

CATA FISCAL YEAR 2009 ANNUAL REPORT

OCTOBER 1, 2008–SEPTEMBER 30, 2009

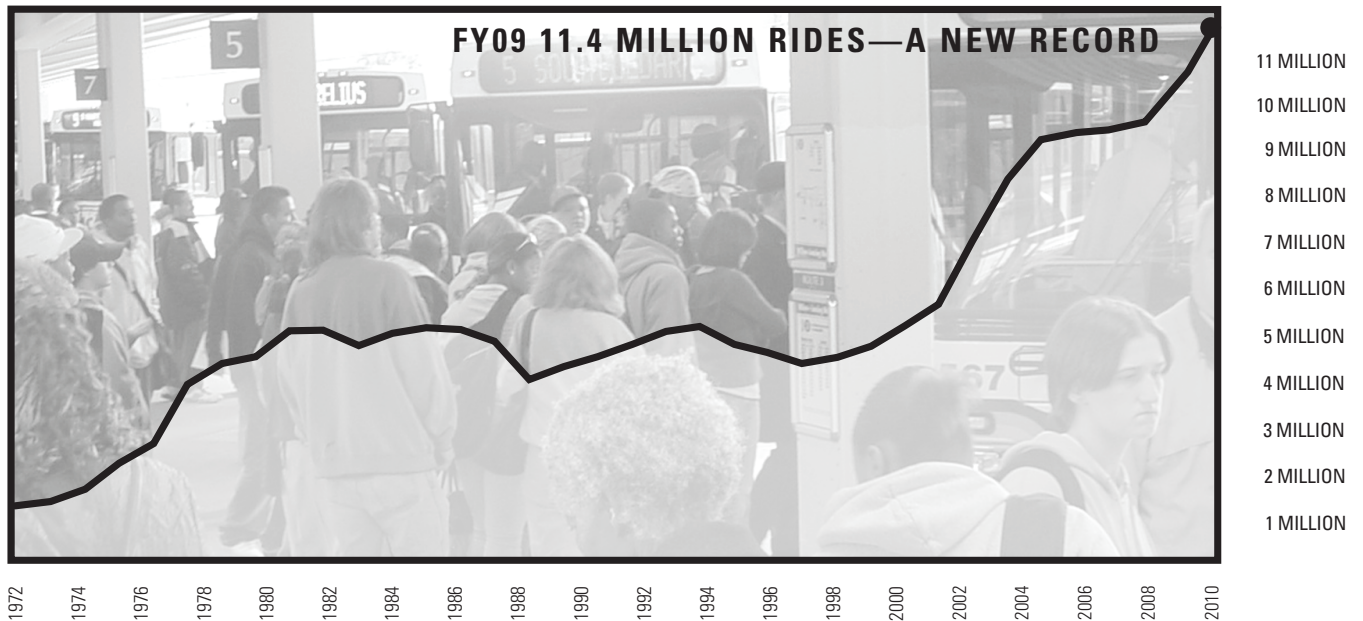
Moving **People** in a Region on the **Move**

Take a look at the many ways public transportation helps people 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.



