

WORCESTER REGIONAL TRANSIT AUTHORITY

# ANNUAL REPORT

# 2008



287 Grove Street  
Worcester, MA 01605  
[www.therta.com](http://www.therta.com)

## Events and Milestones

Despite fiscal uncertainties, in fiscal year 2008, the WRTA was able to provide small increases in service for its fixed route system. It also saw two communities, Marlborough and Southborough, leave the WRTA for a new regional transit authority in the Metrowest area. This decision by these two communities resulted in the dissolution of the Assabet Valley Councils on Aging, Inc., a longtime transit contractor of the WRTA.

With help from its marketing firm PENTA Communications, Inc., the WRTA developed a new logo and color scheme and began either adding or replacing nearly 1,300 bus stop signs within the city of Worcester. Phase 2 of the project, which entailed unifying the appearance of its fleet of buses and vans, will take place in fiscal year 2009.

The WRTA issued a Request for Qualification for an Architectural and Engineering firm to assist with the eventual replacement of its aging facility. Wendel Duchscherer Architects and Engineers of Buffalo, New York were awarded a contract and began a site assessment.

The Federal Transit Administration selected the WRTA, one of only 10 transit authorities in the country, to participate in the development of an Environmental Management System. When implemented, this system will enable the WRTA to become better stewards of its natural and built environment.

## Management Services

In 2008, Professional Transit Management (PTM) led by General Manager John F. Carney, agreed to terms on a three-year contract with Local 22 ending on June 30, 2010.

## Finances

A financial audit conducted by McCarthy, Hargrave & Co. showed the WRTA had an unfunded deficit of \$869,866 for fiscal year 2008. Two significant factors affected this result. First, included in revenues is additional state funding of approximately \$519,000 which was provided through a state supplemental budget to fund the fiscal year 2007 operating deficit. Second, the WRTA's primary service provider, Regional Transit Authority (RTA) Transit Services, Inc. implemented the provisions of GASB Statement 45 covering other post-employment benefits resulting in an increase in expenses for fiscal year 2008 of approximately \$999,000. Excluding the effects of both of these factors, the WRTA operations would have resulted in a deficit of \$389,961 for fiscal year 2008, which was \$483,357 less than budgeted.

## Ridership Trends

WRTA Fixed Route Ridership increased 2.01% from 3,041,180 in FY 2007 to 3,102,354. Paratransit ridership decreased 7.00% to 260,049 trips compared to 279,616 in FY 2007.



**WORCESTER REGIONAL TRANSIT AUTHORITY**  
**(A Component Unit of the Commonwealth of Massachusetts)**  
**Management's Discussion and Analysis**  
**For the Year Ended June 30, 2008**

**Government Financial Analysis:**

The Worcester Regional Transit Authority's net assets consist almost exclusively of its net investment in capital assets (e.g., land, buildings and equipment). The Worcester Regional Transit Authority uses these capital assets to provide fixed route and demand response transit services to individuals within its service area; consequently, these net assets are not available for future spending.

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

	<b>2008</b>	<b>2007</b>
Current and Other Assets	\$ 17,976,503	\$ 15,528,067
Capital Assets – Transportation Property and Equipment	16,351,416	7,255,746
<b>Total Assets</b>	<b>34,327,919</b>	<b>22,783,813</b>
Note Payable	16,950,000	15,650,000
Other Liabilities	3,120,720	1,102,418
<b>Total Liabilities</b>	<b>20,070,720</b>	<b>16,752,418</b>
<b>Net Assets:</b>		
Invested in Capital Assets	16,351,416	7,255,746
Unrestricted (Deficit)	(2,094,217)	(1,224,351)
<b>Total Net Assets</b>	<b>\$ 14,257,199</b>	<b>\$ 6,031,395</b>

The increase (\$ 9,095,670) in net assets invested in capital assets occurred primarily because the additions to capital assets exceeded depreciation. The additions were funded by federal and state capital assistance.

