

CATA FISCAL YEAR 2006 ANNUAL REPORT

CATA service is much more than a bus ride. Take a look at the many ways CATA helps residents thrive by getting them where they need and want to go. Not only do individual customers benefit, but a strong public transportation system helps our community thrive — in business, education, volunteerism, recreation, and health. CATA connects our communities to boost the economy we all share. With access to affordable and convenient transportation, people are able to lead productive lives that add value to living in our communities.



When
People Thrive,
Communities
Thrive

CATA Ridership – 1972-2006

Number of Rides



Approved by the CATA Board of Directors — March 21, 2007

CATA LEADERSHIP

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CATA EXECUTIVE STAFF

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Assistant Executive Director

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Martin Mecher
Director of Finance

Dwight D. Smith
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AMALGAMATED TRANSIT UNION (ATU) #1039 LANSING, MI

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Citizen Representative

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Citizen Representative

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Industries Inc.



Capital Area Transportation Authority

March 2007

Customers took over 10 million CATA rides between October 1, 2005 and September 30, 2006. That new record is a hallmark achievement for our system and for the residents we serve. We are thrilled so many are using our services! The CATA FY06 annual ridership is 7.2% higher than the 9.3 million record set in FY05.

CATA topped the one million ride mark for five separate months over the past year. We have been in a consistent growth pattern for two years. Our ridership is second only to Detroit area transit systems in the State of Michigan. Nationally, bus ridership was up nearly 3% during the first nine months of 2006, according to the American Public Transportation Association. CATA ridership increased more than twice that rate during the same period.

Our community's reliance on our services has never been stronger than it is now. Each day individuals with disabilities, seniors, students, commuters, and others depend on our services. We take that responsibility very seriously and work hard to respond to the growing demand for transportation. Access to affordable and convenient transportation means people are able to lead productive, independent lives. CATA is vigilant in our stewardship of taxpayer dollars. Our organization continuously strives to improve the quality and efficiency of our operations. We also work hard in our role as planner for this region's mobility management. Land use, the environment, traffic mitigation, accessibility, economic development, and shrinking financial resources are just a few of the important issues that benefit from a solid transportation system.

We welcome collaborative projects that will help move our community forward. Please give us a call to discuss how we may support your goals. Thank you to all our customers who trust us with their transportation needs and to all the dedicated employees who keep us rolling. We are proud to serve this community. The Board of Directors and CATA employees are proud to present you with this report for FY06.

Sincerely,

Patricia Munshaw
Board Chair

Sandy Draggoo
CEO/Executive Director

FY06 ACCOMPLISHMENTS

Citizens Take Over 10 Million CATA Rides

CATA provided more than 10 million rides during the past year. Increases in ridership occurred on almost all CATA services. That record ridership demonstrates how much this community trusts and relies on its public transportation system.

Hybrid Buses Newest Clean Air Initiative

CATA was the first transit system in the State of Michigan to add 40-foot diesel electric hybrid buses to their fleet. The first three hybrids joined the fleet in August 2006. These new buses offer greater fuel economy, reduced emissions, cost savings in maintaining the vehicles and a smoother and quieter ride for passengers. Four additional hybrids were acquired in December.

Hybrids reduce emissions up to 90% compared to conventional diesel buses on the road today. CATA uses ultra-low sulfur diesel fuel, which produces 20% cleaner emissions than conventional diesel fuel. The new hybrids will significantly reduce those already lower emissions levels. In recent years, the Lansing tri-county area has been classified non-attainment for ground-level ozone by the U.S. Environmental Protection Agency. The most recent air quality monitoring data demonstrates that this area is now meeting the federal 8-hour ozone standard. Hybrids will help keep our air clean.

Administrative Building Renovation

In July, 2005, the Board authorized a contract with Moore Trosper Construction of Holt to renovate and expand the CATA administrative facility. The project included renovations of the existing building's main floor, additions on the north and south ends of the main floor and a second story over the south wing. The project was completed on time and on budget in December of 2006.

IT Enhancements

Over the past year, CATA has implemented several internal systems to assist in managing information. New software tracks fare media, operations development, and facility maintenance.