CATA RIDERSHIP – 1972–2009

NUMBER
OF RIDES



FY09 CATA LEADERSHIP

OCTOBER 1, 2008–SEPTEMBER 30, 2009

CATA BOARD OF DIRECTORS

Patricia Munshaw
Board Chair
Meridian Township

Peter A. Kuhnmuench
Vice-Chair
City of Lansing

Joseph Sambaer
Secretary-Treasurer
Lansing Township

Pat Cannon
Meridian Township

Walter Dell
Delhi Township

Nathan Triplett
City of East Lansing

Ralph Monsma
City of East Lansing

Robin Lewis [term began 2-09]
City of Lansing

R. John Strolle [term ended 2-09]
City of Lansing

Robert W. Swanson
City of Lansing

Anne Wilson
City of Lansing

Non-Voting Representatives

Mark Grebner
Ingham County

Michael A. Rice
Michigan State University

CATA EXECUTIVE STAFF

Sandra L. Draggoo
CEO/Executive Director

Debbie Alexander
Assistant Executive Director

Craig Allen
Director of Maintenance

Pat Gilbert
Director of Marketing

Janice Kidd
Director of Finance

Dwight D. Smith
Director of Operations

AMALGAMATED TRANSIT UNION (ATU) #1039 LANSING, MI

Michael Cullimore
President

Steven Soliz
Vice-President

Kathleen M. Kelley
*Recording Secretary &
Financial Secretary*

Committee Persons

Donald Bean

Phillip Bean

Michael Cramer

Raymond Doty

David Stanfield

Natalie Stone

LOCAL ADVISORY COUNCIL (LAC)

Alphonse Swain
Chairperson
Capital Area Center for
Independent Living

Deb Wiese
Vice-Chairperson
Michigan Rehabilitation
Services

Walter Dell
LAC Liaison
CATA Board Member

Elma Arnold
Citizen Representative

Tara Feher
Retired Senior Volunteer
Program (RSVP)

Donna Hobart
Tri-County Office on Aging

Susan Langendonk
Ingham Intermediate
School District

Suzanne Love
Citizen Representative

Paul Palmer
Citizen Representative

Alicia Paterni
Capital Area Michigan Works!

Jane Spitzley
Citizen Representative

Mitch Tomlinson
Peckham Inc.

Longtime CATA Board member, Walter P. Dell, passed away at the age of 87 on October 23, 2009. As a Holt native, he represented Delhi Township on the CATA Board of Directors for 32 years (1977 to 2009). Mr. Dell's interest in serving individuals with disabilities led to his many years of service, representing the Board as liaison to the Local Advisory Committee. His gentle, down-to-earth nature, his positive spirit and his great humor are greatly missed.



March 2010

All kinds of people use CATA services for all kinds of reasons. And, whether that ride is to get to school, work, the doctor, or grocery store- each ride is important to that individual and to the community as a whole. For many, including persons with disabilities and seniors, CATA is the key to living a full and independent life. In this Annual Report, we present an overview of our transportation services, financials and a review of the year's key events.

The need for CATA services continued to climb last year. Ridership reached record levels. Although our year-to-year ridership increase was not as significant as in the past several years, we did better than most U.S. systems. According to the American Public Transportation Association (APTA), most transit systems in the country experienced losses or no growth from January through September 2009. CATA passengers took a record 11.4 million rides in Fiscal Year 2009. The gains occurred primarily in fixed-route service. We saw some declines in Paratransit ridership last year. APTA attributes ridership changes to the economic downturn and lower fuel prices. When unemployment goes up, people take fewer work commute trips. When household budgets are tight, there are fewer trips to restaurants, retail stores, and theaters as people reduce their discretionary spending. But, despite the national trend...we had growth! People took over 64,000 more CATA rides last year compared to the year before.

In November 2008, voters approved a CATA millage increase request. This financial support allowed CATA to maintain service levels when record numbers depend on public transportation. We are grateful for this support and will work hard to stretch those dollars.

This report gives details of how we used funds received through the American Recovery and Reinvestment Act of 2009. Those dollars allowed us to move ahead on much-needed capital projects such as facility renovations, bus purchases and more.

Last year CATA began a multi-year effort to implement technology tools that will help us improve our efficiency and service quality. We will be able to gather and analyze information to better manage our operations. These tools were funded by federal capital dollars. Be sure to read more about the new applications in the following pages.

We were proud to be involved in Lansing 150 in 2009- the historic celebration of Lansing's sesquicentennial. Community involvement is important. CATA parade vehicles 'wowed' the crowds in Lansing, Mason, Williamston and Leslie. Staff shared service information at area resource fairs and our operators provided service at our wonderful area festivals. Events like these remind us of all that is great in Greater Lansing. Our public transportation system belongs to the great citizens who keep it strong. It is our aim to move and support individuals, area organizations, and businesses in our mid-Michigan community.

