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WORCESTER REGIONAL TRANSIT AUTHORITY  
**FISCAL YEAR ANNUAL REPORT** 2007

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## Events and Milestones

In fiscal year 2007 the WRTA was in transition with Administrator Mary MacInnes leaving to become the Administrator for the Pioneer Valley Transportation Authority (PVTA) in Springfield, MA; Richard J. Glavin, Director of Public Affairs & Governmental Relations, assumed interim Administrator responsibilities in October and Stephen F. O'Neil was appointed fulltime Administrator/ Executive Director in March.

The WRTA earned the distinction of zero deficiencies when the FTA conducted its Triennial Review in September where the custom is to review the regional transit authorities and all of its contractors for compliance to FTA regulations and guidelines.

The WRTA awarded a contract to Giro of Montreal, Canada for the HASTUS scheduling software to assist the WRTA and RTA Transit Services in identifying efficiencies in routes and headways. In addition, a peer review was performed relative to how affective the WRTA's Licensed Site Professional LSP was managing various reportable hazardous spills dating back to the early 1980's.

## Management Services

In 2007, the PTM (Professional Transit Management) was given an additional 18 month contract under John F. Carney as General Manager and with Nicole Rohan leaving for the Director of Transit position at PVTA Jim Parker, Director of Transit Operations replaced Ms. Rohan as Assistant General Manager. Ron Schwartz was hired as the new Chief Financial Officer. PTM was successful in settling a one-year contract with Local 22 ending June 30, 2007, agreed to work under the old contract until August 30, 2007, and assisted in the development of a Strategic Plan for the WRTA.

## Finances

A financial audit conducted by McCarthy, Hargrave & Co. showed the WRTA had an unfunded deficit of \$519,166 for fiscal year 2007. Full financial documentation for the WRTA is presented later in this document. In response to the WRTA's diesel fuel cost rising another 22%, RTA Transit Services developed a fuel specification that allowed buying fuel on the spot market or buying contracts when the market was favorable. Insurance Brokerage Services were also competitively marketed with significant savings realized commencing July 1, 2007.

## Ridership Trends

WRTA Fixed Route Ridership decreased from the 3,157,498 in FY 2006 to 3,041,180. Paratransit ridership continued to increase to 279,616 trips in fiscal year 2007, compared to 274,173, 256,593 and 269,626 in 2006, 2005 and 2004 respectively.

**WORCESTER REGIONAL TRANSIT AUTHORITY**  
 (A Component Unit of the Commonwealth of Massachusetts)  
**Management's Discussion and Analysis**  
 For the Year Ended June 30, 2007

**Worcester Regional Transit Authority's Net Assets**

	2007	2006
Current and Other Assets	15,528,067	15,023,729
Capital Assets – Transportation Property and Equipment	7,255,746	7,984,408
<b>Total Assets</b>	<b>22,783,813</b>	<b>23,008,137</b>
Long-Term Liabilities Outstanding	-	684,090
Other Liabilities	16,752,418	15,716,466
<b>Total Liabilities</b>	<b>16,752,418</b>	<b>16,400,556</b>
<b>Net Assets:</b>		
Invested in Capital Assets, Net of Related Debt	7,255,746	7,312,766
Unrestricted (Deficit)	(1,224,351)	(705,185)
<b>Total Net Assets</b>	<b>\$6,031,395</b>	<b>\$6,607,581</b>

The decrease (\$ 57,020) in net assets invested in capital assets, net of related debt occurred primarily because depreciation exceeded the additions to capital assets, plus the funding of the debt service on the capitalized lease obligation. The additions and debt service were funded by federal and state capital assistance.

The Authority's operations for fiscal 2007 net of capital asset activity resulted in an increase in the deficit of \$ 519,166.

