

WORCESTER REGIONAL TRANSIT AUTHORITY

# ANNUAL REPORT

# 2009



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

## Events and Milestones

Prior to the global financial crisis taking hold in the fall of 2008, the WRTA was experiencing its own fiscal crisis. Major cost drivers such as fuel and health insurance continued to spiral upward at an alarming rate. Owing to the steadfastness of its Administrator, Stephen F. O'Neil, elected state officials were able to provide some relief in the form of a small increase in State Contract Assistance. Regrettably, in order to balance its budget and after thoughtful consideration, the WRTA had no alternative but to reduce some service and raise its fares. For the fixed route system, this was the first fare increase in five years and for the paratransit service, the first fare increase in 13 years.

In 2009, the WRTA was awarded \$12.4m of American Recovery and Reinvestment Act funds through the Federal Transit Administration. With these funds, the WRTA was able to place an order for 15 new Gillig buses, four of which will be hybrid diesel / electric powered, demonstrating the WRTA's commitment to the reduction of pollution. The average age of the WRTA's fleet of buses will be reduced from just over 10 years old to just over 6 years old.

In December 2008, a damaging ice storm resulted in prolonged power outages for thousands of area residents. The WRTA and two of its contractors, Regional Transit Authority (RTA) Transit Services, Inc. and PBSI, supported the City of Worcester by providing transportation to shelters and addresses of its most vulnerable customers to first responders.

In the short-term and the long-term, as the WRTA navigates through the financial crisis and the volatility of both the fuel and health insurance markets, continual evaluation of essential services will take place, with an emphasis on optimizing the efficiency of our operations.

## Finances

Despite fuel prices spiking to an all-time high of \$4.07 per gallon, the WRTA accomplished two significant financial goals for 2009: reducing some of its prior year's deficits and setting aside a small reserve for extraordinary expenses. In addition, with the exception of an adjustment necessitated by the WRTA's primary service provider RTA Transit Services, Inc. following accounting guidelines included in GASB 45, the WRTA ended the year with a balanced budget. Full financial documentation is presented later in this document.

## Ridership Trends

Notwithstanding the fare increase implemented in January 2009 and contrary to industry trends that warned of a ridership decrease, the WRTA's fixed route ridership increased 2.3% to 3,176,036 Unlinked Passenger Trips. Paratransit trips decreased 10.8% to 231,912 due mainly to the loss of two communities that joined another RTA during the previous year.



**WORCESTER REGIONAL TRANSIT AUTHORITY**  
**(A Component Unit of the Commonwealth of Massachusetts)**  
**Management's Discussion and Analysis**  
**For the Year Ended June 30, 2009**

**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>2009</b>	<b>2008</b>
Current and Other Assets	\$17,675,909	\$17,976,503
Capital Assets – Transportation Property and Equipment	9,016,621	16,351,416
<b>Total Assets</b>	<b>26,692,530</b>	<b>34,327,919</b>
Note Payable	17,585,000	16,950,000
Other Liabilities	3,146,259	3,120,720
<b>Total Liabilities</b>	<b>20,731,259</b>	<b>20,070,720</b>
<b>Net Assets:</b>		
Invested in Capital Assets	9,016,621	16,351,416
Restricted for Extraordinary Expenses	91,178	-
Unrestricted (Deficit)	(3,146,528)	(2,094,217)
<b>Total Net Assets</b>	<b>\$ 5,961,271</b>	<b>\$14,257,199</b>

The decrease in net assets invested in capital assets, net of related debt, occurred primarily because the Union Station/Parking Garage Project (\$9,679,779) was transferred to the City of Worcester. The decrease was offset somewhat because additions to capital assets were greater than the current year's depreciation related to these assets. The additions were funded by federal and state capital assistance.

The Authority's operations for fiscal year 2009, net of capital asset activity excluding the restricted reserve, resulted in an increase in the deficit of \$1,052,311.