The true measure is in the service provided to every individual passenger and to the community as a whole. We love what we do because we know what it means to get those individuals to the many doors in our service area. We take immense pride in that service! We thank you for being our partner.

Sincerely,

Peter A. Kuhnmuench
FY2010 Board Chair

Sandra L. Draggoo
CEO/Executive Director



FY09 IN REVIEW

CATA Partners on Michigan/Grand River Avenue Transportation Study

Beginning in July 2009, CATA led a coalition of agencies, municipalities and community organizations to explore transportation options with the goal of improving mobility and livability in the Michigan Avenue/Grand River Avenue corridor. The study extends from the Capitol building in downtown Lansing to the Meridian Mall in Meridian Township. Options to be evaluated include a combination of improvements for pedestrian, bicycle, public transportation, and automobile traffic. Such improvements can be catalysts for economic growth in the region. Throughout the project, the public will have the opportunity to follow the study's progress, provide input and learn about the alternatives by going to: www.MiGRTrans.org and Facebook users can become a fan by searching "Michigan/Grand River Avenue Transportation Study." The study is funded by federal capital grants.

Community Addresses Funding Shortage

In November 2008, voters approved a CATA millage increase request by a 64.4% margin. This financial support—a 0.787 mill increase over five years (2008-2012)—allowed CATA to maintain service levels when record numbers depended on public transportation.

New Zone Fares Adopted

The CATA Board authorized extending service into Delta Township in the 1980s to give Ingham County residents access to work and business locations along W. Saginaw Highway. The Township population and businesses grew considerably since that time, as did the number of Delta Township boardings. Over the past 10 years, Delta Township was encouraged to fund existing and expanded public transportation services within the Township and into the Ingham County area. In July 2009, the Board took steps to help address this issue. They approved a two-zone fare system- increasing the fares for CATA boardings in most of Delta Township. The Board did not increase fares in the rest of the CATA service area. The fare zone system went into effect on January 2, 2010. Fare Zone 1 covers the CATA service area with the exception of most of Delta Township. Standard CATA fares apply in Zone 1. Fare Zone 2 covers most of Delta Township. Higher fares apply when boarding a CATA vehicle in this zone.

Ridership Reflects National Trend

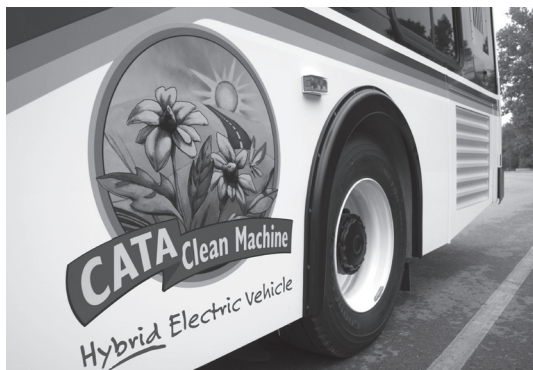
CATA realized an overall ridership increase for Fiscal 2009 despite the prevalence of economic factors that contribute to ridership declines: high unemployment and decreases in gas prices. The year concluded with a record 11,374,000 rides—up 0.6% or 64,300 rides from last year. The strongest performance in terms of ridership gains was among fixed-route service which recorded an increase of 0.8%. According to the American Public Transportation Association (APTA), many transit systems experienced ridership declines or no growth during the last year.

FY09 IN REVIEW

CATA's Continuing Environmental Initiatives

Hybrids

This past year, CATA welcomed 11 new hybrid-electric buses; bringing the total number of CATA hybrids to 14 for FY09. The vehicles were purchased with federal funds. Another seven hybrid buses will join the fleet in early 2010. When fixed-route buses are retired, they will be replaced with hybrid vehicles as funding allows. Hybrid buses cut emissions by 90% compared to conventional buses. They are considerably more fuel-efficient since vehicles are powered by electricity when operating at reduced speeds.