**WORCESTER REGIONAL TRANSIT AUTHORITY**  
 (A Component Unit of the Commonwealth of Massachusetts)  
 Statement of Net Assets  
 As of June 30, 2007

**ASSETS**

**Current Assets**

Cash and Cash Equivalents	\$1,598,217
Receivables:	
Federal Government	1,267,251
Commonwealth of Massachusetts and Member Municipalities	12,526,904
Other	85,132
Other Current Assets	50,563
<b>Total Current Assets</b>	<b>15,528,067</b>

**Capital Assets**

Land	183,000
Depreciable Buildings, Property and Equipment, Net	7,072,746
<b>Total Capital Assets</b>	<b>7,255,746</b>
<b>Total Assets</b>	<b>22,783,813</b>

**LIABILITIES**

**Current Liabilities**

Note Payable	15,650,000
Accounts Payable:	
Operating	913,830
Capital	46,840
Accrued Expenses	43,629
Unearned Revenue	94,519
Accrued Interest	3,600
<b>Total Current Liabilities</b>	<b>16,752,418</b>

**NET ASSETS**

Invested in Capital Assets, Net of Related Debt	7,255,746
Unrestricted (Deficit)	(1,224,351)
<b>TOTAL NET ASSETS</b>	<b>\$6,031,395</b>

**WORCESTER REGIONAL TRANSIT AUTHORITY**  
**(A Component Unit of the Commonwealth of Massachusetts)**  
**Schedule of Revenues and Expenditures – Budget and Actual**  
**For the Year Ended June 30, 2007**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>				
Federal Government:				
Preventive Maintenance	\$3,788,702	\$3,788,702	\$3,515,802	(\$272,900)
ADA Services	791,270	791,270	785,848	(5,422)
Other	396,634	396,634	370,872	(25,762)
Commonwealth of Massachusetts:				
Contract Assistance	8,794,024	8,805,783	8,022,400	(783,383)
Other Operating Assistance	6,202	6,202	4,313	(1,889)
The Local Connection	202,241	202,241	223,086	20,845
Member Municipalities	2,864,660	2,864,660	2,955,451	90,791
Passenger Revenues:				
Fixed Route	2,557,817	2,557,817	2,373,636	(184,181)
Demand Response	252,286	252,286	254,625	2,339
Advertising and Other	496,411	496,411	438,324	(58,087)
	<b>20,150,247</b>	<b>20,162,006</b>	<b>18,944,357</b>	<b>(1,217,649)</b>
<b>Expenses</b>				
Fixed Route Transit Services	13,005,476	13,089,605	12,365,801	723,804
Demand Response	5,030,538	5,030,538	4,946,825	83,713
Administrative Expenses	1,716,119	1,669,086	1,724,175	(55,089)
Management Fee	464,795	443,378	426,722	16,656
	<b>20,216,928</b>	<b>20,232,607</b>	<b>19,463,523</b>	<b>769,084</b>
<b>Net</b>	<b>(\$66,681)</b>	<b>(\$70,601)</b>	<b>(\$519,166)</b>	<b>(\$448,565)</b>

**Reconciliation to Statement of Activities**

	Revenues	Expenses
Per Schedule of Above	\$ 18,944,357	\$ 19,463,523
Add (Less)		
Capital Assistance	2,072,538	
Depreciation		2,129,558
Other Revenue Reclassifications for Budget	(17,882)	(17,882)
	<b>\$ 20,999,013</b>	<b>\$ 21,575,199</b>