The Authority's operations for fiscal 2008 net of capital asset activity resulted in an increase in the deficit of \$ 869,866.



**WORCESTER REGIONAL TRANSIT AUTHORITY**  
 (A Component Unit of the Commonwealth of Massachusetts)  
 Management's Discussion and Analysis  
 For the Year Ended June 30, 2008

**ASSETS**

**Current Assets:**

Cash and Cash Equivalents	\$ 927,986
Receivables:	
Federal Government	3,204,179
Commonwealth of Massachusetts and Member Municipalities	13,774,558
Other	51,929
Other Current Assets	17,851
<b>Total Current Assets</b>	<b>17,976,503</b>

**Capital Assets:**

Land	183,000
Depreciable Buildings, Property and Equipment, Net	7,388,584
Union Station/Parking Garage Project	8,779,832
<b>Total Capital Assets</b>	<b>16,351,416</b>
<b>Total Assets</b>	<b>34,327,919</b>

**LIABILITIES**

**Current Liabilities:**

Note Payable	16,950,000
Accounts Payable:	
Operating	1,761,182
Capital	1,147,970
Accrued Expenses	36,090
Unearned Revenue	94,519
Accrued Interest	80,959
<b>Total Current Liabilities</b>	<b>20,070,720</b>

**NET ASSETS**

Invested in Capital Assets	16,351,416
Unrestricted (Deficit)	(2,094,217)
<b>Total Net Assets</b>	<b>\$ 14,257,199</b>



**WORCESTER REGIONAL TRANSIT AUTHORITY**  
**(A Component Unit of the Commonwealth of Massachusetts)**  
**Management's Discussion and Analysis**  
**For the Year Ended June 30, 2008**

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Positive (Negative)</b>
<b>Revenues:</b>				
Federal Government:				
Preventive Maintenance	\$ 3,382,018	\$ 3,473,218	\$ 3,473,218	\$ -
ADA Services	793,707	848,452	848,452	
Other	335,271	335,271	431,432	96,161
Commonwealth of Massachusetts:				
Contract Assistance	9,089,762	8,343,196	8,539,809	196,613
The Local Connection	231,056	231,056	173,775	(57,281)
Member Municipalities	2,973,653	3,029,337	3,039,273	9,936
Passenger Revenues	2,737,654	2,737,654	2,682,671	(54,983)
Advertising and Other	448,519	431,609	401,493	(30,116)
	<b>19,991,640</b>	<b>19,429,793</b>	<b>19,590,123</b>	<b>160,330</b>
<b>Expenses:</b>				
Fixed Route Transit Services	13,029,766	13,458,588	13,183,410	275,178
Demand Response	4,880,107	4,848,645	4,781,872	66,773
Administrative Expenses	1,678,537	1,539,896	1,558,820	(18,924)
Management Fee	459,497	455,982	455,982	
	<b>20,047,907</b>	<b>20,303,111</b>	<b>19,980,084</b>	<b>323,027</b>
<b>Net</b>	<b>(\$ 56,267)</b>	<b>(\$ 873,318)</b>	<b>(\$ 389,961)</b>	<b>\$ 483,357</b>

**Reconciliation to Statement of Activities:**

	<b>Revenues</b>	<b>Expenses</b>
Per Schedule Above	\$ 19,590,123	\$ 19,980,084
Add (Less):		
Capital Assistance	11,054,847	
Depreciation		1,959,177
Other Revenue Reclassifications for Budget Purposes	(15,873)	(15,873)
State Supplemental Funding for Fiscal 2007	519,166	
GASB Statement No. 45 Adjustment		999,071
	<b>\$ 31,148,263</b>	<b>\$ 22,922,459</b>

**WORCESTER REGIONAL TRANSIT AUTHORITY**  
**(A Component Unit of the Commonwealth of Massachusetts)**  
**Management's Discussion and Analysis**  
**For the Year Ended June 30, 2008**