Mini Hybrid Systems

Notable efficiencies in bus fuel consumption continue to be achieved with the miniHybrid Thermal System®. The units were originally developed by EMP in Escanaba, Michigan for installation in Army tactical vehicles to increase fuel efficiency and reduce the overall amount of fuel used by the military. CATA was the first transit system in the U.S. to test the systems in transit vehicles several years ago. They were so successful that in 2009, this advanced engine technology

became available in municipal transit bus production in the U.S. At the close of FY09, 26 CATA buses operated with the system in place—more than any other system in Michigan. The units have increased CATA vehicle fuel efficiency by 5-20%, depending on engine type. The units also reduce radiator maintenance and ambient fan noise. The system is installed on all new, large buses CATA procures. CATA plans to install additional units in the existing fleet in FY10.

Clean Commute

While expanding its membership to a record number of participants, CATA's Clean Commute Options Program also increased partnerships; adding a spectrum of environmental groups, alternative transportation providers and businesses who contribute to a cleaner, greener environment. Companies from across the region have become "Clean Commute Business Partners" including employers such as Sparrow Hospital, Ingham Regional Medical Center, Accident Fund Insurance Company, Jackson National Life, Lansing Community College, MSU, the National Guard and Auto Owners Insurance. Clean Commute Options assists individuals and local groups in establishing programs to improve air quality in the area. There is no fee for these services. The federally funded program provides public education about clean commuting and assists in developing alternative commuting options: public transportation, car/vanpool, bike riding, or walking. Over the past year, participation in the Clean Commute Program grew to 1,030 registrants. That was a 100% increase over the previous year.

FY09 IN REVIEW

Bus Information Technology System

CATA launched a multi-year project that will implement an automated vehicle location (AVL) system. It will include mobile data terminals on vehicles and tools to allow computer-aided dispatching. New cellular and GPS technology will allow CATA to ultimately track the precise location of each CATA vehicle on a digitized map display. Immediate and long-term benefits will be realized as adjustments can promptly be made to service on the street. Data collected from this automated tracking will be used to improve transit planning and develop even more efficient service.



AVL mobile data terminal in Paratransit vehicle during initial test phase.

Communications between bus operators and dispatchers will be streamlined with the introduction of data terminals in buses and supervisor vehicles. The first implementation phase will focus on the Paratransit system. The Information Technology System also includes the Paratransit PASS Interactive Voice Response (IVR) system. IVR is a computer-generated callback system that will automatically inform customers of changes to their ride times scheduled for the following day; saving considerable personnel time.

Local Public Transportation Benefits from Stimulus Dollars

CATA was fortunate to be awarded \$7.1 million as part of the national stimulus bill in FY09. This funding was allocated to CATA for capital expenditures that create jobs and stimulate the economy. This funding is going to be used for purchases such as new buses and facility renovation. CATA is dependent on a number of capital funding sources to sustain its operations. These dollars allow CATA to retain an adequate vehicle fleet to meet demand while securing more efficient buses to meet and exceed environmental standards—all for the benefit of the Greater Lansing area. This funding will also be used for customer amenities such as bus shelters and benches at bus stops.

CATA & Google Transit

CATA introduced online trip planning last year with the launch of its redesigned website. Access to dynamic CATA transit data extended CATA trip planning options to Google Maps. In addition to obtaining driving directions, Google provides users with a CATA bus trip itinerary. By selecting the PUBLIC TRANSIT link in Google Maps (found on the left side of the screen- just above Google's driving directions), users can obtain a CATA route map overview and a written trip plan that includes route names, departure times, transfer points and bus stop locations.