**WORCESTER REGIONAL TRANSIT AUTHORITY**  
 (A Component Unit of the Commonwealth of Massachusetts)  
 Statement of Net Assets  
 As of June 30, 2009

**ASSETS**

**Current Assets:**

Cash and Cash Equivalents	\$ 2,662,891
Receivables:	
Federal Government	1,891,318
Commonwealth of Massachusetts and Member Municipalities	13,068,022
Other	50,680
Other Current Assets	2,998
<b>Total Current Assets</b>	<b>17,675,909</b>

**Capital Assets:**

Land	183,000
Depreciable Buildings, Property and Equipment, Net	8,833,621
<b>Total Capital Assets</b>	<b>9,016,621</b>

<b>Total Assets</b>	<b>26,692,530</b>
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**LIABILITIES**

**Current Liabilities:**

Note Payable	17,585,000
Accounts Payable:	
Operating	2,936,409
Capital	20,389
Accrued Expenses	41,572
Unearned Revenue	94,519
Accrued Interest	53,370
<b>Total Current Liabilities</b>	<b>20,731,259</b>

**NET ASSETS**

Invested in Capital Assets	9,016,621
Restricted for Extraordinary Expenses	91,178
Unrestricted (Deficit)	(3,146,528)
<b>Total Net Assets</b>	<b>\$ 5,961,271</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, 2009**

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Positive (Negative)</b>
<b>Revenues:</b>				
Federal Government:				
Preventative Maintenance	\$ 3,529,662	\$ 3,529,662	\$ 3,374,820	(\$ 154,842)
ADA Services	873,908	873,908	904,550	30,642
Other	344,288	344,288	382,400	38,112
Commonwealth of Massachusetts:				
Contract Assistance	8,593,492	8,593,492	8,814,942	221,450
Member Municipalities	3,105,071	3,105,071	3,313,819	208,748
Passenger Revenues	2,683,061	2,683,061	2,914,852	231,791
Advertising and Other	400,214	400,214	364,496	(35,718)
	<b>19,529,696</b>	<b>19,529,696</b>	<b>20,069,879</b>	<b>540,183</b>
<b>Expenses:</b>				
Fixed Route Transit Services	13,404,249	13,404,249	13,455,818	(51,569)
Demand Response	4,113,920	4,113,920	4,106,310	7,610
Administrative Expenses	1,543,414	1,543,414	1,321,409	222,005
Management Fee	468,113	468,113	399,256	68,857
	<b>19,529,696</b>	<b>19,529,696</b>	<b>19,282,793</b>	<b>246,903</b>
<b>Net</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 787,086</b>	<b>\$ 787,086</b>

**Reconciliation to Statement of Activities:**

	<b>Revenues</b>	<b>Expenses</b>
Per Schedule Above	\$20,069,879	\$19,282,793
Add (Less):		
Capital Activity	4,157,026	9,679,779
Depreciation		1,812,042
Change in Estimated Prior Year State Operating Assistance		695,908
Other Revenue Reclassifications for Budget Purposes	(23,254)	(23,254)
GASB Statement No. 45 Adjustment		1,052,311
	<b>\$ 24,203,651</b>	<b>\$ 32,499,579</b>

**WORCESTER REGIONAL TRANSIT AUTHORITY**  
**Schedule of Net Cost of Service – Regular Transit Services**  
**For the Year Ended June 30, 2009**

