# Chapter 3 Transit Trends

This chapter addresses trends in transit ridership, transit performance, expenses and sources of revenue over time.

## Transit Ridership and Performance Trends

After a period of ridership losses in the 1990s, MTA transit ridership has been growing.

Table 3-1 shows the system ridership including both bus and AccessRide service (but excluding special event service).

Table 3-1: MTA Ridership Trends (Source: MTA)

| Fiscal Year | Bus | Access Ride | Total |
|---|---|---|---|
| 1989 | 7,686,702 | | 7,686,702 |
| 1990 | 7,869,510 | | 7,869,510 |
| 1991 | 7,881,110 | | 7,881,110 |
| 1992 | 7,393,980 | 159,778 | 7,553,758 |
| 1993 | 6,765,443 | 146,301 | 6,911,744 |
| 1994 | 6,816,515 | 114,858 | 6,931,373 |
| 1995 | 6,813,085 | 109,138 | 6,922,223 |
| 1996 | 6,518,972 | 99,390 | 6,618,362 |
| 1997 | 6,789,048 | 99,432 | 6,888,480 |
| 1998 | 7,020,945 | 99,718 | 7,120,663 |
| 1999 | 6,979,999 | 86,024 | 7,066,023 |
| 2000 | 6,944,288 | 106,305 | 7,050,593 |
| 2001 | 6,527,926 | 118,121 | 6,646,047 |
| 2002 | 6,355,646 | 112,631 | 6,468,277 |
| 2003 | 6,651,286 | 120,995 | 6,772,281 |
| 2004 | 6,764,626 | 181,493 | 6,946,119 |
| 2005 | 6,715,387 | 212,382 | 6,927,769 |
| 2006 | 7,962,193 | 261,652 | 8,223,845 |
| 2007 | 8,680,107 | 280,883 | 8,960,990 |
| 2008 | 9,003,547 | 298,747 | *9,302,294 |

*Total ridership in FY 2008 was 9.4 million including special event ridership

Figure 3-1 graphs the ridership statistics from Table 3-1 and shows the dramatic increase in total ridership since 2002.

Figure 3-1: Total Ridership Trends (Source: MTA)

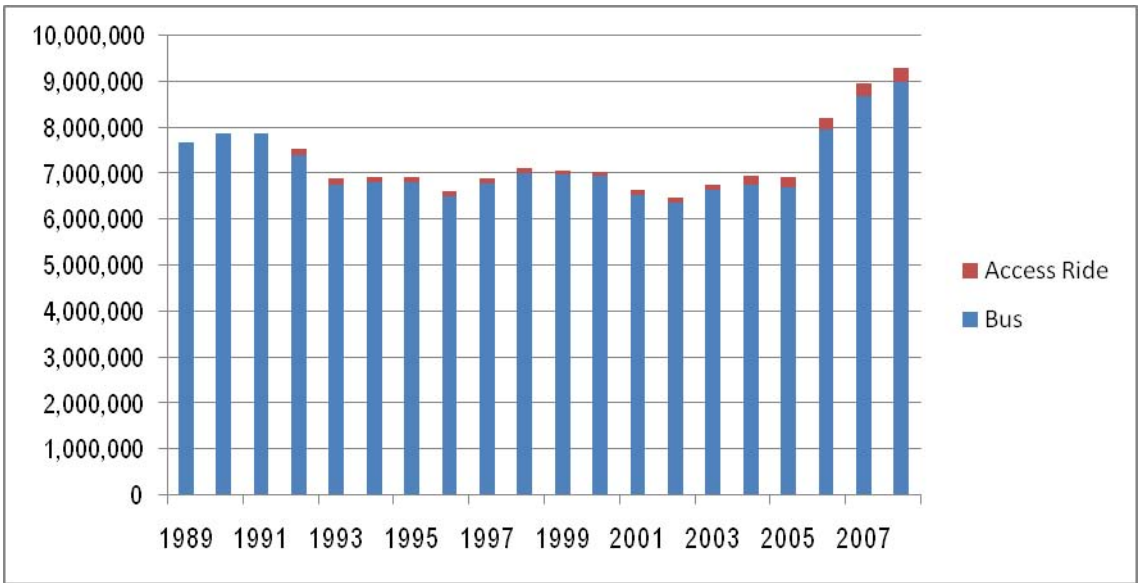
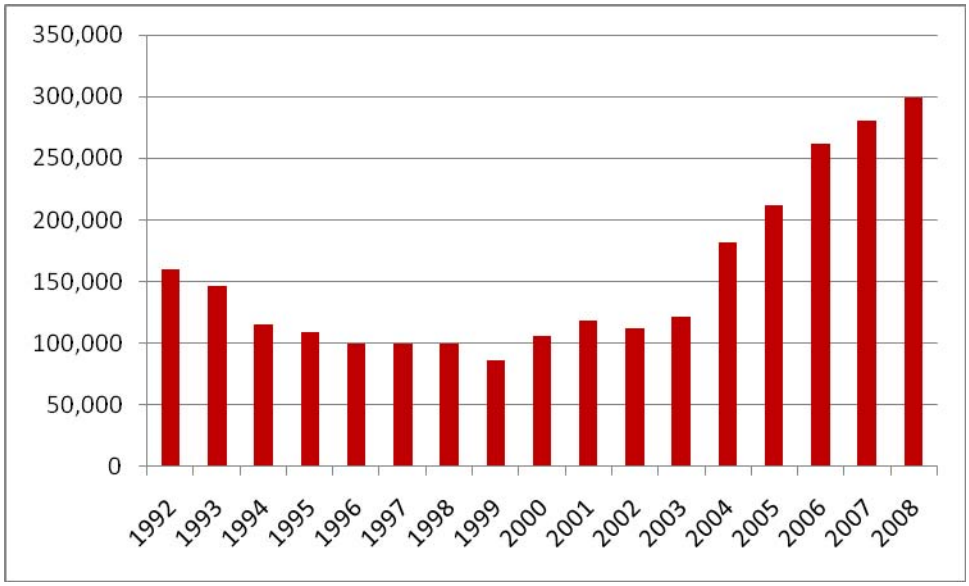