CATA SERVICE AREA AT A GLANCE

CATA provides a variety of public transportation services in the Greater Lansing and outlying areas. The 559 square-mile service area spans all of Ingham County and extends into portions of Eaton County (Delta Township) and Clinton County.

Service Types	Lansing	East Lansing	Lansing Township	Delhi Township (Holt)	Meridian Township (Haslett/Okemos)	MSU	Dansville	Leslie	Mason	Onondaga	Stockbridge	Williamston/ Webberville
Fixed-Route	X	X	X	X	X	X						
Limiteds	X	X			X				X			X
Entertainment Express	X	X										
Spec-Tran	X	X	X	X	X	X						
Rural Service							X	X	X	X	X	X
Redi-Ride				X	X				X			X
Connector	X			X	X				X			X
Shopping Bus	X	X	X	X	X							
MSU Lot Link						X						
MSU Night Owl						X						

Serving Greater Lansing since 1972, the Capital Area Transportation Authority 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 also provides services under contracts with Ingham County, MSU, Meridian Township and private developers. CATA’s growth is really a growth in opportunity for thousands of area residents. Throughout the CATA service area, employees, seniors, students, and persons with disabilities step onto a CATA bus and step off into a wider world. At its beginning in 1972, CATA operated 14 fixed routes and provided approximately 750,000 rides. Today, there are over 30 fixed routes and a variety of demand-response services designed to meet the varied transportation needs of our local population. Passengers took a record 11.4 million rides last year.

CATA PROGRAMS & SERVICES

Fixed-Route Service

Fixed-route service is what most people are familiar with—big buses traveling regular routes at scheduled times throughout the Greater Lansing area. CATA operates over 30 fixed routes, including bus service on Michigan State University’s campus, which operates during the fall and spring terms. Customers took 10.9 million fixed-route bus rides in FY09.

Entertainment Express

CATA’s Entertainment Express is the trolley connection to over 50 nightspots along the Michigan/Grand River Avenue corridor. The Entertainment Express operates evenings and late night-Thursday through Saturday-between Lansing and East Lansing downtown districts. Entertainment Express bus stops, located near the corridor’s entertainment venues, are uniquely identified along the route. Customers took nearly 8,500 trips on the Entertainment Express last year.

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. The Route 1 Limited, introduced in August 2009, provides express service between the Meridian Mall and downtown Lansing. The three Limited services accounted for about 25,000 rides in FY09.

Spec-Tran Service

Spec-Tran is CATA’s advance-reservation service for persons with disabilities who are unable to use fixed-route buses. Spec-Tran service is provided with small lift-equipped buses and low floor vans. The service operates seven days a week. Customers are certified in accordance with the Americans with Disabilities Act (ADA). In FY09, Spec-Tran customers took 341,440 demand-response trips.

CATA Rural Service (CRS)

An advance-reservation, curb-to-curb service in the outlying areas of Ingham County, CATA Rural Service can be used for any trip purpose within the rural Ingham area. Rides are provided Monday through Friday. This service is funded, in part, by Ingham County. Ridership was approximately 46,900 rides for the year.

Redi-Ride Service

This curb-to-curb, advance-reservation service operates in Delhi and Meridian Townships and the Mason and Williamston areas. The Meridian Redi-Ride service is funded by Meridian Charter Township. Rides are provided Monday through Saturday. The four Redi-Rides provided close to 56,500 rides in FY09.

CATA PROGRAMS & SERVICES

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 through Williamston to the Meridian Mall, via Grand River Avenue. In total, 16,300 rides were recorded for the year.

Shopping Bus

CATA provides regularly scheduled transportation between area senior housing complexes, grocery stores and shopping centers. The Shopping Bus operates Monday through Friday, traveling to major shopping locations each week. Reservations are not required. Passengers took over 11,600 Shopping Bus rides in FY09.