	Urbanized Area Service	Total Area Service
<b>I. Operating Costs</b>		
<b>A. RTA Administrative Costs (Excluding Depreciation)</b>	\$ 1,446,317	
<b>B. Purchased Services:</b>		
1. Fixed Route	14,671,593	
2. Demand Response	4,341,675	
3. Brokerage	76,492	
<b>C. Debt Service</b>	471,681	
<b>Total Operating Costs</b>	<b>21,007,758</b>	<b>21,007,758</b>
<b>II. Federal Operating Assistance:</b>		
<b>A. FTA Operating and Administrative</b>	59,069	
<b>B. Other Federal</b>	4,602,701	
<b>Total Federal Assistance</b>	<b>4,661,770</b>	<b>4,661,770</b>
<b>III. Revenues:</b>		
<b>A. Operating:</b>		
1. Fare Box Revenue	2,914,852	
<b>B. Brokerage Service Reimbursement</b>	75,033	
<b>C. Reserve for Extraordinary Expenses</b>		
<b>D. Other Revenues:</b>		
1. Advertising	174,955	
2. Sale of Capital Assets	32,663	
3. Interest Income	50,534	
4. Miscellaneous	8,057	
<b>Total Revenues</b>	<b>3,256,094</b>	<b>3,256,094</b>
<b>Total Revenues and Total Federal Assistance</b>	<b>7,917,864</b>	<b>7,917,864</b>
<b>IV. Net Operating Deficit (I-II-III)</b>	<b>13,089,894</b>	<b>13,089,894</b>
<b>V. Adjustments:</b>		
<b>A. Extraordinary Expenses</b>	91,178	91,178
<small>(Not To Exceed 3% of Prior Year's Local Assessment)</small>		
<b>VI. Net Operating Deficit After Adjustment</b>	<b>13,081,072</b>	<b>13,081,072</b>
<b>VII. Net Cost of Service Funding</b>		
<b>A. Local Assessments</b>	3,313,819	3,313,819
<b>B. State Contract Assistance</b>	8,814,942	8,814,942
1. Less: Adjustment For Exceeding 2 ½ % Cap On Prior Year Net Operating Expenses		
<b>C. State Contract Assistance To Be Funded</b>	8,814,942	
1. Less: Partial Payment Made By EOT After July 1	5,881,197	
<b>D. Balance Requested From ( Due To) State</b>	<b>\$ 2,933,745</b>	
<b>VIII. Unreimbursed Deficit (Surplus)</b>	<b>\$ 1,052,311</b>	<b>\$ 1,052,311</b>

## RTA Transit Services, Inc.

### RTA Transit Services, Inc. / Bus Division:

The WRTA contracts with Regional Transit Authority (RTA) Transit Services, Inc., to operate 23 fixed bus routes within Worcester and 10 surrounding towns. This area includes the towns of: Auburn, Brookfield, East Brookfield, Leicester, Millbury, Oxford, Shrewsbury, Spencer, Webster and West Boylston.

### RTA Transit Services, Inc. / Van Division:

RTA Transit Services, Inc.'s Van Division serves elders and Americans with Disabilities Act (ADA) eligible residents of Worcester. Service is provided to these residents within both Worcester and surrounding towns.

RTA Transit Services, Inc., a subsidiary company of Professional Transit Management, Ltd., is located at 287 Grove Street in Worcester. The Customer Service Center is located at 317 Main Street in downtown Worcester.

## Human Resources

- Approached Union for contractual givebacks to no avail.
- Received only minor findings in FTA Drug and Alcohol audit.
- General Manager and Administrator received award from CMRPC for creative solutions during fiscally trying times.
- Conducted contest for "Dump the Pump" promotion.
- Conducted employee blood drive.
- 2nd annual food drive, "Fill the Bus" a success.
- Participated in Worcester Regional Chamber of Commerce Expo.
- Transitioned employee uniforms to new logo and color scheme.

## Accounting/Administration

- Implemented new fare scheme, media and one day pass and eliminated transfers.
- Prepared marketing media and participated in public meetings resulting in only minor complaints and no loss of ridership.
- Created one ride and prepaid all day pass for Worcester Schools.
- Developed RFP for new Voice Over IP phone system which was awarded to and installed by Barry Communications.

## Operations

- Developed fall schedules using new scheduling software.
- Developed route to Blackstone shops with JARC, Job Access Reverse Commute funding.



## **RTA Transit Services, Inc. (continued)**

- Collaborated with City of Worcester on radio replacement grant.
- Participated in creative transportation forums.
- Developed “Small versus Large” bus presentation.