## WORCESTER REGIONAL TRANSIT AUTHORITY

### Schedule of Net Cost of Service – Regular Transit Services For The Year Ended June 30, 2007

	Urbanized Area Service	Rural Area Service	Total Area Service
<b>I. Operating Costs</b>			
<b>A. RTA Administrative Costs (Excluding Depreciation)</b>	\$ 980,905	-	-
<b>B. Purchased Services</b>			
Fixed Route	\$ 12,844,745	-	-
Demand response	\$ 4,739,373	-	-
Brokerage	\$ 261,073	-	-
<b>C. Debt Service</b>	\$ 597,981	-	-
<b>Total Operating Costs</b>	<b>\$19,424,077</b>	<b>-</b>	<b>\$ 19,424,077</b>
<b>II. Federal Operating Assistance</b>			
<b>A. FTA Operating and Administrative</b>	\$ 44,662	-	-
<b>B. Other Federal</b>	\$ 4,764,914	-	-
<b>Total Federal Assistance</b>	<b>\$ 4,809,576</b>	<b>-</b>	<b>\$ 4,809,576</b>
<b>III. Revenues</b>			
<b>A. Operating</b>			
1. Fare Box Revenue	\$ 2,628,261	-	-
<b>B. Brokerage Service Reimbursement</b>	\$ 103,796	-	-
<b>C. Reserve for Extraordinary Expenses</b>			
<b>D. Other Revenues</b>			
1. Advertising	\$ 135,073	-	-
2. Parking	-	-	-
3. Sale of Capital Assets	-	-	-
4. Interest Income	\$ 118,857	-	-
5. Miscellaneous	\$ 131,497	-	-
<b>Total Revenues</b>	<b>\$ 3,117,484</b>	<b>-</b>	<b>\$ 3,117,484</b>
<b>Total Revenues and Total Federal Assistance</b>	<b>\$ 7,927,060</b>	<b>-</b>	<b>\$ 7,927,060</b>
<b>IV. Net Operating Deficit (I-II-III)</b>	<b>\$ 11,497,017</b>	<b>-</b>	<b>\$ 11,497,017</b>
<b>V. Adjustments</b>	-	-	-
<b>A. Extraordinary Expenses</b>			
(Not To Exceed 3% of Prior Year's Local Assessment)	-	-	-
<b>VI. Net Cost of service Funding</b>			
<b>A. Local Assessments</b>	\$ 2,955,451	-	\$ 2,955,451
<b>B. State Contract Assistance</b>	\$ 8,022,400	-	\$ 8,022,400
1. Less: Adjustment For Exceeding 2% Cap On Prior Year Net Operating Expenses			
<b>C. State Contract Assistance To Be Funded</b>	\$ 8,022,400	-	-
1. Less: Partial Payment Made By EOT After July 1	\$ 7,149,028	-	-
<b>D. Balance Requested From ( Due To) State</b>	\$ 873,372	-	-
<b>VII. Unreimbursed Deficit (Surplus) (IV-VIA-VIC)</b>	<b>\$ 519,166</b>	<b>-</b>	<b>\$ 519,166</b>

## RTA Transit Services

### Human Resources

- One year labor contract agreement implemented July 2006
- Agreed to work under old contract until August 2007
- Policy and Procedures Manual revised and distributed
- Introduced annual employee evaluations of management staff
- Keeper of Records Accountability Profile implemented
- Reinstated company newsletter "Transitgram"
- Sensitivity training provided to RTA Van Drivers
- Diversity in the Workplace training held for management employees

### Accounting/Administration

- Developed specifications for bus purchase in conjunction with Rochester, NY
- Instituted control procedures for GM and CFO on wire transfers
- Developed diesel fuel specification and awarded contract
- IT services contract out for bid and awarded
- Reduced parts inventory to all time low
- Installed new GFI Trim Units and implemented new pass and ticket program
- A new money counting machine ordered to replace outdated equipment
- New time clocks purchased to work in conjunction with new payroll software
- Purchased new run cutting and scheduling software to improve route efficiency
- Ascertained competitive insurance resulting in cost savings for Auto and Worker's Comp insurance
- Participated In APTA Facility Standards Committee

### Operations

- New Assistant General Manager and Director of Operations hired
- Renovated operator lounge and renamed in honor of first woman operator hired at RTA
- Implemented driver evaluation program
- Employee of the Month program instituted
- Worked with WPI students to conduct an assessment of the Worcester bus stops

### Maintenance

- Preventative maintenance vehicles averaged 87% on-time
- ASE Certified training program implemented
- New Maintenance Plan completed

## Maintenance(Continued)

- The following employee training programs were completed by management and maintenance staff:
  - Transmission training
  - Fleet diesel training
  - ASE Certification training
  - Gas and metal arc welding
  - Electricial training
  - Deltron PPG training
- The following facility renovations have been completed:
  - Van Division, Safety Manager and Operator Lounge and office area
  - Relocation of IT Server Room and new network wiring
  - New prefab farebox and radio work area was procured
  - Environmental Audit found the WRTA in compliance with environmental standards set by the DEP