Emergency Preparedness

Throughout the year, CATA participated in several emergency preparedness exercises. These exercises were in partnership with regional partners, including MSU, Ingham County and local municipalities.

CATA Director Receives National Award

Sandy Draggoo, CATA CEO/Executive Director, was recognized by the Transportation Research Board ("TRB"). She was chosen as the 2006 recipient of the *Sharon D. Banks Award for Innovative Leadership in Transportation*. The award was presented to Sandy at the TRB national meeting in January, 2006, in Washington, D.C.

FY06 ACCOMPLISHMENTS

Renewed Contract with MSU

CATA and MSU reached an agreement for CATA to continue operating on-campus service for the next 5 years. The contract was approved by the Board in August 2006.

CATA-MSU Host National Conference

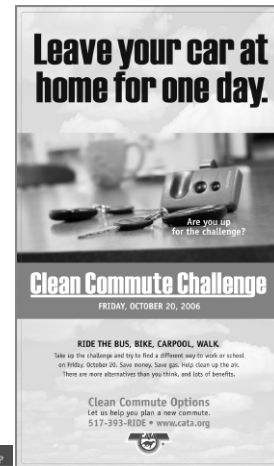
In March 2006, CATA and MSU co-hosted the American Public Transportation Association (APTA) Transportation & University Communities Conference at the Kellogg Center on MSU's campus. Approximately 200 people participated in the conference. Attendees hailed from all over the U.S. Many of them commented on how impressed they were by CATA transportation and information services. The CATA-MSU partnership was featured as a national transportation planning model.

Raising Service Awareness

Over the past year, CATA implemented several marketing and outreach programs aimed at increasing ridership. Last fall, a direct-mail piece was mailed to all residents living within 3 blocks of a CATA fixed route. Then, beginning in June 2006, a mailing and ad campaign targeted residents in the out-county area, Williamston and Delhi Township. The materials detailed local CATA services and trip planning resources.

New Commute Options Program

CATA's Clean Commute Options program launched in February 2006. This program is dedicated to raising awareness about the alternatives to driving alone; with the ultimate goal to improve the air quality in this region. In its first year, the Clean Commute Options program enrolled 431 participants.



CATA PROGRAMS & SERVICES

Serving Greater Lansing Since 1972, the Capital Area Transportation Authority (CATA) was formed under Act 55 (Public Acts of Michigan 1963). The Authority's governmental membership includes the Cities of Lansing and East Lansing and the Townships of Delhi, Lansing, and Meridian.

CATA's growth is really a growth in opportunity for thousands of area residents. Throughout the CATA service area, schoolchildren, employees, seniors, and people with disabilities step onto a CATA bus and step off into a wider world. At its beginning in 1972, CATA operated 14 fixed bus routes and provided 750,000 rides. Today, there are 30 fixed bus routes and a number of demand-response services designed to meet the varied transportation needs of the local population.

Fixed-Route Service

With 30 fixed-routes, odds are CATA serves a bus stop within easy walking distance of most residents' homes. Fixed-route service is what most people are familiar with – big buses traveling regular routes at scheduled times. Bus service on Michigan State University's campus operates during the fall and spring semester terms.

Citizens can go online at www.cata.org to print out their own maps and schedules, pick up a print schedule from a CATA display rack at many area organizations or call the CATA Customer Information Center at 394-1000 for personal assistance.

Entertainment Express

This express trolley service provides a unique option for getting to entertainment sites during an evening out on the town. The Entertainment Express operates Thursdays, Fridays and Saturdays, in the evening and late night; traveling between downtown Lansing and downtown East Lansing. Entertainment Express bus stops are identified by signs along the route. Passengers can take the trolley to entertainment venues, hotels and restaurants along the Michigan and Grand River corridor.

Commuters Ride the Limiteds

During weekday morning and afternoon rush hours, CATA offers commuter services between the southern and eastern regions of the service area and downtown Lansing. The *Mason Limited* and the *Williamston/Webberville Limited* pick up customers in their respective communities, and travel directly to downtown Lansing; making limited stops, to create a faster commute.

Spec-Tran Service

Spec-Tran is CATA's advance-reservation service for persons with disabilities who are unable to use fixed-route buses. CATA uses small buses equipped with wheelchair lifts, as well as low-floor vans. Spec-Tran service operates seven days a week. Customers are certified in accordance with the Americans with Disabilities Act (ADA). Call 394-6230 for more information.