## **Maintenance**

- Observed and inspected the manufacturing of new Gillig buses.
- Accepted all eight Gillig buses.
- Trained mechanics on new bus technology.
- Prepared for the introduction of hybrid buses.

## **Safety, Security and Training**

- Developed draft Emergency Management plan compliant with FTA and NIMS standards.
- Trained all operation personnel on new Gillig buses.
- Displayed PTM’s safety posters throughout the WRTA facility.
- Conducted annual Safety Incentive Awards luncheon.

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

The WRTA contracts with Paratransit Brokerage Services, Inc., to provide call taking and scheduling services for elders and those disabled customers eligible under the Americans with Disabilities Act (ADA).

- Upgraded Stratagen scheduling software including refresher training sessions for PBSI staff and RTA Van Division transportation coordinators.
- Coordinated the Shoretel VOIP telephone system installation and training completed in June 2009.
- Applied for and received a New Freedom grant to fund the WRTA Travel Training program.
- Coordinated effort with RTA AGM to streamline Elder Shopper program. Travel trainer provided outreach at housing complexes.
- Participated on EOT Vehicle Technical Committee for Mobility Assistance Program vehicles.
- Travel Trainer held group meetings at various congregate living locations in the City to familiarize elders and people with disabilities on all WRTA transportation services.
- Streamlined Customer Service processes in regard to the Statewide Access pass.
- Updated Customer Service Center with consumer friendly signage.



## Paratransit Brokerage Services, Inc. (continued)

Service Trips brokered as follows:

ADA	91,449
ADA Applicants	567
Personal Care Attendants	7,415
Companions	5,071
Elder Medical	4,092
Medicaid (MART)	301
Elder Shopper	14,601
COAs	16,140
TLC	156
Total	<b>139,792</b>

### Councils on Aging (CoAs):

The WRTA contracts with 10 Councils on Aging to supply transit services to the elders and individuals with disabilities in each of its member communities: Auburn, Clinton, Grafton, Holden, Leicester, Millbury, Northborough, Oxford, Shrewsbury and West Boylston.

- Total number of trips provided by the CoAs for fiscal year 2009 is 68,838.
- Average net cost per trip for the fiscal year is \$7.31.

### S.C.M. Elderbus

The WRTA contracts with South Central Massachusetts (SCM) Elderbus, Inc. to provide service to elders and individuals with disabilities in 21 communities including: Barre, Brimfield, Brookfield, Charlton, Douglas, Dudley, East Brookfield, Holland, New Braintree, North Brookfield, Oakham, Princeton, Rutland, Southbridge, Spencer, Sturbridge, Sutton, Wales, Warren, Webster and West Brookfield.

- Approximately 33,000 annual trips were provided by Elderbus during fiscal year 2009.
- Approximately 42% of all trips were medical related. This total includes not only routine medical appointments, but also life-sustaining treatments, such as dialysis and chemotherapy.
- 17% of annual trips provided were for work-related transportation services.
- 8% of trips provided by Elderbus were delivered to wheelchair-bound clients.
- A customer satisfaction survey completed in November 2008 indicated a very high level of support and satisfaction for the services provided by the organization.

# 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 35 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>Assistant Administrator</b>	Mr. Thomas J. Coyne
<b>Staff Accountant</b>	Ms. Diane Shea
<b>Administrative Assistant</b>	Ms. Kathleen Shea
<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. Karen Lavender – Barre  
Ms. Cheri Carty – Brookfield  
Mr. David Schiller – Charlton  
Mr. Michael Ward – Clinton  
Ms. Alyssa Graveson – Douglas

Ms. Judith O'Connor – Millbury  
Ms. Kelly Burke – Northborough  
Mr. Daniel Morgado – Shrewsbury  
Mr. Leon A. Gaumond, Jr – W. Boylston  
Mr. Alden Jeffs – Westborough