Lot Link & Night Owl

These advance reservation services operate on the MSU campus during fall and spring semesters. Both services provide curb-to-curb transportation. The Lot Link travels between MSU's three main student parking lots and other campus locations. The Night Owl operates at times when other CATA services are not running.

Accessibility

CATA vehicles and facilities are accessible to persons with disabilities. Service animals, such as guide dogs, are always welcome on CATA vehicles. Large buses have automated audio systems that announce major intersections and bus boarding areas are announced on fixed-route buses. Passengers waiting at a bus stop

hear the route name and number announced when the bus arrives at the stop. The CATA website provides information in accessible formats; including the newest alternative format, MP3 files, of all schedules and service brochures. Large-print or audio cassette tapes of all route schedules are available through CATA Customer Service. CATA bus hailing kits are also available to customers. 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 3.5" x 4" double-sided cards with a large printed route number and Braille tag.

Bike Racks and Lockers

Large CATA fixed-route buses and some small 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 and at the East Lansing Division Street parking ramp.

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 half of CATA's fixed routes. Customer Service Representatives are available at the CTC on weekdays, from 7 AM to 7 PM and weekends, from 9 AM to 5 PM to assist with trip planning, service information and bus pass sales. The Center also features Greyhound/Indian Trails operations, indoor seating, restrooms, maps and schedules, coffee and snack shop, public telephones, change and vending machines, and an ATM.

CATA PROGRAMS & SERVICES

MSU-CATA Transportation Center (MSU-CTC)

The MSU-CTC is the main boarding center for CATA bus routes serving campus. CATA and MSU partnered to build this facility, located on the ground level of the parking ramp between North and South Shaw Lanes. It is open 24/7 year-round, and offers a number of amenities such as indoor seating, restrooms, maps and schedules, phone access to CATA Customer Service and Ride Request Line, Sparty Convenience Store, ATM and vending machines.

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 commute alternatives such as 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.

Rider Alerts

CATA customers get up-to-the-minute information on route changes by visiting the web at cata.org or by calling the Rider Alert phone line at 367-7277. The alerts help customers know when their bus is on detour due to road work or when service changes go into effect. Rider Alert subscribers receive notices of route changes via email or text messages. The Rider Alert phone line is accessible 24 /7.

cata.org

The redesigned CATA website provides dynamic features for accessing a trip planning program, route descriptions and service information, online bus pass sales, Rider Alerts, CATA business opportunities, job openings and much more.

Listening Sessions

Throughout the year, CATA hosts a series of informal meetings to give customers an opportunity to share their thoughts and/or concerns with CATA representatives. Listening Session dates are posted in all fixed-route buses and online at cata.org. These meetings are held at the CATA Transportation Center (CTC) in downtown Lansing and on the campus of MSU at the Ramp 1 Transportation Center on Shaw Lane; just east of Farm Lane.

Community Pride

Throughout the year, CATA looks for opportunities to serve area citizens. CATA programs such as **Santa Free Rides**, **New Year's Eve Safe Ride Home**, **Free Rides on Election Day** and the **CATA Community 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**, **Homeless Connect**, **Trick-or-Treat on the Square**, the **Safety Council Patrol Picnic** and **holiday parades**. This past year, CATA participated in several **Lansing 150** sesquicentennial events. Each year CATA employees give generously to the **Capital Area United Way** campaign, deliver **Meals-on-Wheels** on their lunch hour and "adopt" **Operation Santa** families at a local elementary school, providing holiday gifts to those in need.

Title VI

CATA services are provided in accordance with Title VI (of the Civil Rights Act of 1964), without discrimination based on race, color, national origin, or other prohibited bases.

