1.50 for a regular rider fare, with additional fees for transfers and discounts for students, the elderly, and people with disabilities. Greenlink has the fourth highest percentage of revenues from fares in the Southeast (see figure D), and in absolute terms, the fares are comparable; five of the ten systems charge \$1.50 in regular fare. Some systems not included in this study charge no fare at all, because their analysis shows the cost of collecting and processing the fare and the number of riders it dissuades from using the system are greater than the cost of providing transportation for free (which allows it to receive more federal funds thanks to more riders).

**Local Funding** – Just one out of every ten dollars of Greenlink's revenues come from local sources - the County and the City of Greenville. But across the country, local dollars are typically the largest portion of a transit agency's revenue. This is true for systems in peer communities in the Southeast, which receive a mixture of apportionments from their local government and local tax revenues (see figure E). Local funds are flexible and allow for a system to innovate and best serve local residents. Certainly, Greenville County is smaller than some of the peer communities in this study, but even when considered per capita, our local funding is at

the bottom. Greenlink receives just \$3.76 in local funding per capita in its service area, compared to the next lowest community – Charleston, SC – at \$17.79 (see figure F).

Since 1991, local funds have decreased by nearly 20%, even as the county population has increased by 50%. The highest local revenues were seen in 2006 when the system received \$1.1 million from the City and County. In 2015, the City and County of Greenville provided \$586,739, but in 1991, the system received \$730,724 (see figure G). If local funds had kept pace with inflation, the system would have received \$1.27 million in 2015 in revenues from local sources. As a department of the City of Greenville, Greenlink receives many overhead and administrative benefits through internal in-kind services. While not calculated into the local match value, in FY2015, these contributed services were valued at \$373,000.

## Greenlink Operating Revenues By Source, 2015

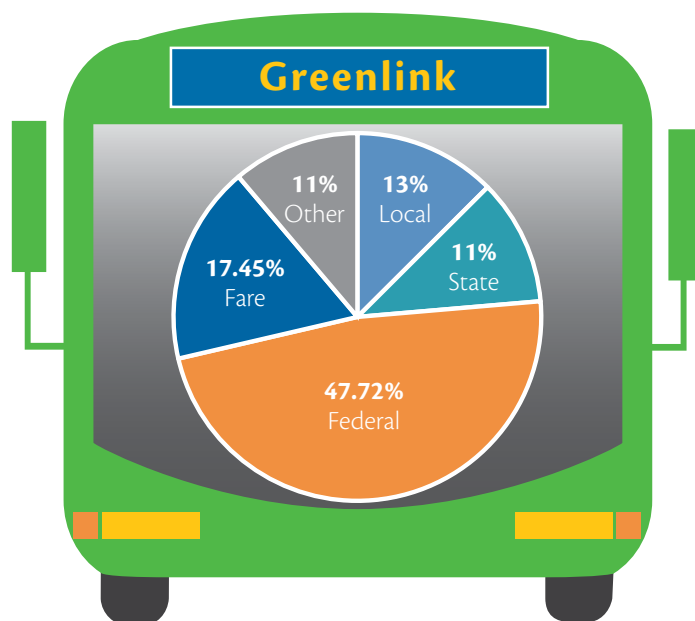
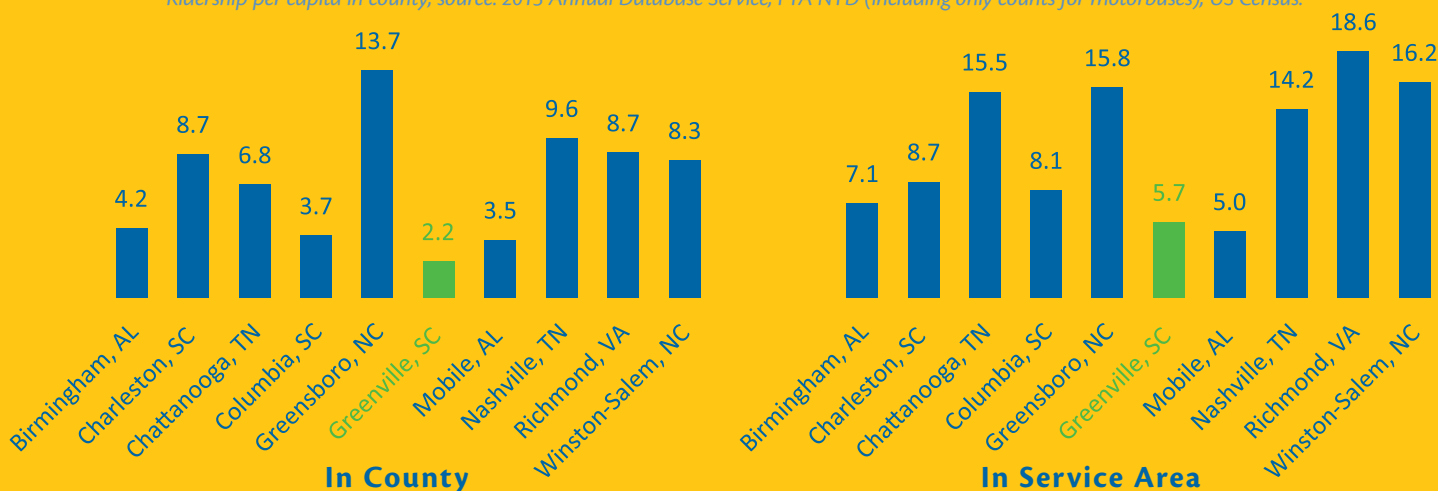