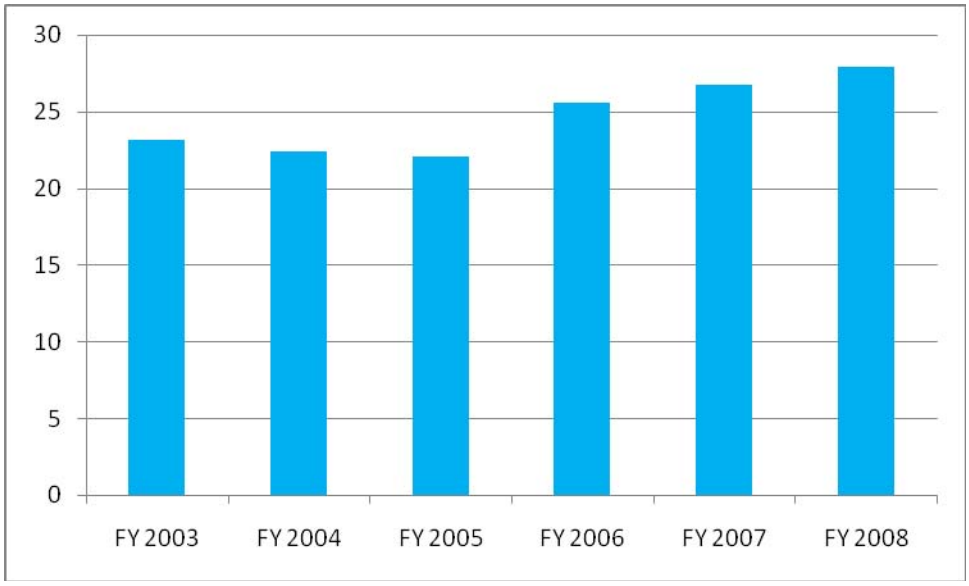

Figure 3-2 shows the ridership increase for Access Ride alone—demonstrating that the growth occurred in both regular bus service and in Access Ride. Bus ridership grew by 35 percent between FY 2003 and FY 2008, while Access Ride ridership grew by 147 percent.

Figure 3-2: Access Ride Ridership Trends (Source: MTA)



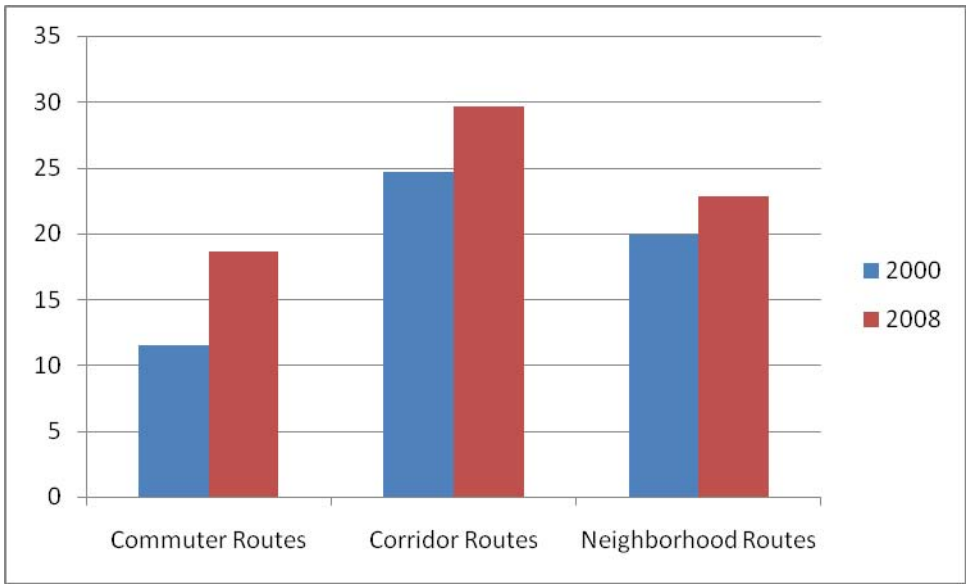
The MTA has also been improving service effectiveness as measured by the number of passengers carried per hour of service provided. Between FY 2003 and FY 2008 the number of riders per hour of service increased by 21 percent. Figure 3-3 shows that growth in service effectiveness.