## Safety, Security and Training

- New Safety Incentive Program instituted to help reduce Worker's Comp claims
- Average accident rate per 100,000 miles is 4.45.
- Established safety bulletins and security plan library
- FTA Security Awareness video viewed by entire workforce
- Safety Manager participated in table top exercise with Worcester Emergency Management organization

## Paratransit Brokerage Services, Inc. PBSI

- Paratransit Operation deemed a model by FTA
- Developed new ADA application and verification procedure and commenced ADA recertification
- Revised paratransit brochure
- Utilized college intern to do community outreach and comprehensive travel training
- New policies for Riding Mobility Device and Medicare Card Utilization instituted

### Service Trips provided as follows

ADA	93,171
ADA Applicants	448
Personal Care Attendants	3,653
Companions	8,096
Elder Medical	4,729
Medicaid (MART)	77
Senior Center Contract	1,790
TLC	13,528
Elder Shopper	17,554
Total	143,046



## The Local Connection (TLC)

The WRTA continued operating The Local Connection (TLC), a community demand response service for the City of Marlborough and the town of Southborough. The service is funded by the communities and by a grant from the Boston Region Metropolitan Planning Organization with funding from the Federal Highway Administration and the Executive Office of Transportation. TLC provides service to residents of all ages for any trip purpose. More than 13,000 trips were provided in FY2007. The majority of trip making was for work purposes.

## AVCOA

### Service Update

- AVCOA implemented new scheduling software that is expected to result in greater service efficiencies.
- AVCOA assisted in service provision to the Marlborough-Southborough TLC (The Local Connection) during peak hour demand periods

### Passenger Update

- AVCOA transports an average of 78 passengers per day
- Average gross cost per passenger trip is \$25.57
- Average passenger fare is \$1.14 per trip

### Vehicle Update

- AVCOA provided 9,065 hours of service
- Drivers logged 145,501 miles
- Vehicles consumed over 16,024 gallons of fuel
- AVCOA drivers average 100 miles per day

## S.C.M. Elderbus

### Update

- Elderbus provided nearly 52,000 trips in FY2007
- 39% of all trips are healthcare related
- 14% of all trips are work related
- Customer satisfaction survey completed during the year showed a high degree of client satisfaction
- Presentations on Elderbus services and benefits were made to member communities
- Overall efficiencies were gained through implementation of new technologies

# Organization

The day-to-day affairs of the WRTA are conducted by an Administrator who is appointed by the Advisory Board. The Advisory Board is made up of representatives from the 37 member communities of the WRTA. The Advisory Board consists of the City Manager or Mayor of each city, the Chairman from the Board of Selectmen of each town having such a board, or the Town Manager or Town Administrator of each town. Advisory Board members may appoint designees to act on their behalf.

<b>Administrator</b>	Stephen F. O'Neil (as of March 07)
<b>Director of Public Affairs &amp; Governmental Relations</b>	Richard Glavin, Interim Administrator (Oct-Feb)
<b>Manager of Finance and Grants</b>	Thomas Coyne
<b>Manager of Marketing</b>	Jill Holliday
<b>Administrative Assistant</b>	Sheldon Blais
<b>Chairman</b>	Mr. Michael O'Brien-Worcester
<b>Vice Chairman</b>	Mr. William Lehtola-Spencer
<b>Clerk</b>	Dr. Richard Aspen-Barre
Mr. Mark Binnall Auburn	Mr. Leon A. Gaumond, Jr-W Boylston
Mr. Roger Deal-Boylston	Mr. David Schiller-Charlton
Ms. Cheri Carty-Brookfield	Mr. Dennis J. Lipka-Holden
Mr. Michael Ward-Clinton	Mr. Douglas Belanger-Leicester
Ms. Karen Kisty-Marlborough	Ms. Judith O'Connor-Millbury
Ms. Vera Kolas-Southborough	