Figure C – Greenlink operating revenues by source, 2015, source: 2015 Annual Database Revenue, FTA NTD.

## Ridership Per Capita, 2015

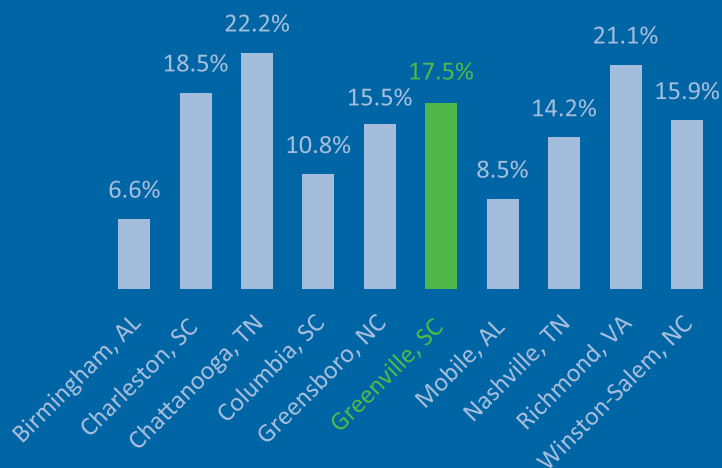
Figure B – Ridership per capita in service area, source: 2015 Annual Database Service, FTA NTD (including only counts for motorbuses).

\*\*Greenville County service population data current as of December 1, 2016, to more accurately reflect existing services provided by Greenlink. Data provided by GPATS. Ridership per capita in county, source: 2015 Annual Database Service, FTA NTD (including only counts for motorbuses), US Census.



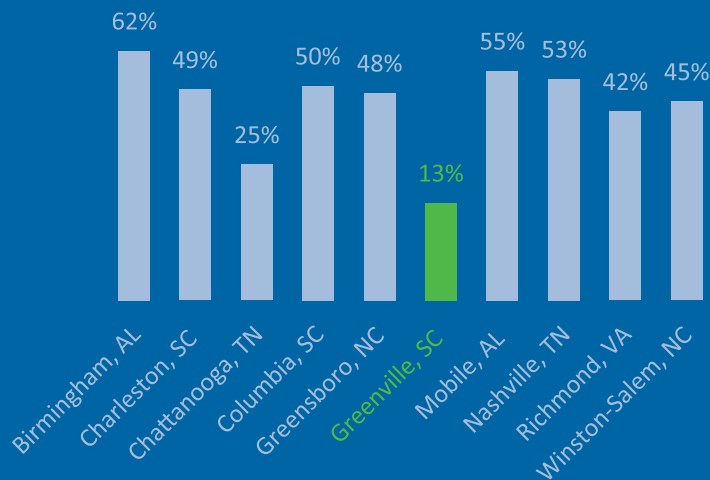
## Fare Revenue as Percentage of Budget, 2015

Figure D – Fare revenues as a percentage of budget, source: 2015 Annual Database Revenue, FTA NTD.