CATA Rural Service

An advance-reservation, curb-to-curb service provided in the outlying areas of Ingham County, CATA Rural Service can be used for any trip purpose. Rides are provided Monday through Friday, from 7 a.m. to 6 p.m. Call 394-4178 or (800) 322-1390 for reservation and ride information.

CATA PROGRAMS & SERVICES

Redi-Ride Service

This is a curbside-to-curbside, advance reservation service operating in Delhi and Meridian Townships and the Mason and Williamston areas. Rides are provided Monday through Saturday. Call 394-4178 or (800) 322-1390 for more information or to reserve a ride.

CATA Connector Service

CATA Connector Service offers regularly scheduled small-bus service — connecting outlying communities and Lansing. No reservations are necessary. The service operates Monday through Saturday. The *Mason Connector* operates between the Mason Meijer and the South Pennsylvania Meijer, via Cedar Street. The *Williamston/Webberville Connector* travels from Webberville, to the Meridian Mall via Grand River; continuing on to Williamston. Call 394-4178 or (800) 322-1390 for more information.

Shopping Bus

CATA provides regularly scheduled transportation to and from grocery stores, shopping centers and malls serving Lansing area senior housing complexes. The Shopping Bus operates Monday through Friday; traveling to nine major shopping locations each week. Reservations are not required. Call 394-4178 for more information.

Accessibility

All CATA vehicles and facilities are accessible to persons with disabilities. Service animals, such as guide dogs, are always welcome on CATA vehicles. For persons with visual impairments, an automated audio stop system announces bus stops and major intersections on fixed-route buses. Passengers waiting at a stop will hear the route name and number of the approaching bus. Large-print or audio route schedules are available through CATA customer service. The CATA website provides information in formats that meet federal accessibility guidelines.

CATA bus hailing kits are available to customers with visual impairments. They are designed for use at bus stops served by more than one route. The kit allows the user to signal the number of their route to operators of approaching buses. The kit consists of twenty-five, 3.5"x 4" double-sided cards with a large printed route number and Braille tag.

Bike Racks and Lockers

All CATA fixed-route buses are equipped with easy-to-use bike racks. Bike rack use is free. In addition, CATA offers a bike locker rental program. Lockers are located at the CATA Transportation Center in downtown Lansing, the East Lansing Division Street parking ramp, and Lansing Community College on Shiawassee Street. Call 394-1000 for rental information.

CATA PROGRAMS & SERVICES

CATA Transportation Center (CTC)

The main boarding center for CATA, the CTC, is located in downtown Lansing on Grand Avenue, between Lenawee and Kalamazoo Streets. This indoor facility is the transfer point for 15 of CATA's 30 routes. Customer Service Representatives are available at the CTC on weekdays, from 7 a.m. to 7 p.m. and weekends, 9 a.m. to 5 p.m. to assist with trip planning, service information, and bus pass sales. The Center also features Greyhound/Indian Trails operations.

Customer Service and Trip Planning

Customers trust CATA customer service representatives to help them plan the easiest and fastest route. Call 394-1000 weekdays from 7 a.m. to 7 p.m., and weekends from 9 a.m. to 5 p.m., or send an e-mail request to info@cata.org.

MSU-CATA Transportation Center (MSU-CTC)

The first public transportation center to serve MSU's campus, the MSU-CTC is the main boarding center for CATA bus routes serving campus. It is located on the ground level of the parking ramp between North and South Shaw Lanes, just east of the MSU Planetarium. The facility is open 24 hours a day, 7 days a week.

Community Pride

Throughout the year, CATA looks for opportunities to "connect" with area citizens. Annual CATA programs such as Santa Free Rides, New Year's Eve Safe Ride Home, We Love Riders Week, and the CATA Senior Health Fair allow CATA to give back to customers and non-customers alike. CATA also participates in community-sponsored events such as Be a Tourist in Your Own Town, Silver Bells in the City, the Safety Council Patrol Picnic, Meals-on-Wheels and holiday parades.