Figure 3-3: Bus Service Riders per Revenue Hour (Source: MTA)




The improvement in service effectiveness has been across the board for the different types of MTA routes. Figure 3-4 shows a comparison between FY 2000 and FY 2008 for each of the three route types, including the commuter routes, corridor routes, and neighborhood routes.

Figure 3-4: Bus Service Riders per Revenue Hour by Route Type (Source: MTA)



## Transit Expenditure and Revenue Trends

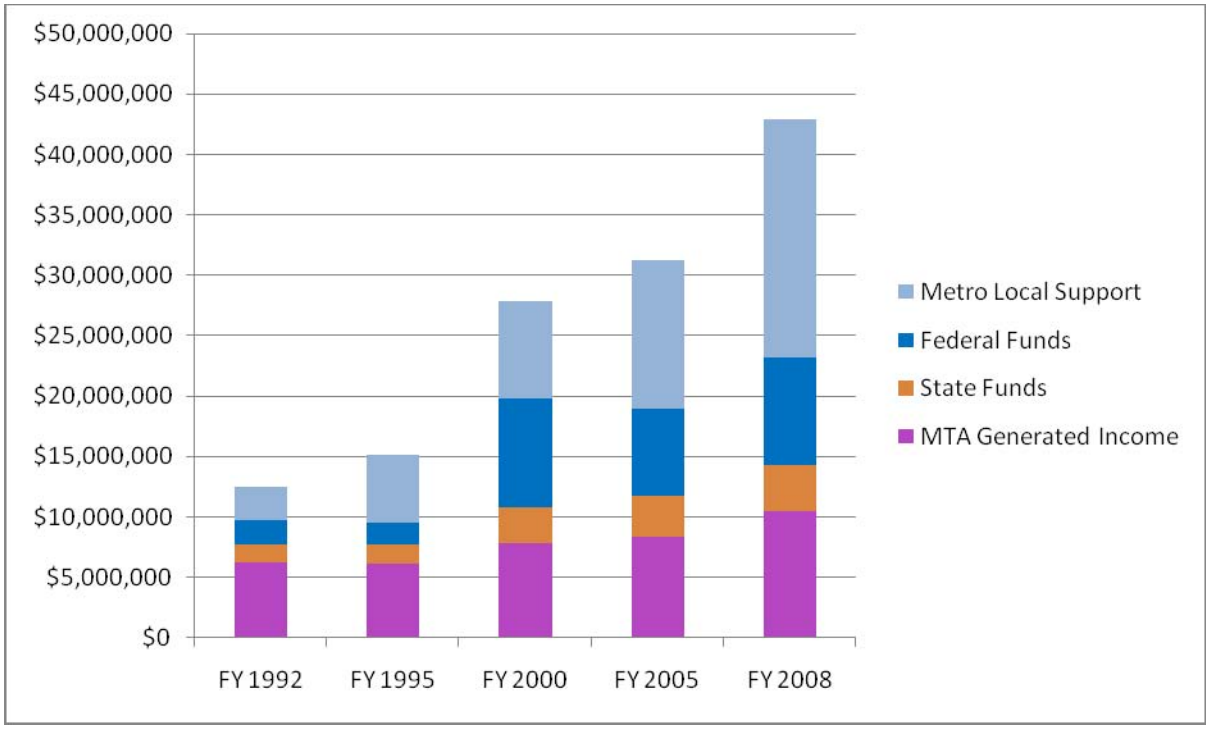
MTA costs have increased as more service is provided on the street. Table 3-2 shows operating expenditures by selected fiscal years between FY 1992 and FY 2008.