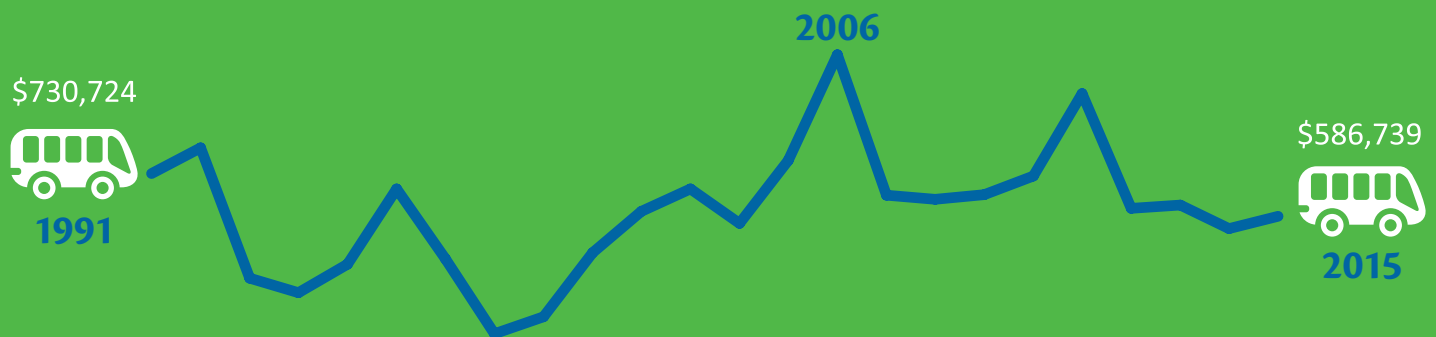
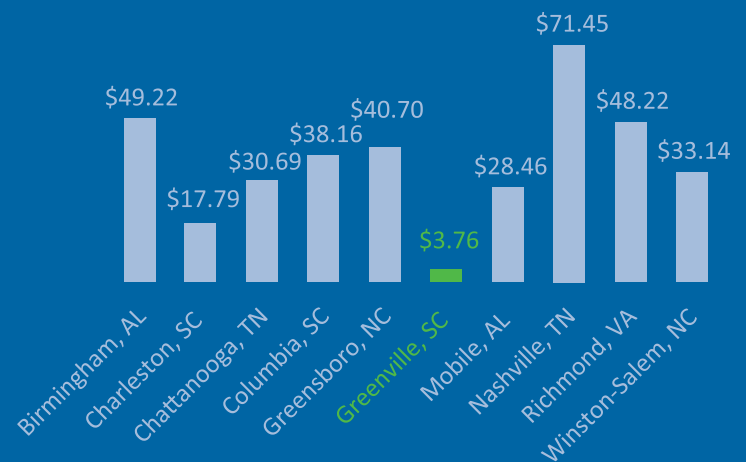
## Local Revenue as Percentage of Budget, 2015

Figure E – Local revenues as a percentage of budget, source: 2015 Annual Database Revenue, FTA NTD.



## Local Funds Per Capita by Service Area, 2015

Figure F – Local revenues per capita by service area, source: 2015 Annual Database Revenue and 2015 Annual Database Service, FTA NTD.



## GTA Local Revenue, 1991 – 2015

Figure G – GTA local revenue, 1991 – 2015, source: TS1.1 – Total Funding Time Series.



## CONCLUSION

Funding for Greenlink is behind on all measures: when compared to peer communities, when compared to past local funding, and when compared to what is needed to create a system that can meet the needs of Greenville County residents and tourists.

Greenlink staff and community volunteers are working on a more innovative and supportive system, one with more frequent service,

longer hours, better coverage, and more oriented to the needs of employment, education, health care, and traffic reduction. Some modifications to the existing system can likely be made to reduce costs. But to develop a system that serves Greenville in 2017, we will likely need local funding beyond what was provided in 1991.

## Transit System Revenues, by Source

Source: TS1.1 – Total Funding Time Series

AREA	Total Revenues	Local	State	Federal	Fare	Other
Birmingham, AL	\$35,311,910	62%	0%	31%	7%	0%
Charleston, SC	\$19,629,699	49%	0%	29%	18%	3%
Chattanooga, TN	\$20,614,444	25%	13%	22%	22%	17%
Columbia, SC	\$19,235,384	50%	30%	8%	11%	1%
Greensboro, NC	\$22,824,403	48%	7%	27%	16%	2%
Greenville, SC	\$5,666,655	13%	11%	48%	17%	11%
Mobile, AL	\$11,727,427	55%	0%	35%	8%	1%
Nashville, TN	\$89,068,494	53%	7%	21%	14%	5%
Richmond, VA	\$51,457,238	42%	20%	15%	21%	1%
Winston-Salem, NC	\$14,585,946	45%	9%	28%	16%	2%



## OUR MISSION

To improve health in Greenville County, South Carolina by identifying critical issues, catalyzing community action, and supporting organizations' health related programs.

The Piedmont Health Foundation is focusing on improving transportation and mobility in Greenville County because inability to access jobs, education, groceries, recreation opportunities and health care impacts residents' health.