	Urbanized Area Service \$	Rural Area Service	Total Area Service
<b>I. Operating Costs</b>			-
<b>A. RTA Administrative Costs (Excluding Depreciation)</b>	855,542	-	
<b>B. Purchased Services:</b>			
Fixed Route	14,420,378	-	-
Demand response	4,822,860	-	-
Brokerage	240,769	-	-
<b>C. Debt Service</b>	623,733	-	-
<b>Total Operating Costs</b>	<b>\$ 20,963,282</b>	-	<b>\$ 20,963,282</b>
<b>II. Federal Operating Assistance:</b>			
<b>A. FTA Operating and Administrative</b>	44,588	-	-
<b>B. Other Federal</b>	4,811,923	-	-
<b>Total Federal Assistance</b>	<b>4,856,511</b>	-	<b>\$ 4,856,511</b>
<b>III. Revenues:</b>			
<b>A. Operating:</b>			
1. Fare Box Revenue	2,682,671	-	-
<b>B. Brokerage Service Reimbursement</b>	161,038	-	-
<b>C. Reserve for Extraordinary Expenses</b>			
<b>D. Other Revenues:</b>			
1. Advertising	133,595	-	-
2. Sale of Capital Assets	6,353	-	-
3. Interest Income	106,063	-	-
4. Miscellaneous	48,937	-	-
<b>Total Revenues</b>	<b>3,138,657</b>	-	<b>3,138,657</b>
<b>Total Revenues and Total Federal Assistance</b>	<b>7,995,168</b>	-	<b>7,995,168</b>
<b>IV. Net Operating Deficit (I-II-III)</b>	12,968,114	-	12,968,114
<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>	3,039,273	-	3,039,273
<b>B. State Contract Assistance</b>	8,539,809	-	8,539,809
1. Less: Adjustment For Exceeding 2 ½ % Cap On Prior Year Net Operating Expenses			
<b>C. State Contract Assistance To Be Funded</b>	8,539,809	-	-
1. Less: Partial Payment Made By EOT After July 1,	7,687,409	-	-
<b>D. Balance Requested From ( Due To) State</b>	<b>\$ 852,400</b>	-	-
<b>VII. Unreimbursed Deficit (Surplus) (IV-VIA-VIC)</b>	<b>\$ 1,389,032</b>	-	<b>\$ 1,389,032</b>

## RTA Transit Services

### Human Resources

- Three-year labor agreement implemented July 2007.
- Combined City, Community and Van Labor Contracts into one contract.
- Won Arbitration relative to fair application of discipline.

### Accounting/Administration

- Developed new low-floor bus specification with all stakeholders.
- Attended new bus pre-production and pre-acceptance meetings.
- Accepted pilot Gillig bus.
- Two Gillig Hybrids brought in to promote Mayor's Green City Program.
- Prepared specifications to wrap older fleets in new color scheme.
- Wrapped Prototype RTS Bus in new color scheme.
- Developed Site Assessment, Design, Build RFP resulting in Wendel Duchscherer being hired as Facility Design firm.
- DEP approved delaying site remediation until such time as the site of the new WRTA operations center is determined.
- Developed Request for Proposal (RFP) for a Fare Study which was awarded to and conducted by TranSystems.

### Operations

- Absorbed responsibility of Customer Complaints and Responses.
- Developed fall schedules using new HASTUS scheduling software.
- Service reduction approved by the Advisory Board reducing active fleet by 10%

### Maintenance

- Completed the new drainage system diversion of waste water overflow from the city's storm water system to the sewer system.
- Installed fuel alley fire suppression and vapor recovery systems.
- Improved Fare Box maintenance procedures.



## RTA Transit Services (continued)

### Safety, Security and Training

- Upgraded and expanded the facility security camera system.
- Installed an after-hours access code security system with external monitoring and notification.
- PTM's Safety Posters displayed throughout the WRTA facility.
- Implemented Safety Incentives to increase employee awareness.
- Proactive claims management and ergonomic & safety assessments resulted in an 8% reduction in our experience mod.
- Drew competitive interest from multiple insurance companies for Fiscal Year 2009.