Table 3-2: MTA Operating Expenses by Fiscal Year (Source: MTA)

| Fiscal Year | Operating Expenses ($) |
|---|---|
| 1992 | 13,790,384 |
| 1995 | 11,933,861 |
| 2000 | 19,476,145 |
| 2005 | 31,129,244 |
| 2008 | 42,857,162 |

Looking just at operating expenses, MTA pays for these through grants from the state and federal government, with support from the Metropolitan Government of Nashville and Davidson County (Metro) and with self generated income. The self generated income comes from fares, advertising revenue, and revenues from contracts and special events. Fortunately, these sources of revenue have been growing to meet the needs of the MTA. In particular, Metro has been increasing its support for public transportation. Figure 3-5 shows how overall support has been growing and how that support divides between the various sources.

Figure 3-5: Sources of MTA Revenues (Source: MTA)



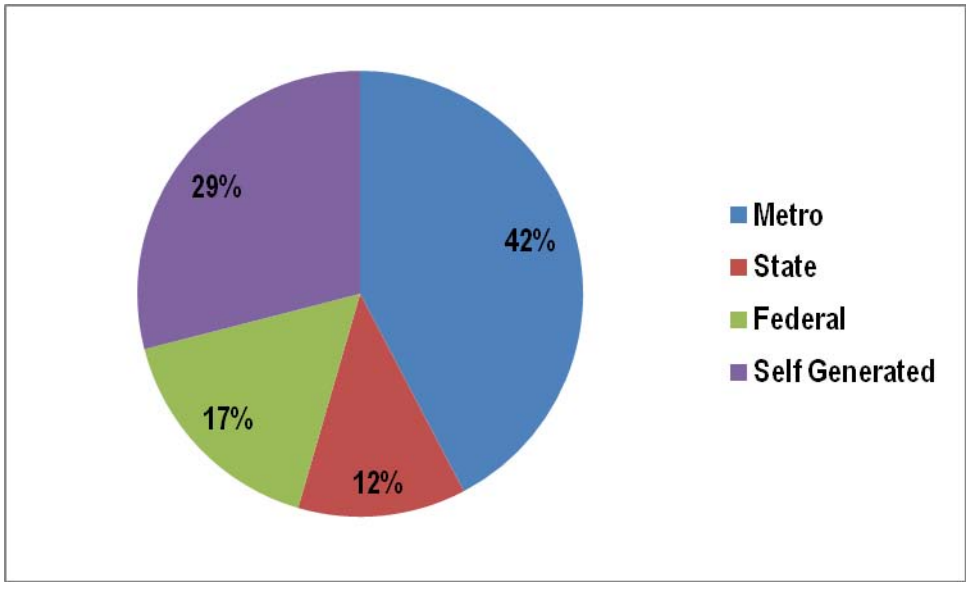
Over the past two decades, Metro support has grown to be the single most important source of operating revenue for the MTA, making up 46 percent of the total in FY 2008. MTA generated revenue, primarily fares, made up the second largest source, or 24 percent of the total. Table 3-3 shows the amounts of revenue by source.

Future growth in each revenue source is difficult to predict as it depends upon public policy at each level of government and also on the economy. Although Metro Government support had been increasing over the past decade, the recent economic downtown is likely to impact Metro's ability to continue this trend. In fact, the recent increase in fuel prices required MTA to reduce service and increase fares in July of 2008. Figure 3-6 shows that the FY 2009 budget calls for Metro to provide 42 percent of the support for the MTA, with self-generated income providing 29 percent of the support. As can be seen, even with a decline in the proportion of Metro support, Metro is still the most important contributor to the MTA service.

Table 3-3: Sources of MTA Revenues (Data from MTA)

| Fiscal Year | MTA Generated Revenue | State | Federal | Metro Local Support | Total |
|---|---|---|---|---|---|
| 1992 | $6,287,709 | $1,441,038 | $1,992,916 | $2,749,512 | $12,471,175 |
| 1995 | $6,156,793 | $1,584,587 | $1,772,647 | $5,595,375 | $15,109,402 |
| 2000 | $7,850,994 | $2,987,328 | $8,945,684 | $8,084,700 | $27,868,706 |
| 2005 | $8,333,363 | $3,424,530 | $7,158,439 | $12,320,400 | $31,236,732 |
| 2008 | $10,497,354 | $3,787,174 | $8,907,610 | $19,665,100 | $42,857,238 |

Figure 3-6: Support for MTA Operating Expenses by Source for FY 2009



## Summary

After a long period of ridership declines, the Nashville MTA experienced considerable ridership growth in the six years between 2002 and 2008. It expanded service during this period—requiring additional funding from the various sources that support operations. Service has been provided effectively, as all three types of MTA bus service have increased the number of passengers served per hour of service provided. The recent downturn in the economy and increases in fuel expenses required MTA to reduce service and increase fares in FY 2008. Metro government remains the largest source of operating support for MTA service and for further expansion of service additional funding will be required. A dedicated regional funding source could provide the necessary means by which MTA could expand and improve services.