CAPITAL AREA TRANSPORTATION AUTHORITY

STATEMENTS OF NET ASSETS

	Year ended September 30	
	<u>2009</u>	<u>2008</u>
ASSETS		
CURRENT ASSETS:		
Cash	\$ 472,439	\$ 522,692
Investments	23,148,439	15,163,718
Accounts receivable	322,646	473,782
Due from governmental units	4,118,847	2,363,405
Single business taxes receivable	0	15,522
Property tax receivable	17,561	89,691
Inventories	967,146	1,069,137
Prepaid expenses	370,803	428,469
	<u>29,417,881</u>	<u>20,126,416</u>
TOTAL CURRENT ASSETS	29,417,881	20,126,416
CAPITAL ASSETS - net of depreciation	<u>38,817,607</u>	<u>38,932,506</u>
	<u>\$ 68,235,488</u>	<u>\$ 59,058,922</u>
TOTAL ASSETS		
LIABILITIES		
CURRENT LIABILITIES:		
Accounts payable	\$ 3,334,578	\$ 940,503
Accrued payroll	590,006	420,235
Accrued pension	611,566	466,304
Accrued interest	56,459	69,301
Accrued vacation, incentive and sick pay	920,522	973,313
Current portion of capital lease obligations	838,725	807,903
Reserve for workers' compensation claims	55,679	72,923
Reserve for health insurance costs	502,794	450,162
Other current liabilities	187,860	240,827
	<u>7,098,189</u>	<u>4,441,471</u>
TOTAL CURRENT LIABILITIES	7,098,189	4,441,471
LONG TERM LIABILITIES:		
Capital lease obligations, net	2,713,088	3,551,813
Accrued severance pay	102,775	129,48
Other post retirement benefits	515,333	0
	<u>3,331,196</u>	<u>3,681,300</u>
TOTAL LONG-TERM LIABILITIES	3,331,196	3,681,300
	<u>10,429,385</u>	<u>8,122,771</u>
TOTAL LIABILITIES		
NET ASSETS		
Invested in capital assets, net of related debt	35,265,794	34,572,790
Unrestricted - designated for post employment benefits	400,000	400,000
Unrestricted	22,140,309	15,963,361
	<u>57,806,103</u>	<u>50,936,151</u>
TOTAL NET ASSETS	\$ 57,806,103	\$ 50,936,151

CAPITAL AREA TRANSPORTATION AUTHORITY

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS

	Year ended September 30	
	<u>2009</u>	<u>2008</u>
OPERATING REVENUES	\$ 8,038,732	\$ 7,755,552
OPERATING EXPENSES	<u>41,074,017</u>	<u>41,087,653</u>
Operating loss	-33,035,285	-33,332,101
NON-OPERATING REVENUES	<u>34,161,862</u>	<u>30,068,810</u>
Net income (loss) before capital contributions	1,126,577	-3,263,291
CAPITAL CONTRIBUTIONS - GRANTS	<u>5,743,375</u>	<u>2,816,169</u>
Change in net assets	6,869,952	-447,122
NET ASSETS, BEGINNING OF YEAR	<u>50,936,151</u>	<u>51,383,273</u>
NET ASSETS, END OF YEAR	<u><u>\$ 57,806,103</u></u>	<u><u>\$ 50,936,151</u></u>

CAPITAL AREA TRANSPORTATION AUTHORITY RESOURCE DIRECTORY

**Fixed-Route Service Information &
Bus Pass Sales**

517-394-1000
cata.org

Walk-up assistance available at:
CATA Transportation Center
420 S. Grand Avenue, Lansing
Weekdays: 7AM–7PM
Weekends: 9AM–5PM

Michigan Relay Center Voice TDD
800-649-3777

CATA Administrative Offices
4615 Tranter Street, Lansing 48910
517-394-1100

Rider Alert Line
517-367-7277 or cata.org

CATA Clean Commute Options
517-393-RIDE (7433)

**Rural Service, Connector Service,
Shopping Bus & Redi-Ride**
517-394-CATA (394-2282)
or 800-322-1390

Spec-Tran
517-394-CATA (394-2282)

Lot Link & Night Owl
517-432-8888

Website
cata.org

Email
info@cata.org