### Paratransit Brokerage Services, Inc. (PBSI)

- PBSI assumed responsibility for managing the Customer Service Center at 317 Main Street, integrating employee duties, thereby reducing costs.
- Transitioned riders beginning in March 2008 from the Assabet Valley Council on Aging service (which ceased operation in June 2008) to PBSI. Assumed call taking and scheduling functions for the towns of Northborough, Boylston and Westborough.
- Continued with ADA recertification efforts.

### Service Trips provided as follows:

ADA	94,171
ADA Applicants	477
Personal Care Attendants	2,569
Companions	4,169
Elder Medical	4,688
Medicaid (MART)	1,067
The Local Connection	12,566
Elder Medical	16,208
<b>Total</b>	<b>135,915</b>





## S.C.M. Elderbus

South Central Massachusetts Elderbus provides curb-to-curb transportation services to elder and disabled clients residing within 21 communities in central Massachusetts. During the course of fiscal year 2008, approximately 48,000 trips were provided to clients by Elderbus. Elderbus is the only transportation option available to the vast majority of eligible residents, as 17 of the 21 communities serviced by the organization do not have any fixed-route bus service.

Approximately 40% of total trips during fiscal year 2008 were medical-related. In addition to providing transportation to clients for routine medical appointments, Elderbus also provides transportation services for vital life-sustaining procedures. Dialysis treatments, chemotherapy and radiation appointments fall into this category. Other trip types include transportation to and from work, grocery shopping, transportation to nutrition sites, as well as fulfilling other general business transportation needs.

The organization also services a large base of disabled clients. Approximately 7% of the trips provided by Elderbus were for wheelchair-bound clients. (All vans utilized by the Company have wheelchair lifts for use by any client who may require such assistance.) More than 20% of total rides provided during fiscal year 2008 were to clients identified as having some type of disability, physical or otherwise. (This category would include wheelchair clients, dialysis clients, others using the service to attend therapy sessions, as well as other self-identified client disabilities, such as visually-impaired, hearing-impaired, and others). The majority of clients transported to and from work on a daily basis (approximately 15% of total trips during fiscal year 2008) are disabled. The continuation and enhancement of transportation services offered by Elderbus to the disabled community is vitally important to the health and well-being of these particular clients.

### Operations Summary

- Approximately 48,000 annual trips were provided by Elderbus during fiscal year 2008.
- Approximately 40% of all trips are medical-related. This total includes not only routine medical appointments, but also life-sustaining treatments, such as dialysis and chemotherapy.
- 15% of annual trips provided were for work-related transportation services.
- 7% of trips provided by Elderbus were delivered to wheelchair-bound clients.

# 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>	Mr. Stephen F. O'Neil
<b>Manager of Finance &amp; Grants</b>	Mr. Thomas J. Coyne
<b>Manager of Transit Services</b>	Mr. Richard J. Glavin
<b>Chairman</b>	Mr. Michael O'Brien – Worcester
<b>Vice Chairman</b>	Mr. William Lehtola – Spencer
<b>Secretary</b>	Mr. Dennis J. Lipka – Holden
<b>Treasurer</b>	Mr. Douglas Belanger – Leicester

Mr. Mark Binnall – Auburn	Ms. Judith O'Connor – Millbury
Ms. Karen Lavender – Barre	Ms. Karen Kisty – Marlborough
Mr. Roger Deal – Boylston	Ms. Kelly Burke – Northborough
Ms. Cheri Carty – Brookfield	Mr. Daniel Morgado – Shrewsbury
Mr. David Schiller – Charlton	Ms. Vera Kolas – Southborough
Mr. Michael Ward – Clinton	Mr. Leon A. Gaumond, Jr – W. Boylston
Ms. Alyssa Graveson – Douglas	Mr. Alden Jeffs – Westborough
Mr. Larry Raymond – Disability	





