

Ann Arbor Transportation Authority

Annual Financial Information

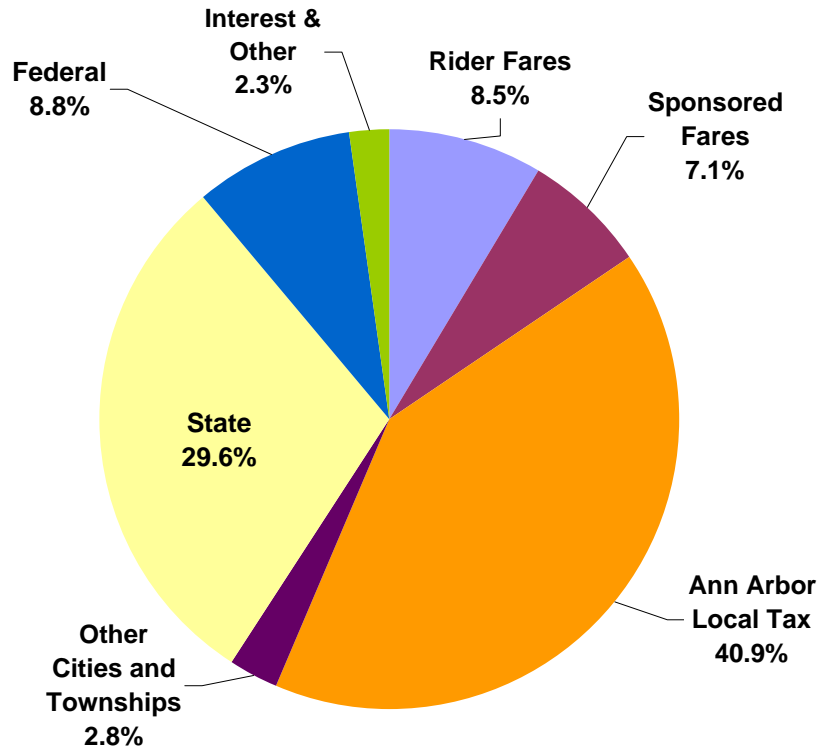
Fiscal Year 2008	2008	Percent	2007	Percent	Increase (Decrease)	Percent
Revenues						
Passenger Fares:						
Paid by Riders ¹	\$2,027,964	8.5%	\$1,958,816	8.2%	\$69,148	3.5%
Paid by Organizations	\$1,709,804	7.1%	\$1,558,887	6.5%	\$150,917	9.7%
Local Tax Revenues:						
City of Ann Arbor	\$9,782,974	40.9%	\$9,547,581	39.9%	\$235,393	2.5%
Other Cities and Townships ²	\$658,390	2.8%	\$539,830	2.3%	\$118,560	22.0%
State Operating Assistance	\$7,084,501	29.6%	\$7,085,233	29.6%	(\$732)	0.0%
Federal Operating Assistance ³	\$2,110,166	8.8%	\$2,362,530	9.9%	(\$252,364)	-10.7%
Interest and Other Revenues ⁴	<u>\$561,736</u>	<u>2.3%</u>	<u>\$867,550</u>	<u>3.6%</u>	<u>(\$305,814)</u>	<u>-35.3%</u>
Total Revenues	\$23,935,535	100.0%	\$23,920,427	100.0%	\$15,108	0.1%
Expenses						
Wages, Salaries, and Other						
Employee Costs ⁵	\$15,258,720	59.4%	\$13,822,816	58.4%	\$1,435,904	10.4%
Purchased Services	\$1,316,475	5.1%	\$1,342,153	5.7%	(\$25,678)	-1.9%
Fuel and Lubricants ⁶	\$1,841,126	7.2%	\$1,858,423	7.9%	(\$17,297)	-0.9%
Materials and Supplies ⁷	\$1,294,953	5.0%	\$1,343,061	5.7%	(\$48,108)	-3.6%
Utilities	\$452,711	1.8%	\$442,905	1.9%	\$9,806	2.2%
Casualty and Liability Costs ⁸	\$546,079	2.1%	\$450,091	1.9%	\$95,988	21.3%
Purchased Transportation ⁹	\$4,358,553	17.0%	\$3,831,639	16.2%	\$526,914	13.8%
Other Operating Expense ¹⁰	<u>\$616,652</u>	<u>2.4%</u>	<u>\$562,014</u>	<u>2.4%</u>	<u>\$54,638</u>	<u>9.7%</u>
Total Expenses	\$25,685,269	100.0%	\$23,653,102	100.0%	\$2,032,167	8.6%
Capital Expenditures						
Revenue Vehicle Acquisition ¹¹	\$10,673,208		\$629,073		\$10,044,135	1596.7%
Other Capital Acquisitions	<u>\$455,011</u>		<u>\$129,230</u>		<u>\$325,781</u>	<u>252.1%</u>
Total Expenditures	\$11,128,219		\$758,303		\$10,369,916	1367.5%
Service Operated						
Fixed Route Vehicle Miles	2,494,612		2,473,517		21,095	0.9%
Fixed Route Service Hours	184,941		182,472		2,469	1.4%

Financial Notes:

- 1 Passenger Fares:** Fares paid by riders increased with and increase in fixed-route and demand-response ridership. Fares paid by other organizations increased as more go!Passes were sold and the University of Michigan increased its contribution for the LINK.
- 2 Local Tax Revenues:** Other cities and townships increased their contribution for the local share of the purchase of service agreements to make up for the decreasing federal and state operating assistance.
- 3 Federal Operating Assistance:** The decrease is due to fewer Federal Preventive Maintenance dollars being utilized.
- 4 Interest and Other Revenues:** Interest rates on cash and certificates of deposit decreased. Advertising revenue declined as placements were hurt by the recession.
- 5 Wages, Salaries, and Other Employee Costs:** Wages increased due to a signing bonus paid to union members in lieu of an initial wage increase from the settlement of the five-year labor agreement. The agreement replaced a defined benefit retiree health care plan with a defined contribution health care savings plan. The front loading of these contributions reduced the unfunded liability by 80%, saving a significant expenses in future years.
- 6 Fuel & Lubricants:** Even with increases in the price of ultra-low biodiesel fuel, AATA reaped the benefits of a fuel hedging strategy saving \$563,000.
- 7 Materials & Supplies:** The decrease was in bus repair parts by replacing 20 older buses with new hybrid electric vehicles.
- 8 Casualty & Liability Costs:** The majority of the increase is from the purchase of 20 new buses.
- 9 Purchased Transportation:** Due to an increase in demand response service, there was an increase in subcontracted A-Ride services to cover higher fuel costs. AATA launched a new commuter bus service between Chelsea and Ann Arbor.
- 10 Other Operating Expenses:** There was an increase in media placements to build awareness of the new commuter route between Chelsea and Ann Arbor and the new internet carpool matching application, MiRideshare.org.
- 11 Revenue Vehicle Acquisitions:** AATA took delivery of 19 hybrid electric buses in 2008 and one in 2007. The bus purchases were funded with federal and state grants.

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Fiscal Year 2008**

2008 Revenues



2008 Operating Expenses

