



July 22, 2009

FOR IMMEDIATE RELEASE

The Capital Area Transit System (CATS) Board of Commissioners appreciates the fair and balanced reporting of the challenges facing the agency in the Wednesday, July 22, 2009 Baton Rouge Advocate article entitled “**CATS to request 24% increase in city-parish aid.**” While we in no way take issue with the presentation of the facts in the article, we would like to add additional context for the decisions made and those under consideration.

CATS, like every mass transit system in the country, is heavily subsidized by federal, state and local funding. CATS remains grateful for the support it receives from the City-Parish and our decision to ask for an increase in funding parallels similar appeals made to state and federal sources. The decision to communicate the full costs of maintaining existing service levels in our 2010 budget proposal is in keeping with the Board’s commitment to transparency and the full disclosure of the system’s status. A proactive approach to budget management allows for open communication with our riders and prevents last minute and unexpected appeals to the City-Parish for help.

With regards to the pay raises granted to our unionized workforce, union negotiations on pay increases predated the recent loss of both the LSU contract and the subsequent reduction in state funding. Funding for these raises will come from monies already set aside in the current year budget. It should also be understood that the loss of revenue from LSU was largely offset by a combination of corresponding reductions in expenses and the ability to continue using LSU ridership numbers in our federal grant allocation calculations. The adoption of a new state transit funding formula based on the amount of local financial support CATS receives, however, accounts for the majority of the projected shortfall. Consequently, any drop in local funding will result in a corresponding reduction in state funding.

As the budget process continues to unfold, we will explore every option to make CATS an efficient and effective operation. As stewards of public funds, we also pledge to keep a transparent position when it comes to budgetary challenges and successes. The recent transportation study by the Baton Rouge Area Chamber validates that our community supports mass transit. We also know that mass transit is an important part of any credible vision of Baton Rouge as America’s next great city. Therefore, we will persistently call on all federal, state and local leaders to increase their support for CATS.

Thank you for your continued support.

Christopher J. Tyson

President, Board of Commissioners
Capital Area Transit System