The Way to Pay

CATA's fare payment system features a magnetic card reader and printer, offering fixed-route customers more payment flexibility and convenience. Bus pass options allow customers to select the payment plan that best meets their transportation needs. The system allows streamlined boardings — getting passengers on board and on their way more efficiently.

Clean Commute Options

CATA offers a free program dedicated to raising community awareness about the alternatives to driving alone. Information is provided to help choose a commute alternative such as taking the bus, walking and biking. The objective is to improve air quality in the tri-county area. A ride matching service is available to those interested in car or vanpooling. For an application or more information, call 393-RIDE (7433) or email cleancommute@cata.org.

Rider Alerts

CATA customers can get up-to-the-minute information on route changes by calling 367-7277 or visiting www.cata.org. They can find out if their bus is on detour due to road construction, special events or weather-related conditions. The Rider Alert Phone Line is accessible 24 hours a day, 7 days a week.

www.cata.org

The CATA website is a popular source for printable route and service information, online bus pass sales, fare information, and up-to-date news about CATA services.

FISCAL YEAR 2006 DATA

	Fiscal 2006	Fiscal 2005	Change
Fixed-Route Service	9,572,803	8,932,953	+7.2%
Demand Response Service			
Directly Operated	131,477	116,527	+12.8%
Purchased Transportation	326,777	305,233	+7.1%
Total CATA Passenger Rides	10,031,057	9,354,713	+7.2%
Vehicle Hours	441,372	423,312	+4.3%
Vehicle Miles	6,081,579	5,870,795	+3.6%

CAPITAL AREA TRANSPORTATION AUTHORITY STATEMENTS OF NET ASSETS

		September 30,	
		2006	2005
ASSETS			
CURRENT ASSETS:			
Cash	\$	223,021	\$ 385,393
Investments		10,495,120	10,215,428
Accounts receivable		295,677	336,004
Due from governmental units		3,416,364	1,733,196
Single business taxes receivable		141,118	156,645
Property tax receivable		12,186	88,791
Inventories		877,768	841,152
Prepaid expenses		413,102	400,339
TOTAL CURRENT ASSETS		15,874,356	14,156,948
CAPITAL ASSETS - net of depreciation		40,525,228	35,203,523
TOTAL ASSETS	\$	56,399,584	\$ 49,360,471
LIABILITIES			
CURRENT LIABILITIES:			
Accounts payable	\$	1,129,618	\$ 860,232
Accrued payroll		273,785	241,906
Accrued pension		525,849	467,294
Accrued interest		93,587	105,065
Accrued insurance		210,215	770,775
Accrued vacation, incentive and sick pay		892,602	844,820
Current portion of capital lease obligations		749,617	722,070
Reserve for workers' compensation claims		177,162	146,438
Reserve for health insurance costs		385,488	545,391
Other current liabilities		92,663	99,693
TOTAL CURRENT LIABILITIES		4,530,586	4,803,684
LONG TERM LIABILITIES:			
Capital lease obligations, net		5,137,930	5,887,547
Accrued severance pay		133,763	124,646
TOTAL LONG-TERM LIABILITIES		5,271,693	6,012,193
TOTAL LIABILITIES		9,802,279	10,815,877
NET ASSETS			
Invested in capital assets, net of related debt		34,637,681	28,593,906
Unrestricted		11,959,624	9,950,688
TOTAL NET ASSETS	\$	46,597,305	\$ 38,544,594

CAPITAL AREA TRANSPORTATION AUTHORITY STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS

		Year ended September 30,	
		2006	2005
OPERATING REVENUES		\$ 6,114,470	\$ 5,755,914
OPERATING EXPENSES		35,800,343	34,429,612
	Operating loss	-29,685,873	-28,673,698
NON-OPERATING REVENUES		27,350,991	25,724,867
	Net loss before capital contributions	-2,334,882	-2,948,831
CAPITAL CONTRIBUTIONS - GRANTS		10,387,593	3,307,519
	Change in net assets	8,052,711	358,688
NET ASSETS, BEGINNING OF YEAR		38,544,594	38,185,906
NET ASSETS, END OF YEAR		\$ 46,597,305	\$ 38,544,594



CAPITAL AREA TRANSPORTATION AUTHORITY

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