



Annual Report 2009 - 2010

Strengthening connections

Messages from Chairman.....1
Messages from Chief Executive Officer.....2
Our Mission.....3
Our Vision.....3
Our Values.....4
Board of Directors.....5
Senior Executive Team.....11
2009-2010 Financial Report.....13
We Ride with Pride.....35
We Ease the Ride.....37
We Deliver Cost Savings.....38
We Serve Our Communities.....39
We Connect the Region.....41
We Enhance the Environment.....42
We Protect our Investment.....43
CDTA Snapshot.....45
We Look Ahead.....46

A note to readers: CDTA is committed to helping the environment. We publish our annual report online at CDTA.org with limited printed copies. If you would like a printed copy of this annual report, please contact CDTA at 437-6842 or email us at cdta@cdta.org.

■ Message from the Chairman

Despite high unemployment, an economic recession and lower gas prices, Americans took more than 10 billion trips on public transportation last year. Overall, public transportation use in the U.S. is up 31 % since 1995. Yet, public transportation systems across the country are facing unprecedented funding challenges due to widespread declining state and local revenues.

According to a report by the American Public Transportation Association, almost 84 % of public transit systems have raised fares, cut service or are considering either of those actions in the last year. Nearly half (47%) of public transit systems across in the country have laid off employees. In contrast, CDTA has maintained full employment. We are addressing economic challenges with creativity and a commitment to excellence.

By restructuring routes and consolidating service where appropriate, we have reduced costs and increased system efficiency, while maintaining the vital connections our customers need. In Schenectady, we worked with customers and community leaders to develop routes that provide more direct access to popular destinations, and offer later evening service that accommodates shift workers. These route changes provide a framework for future service expansions, once funding becomes available.

In addition to streamlining operations, we actively pursued and won American Recovery and Reinvestment Act funds and Transportation Investments Generating Economic Recovery (TIGER) grants. These federal funds will provide for additional hybrid electric buses and capital improvements to serve the long-term goals of regional mobility—while providing greener transit options and green collar jobs.

CDTA continues to advocate for investment in transit at all levels of government in order to continue to fulfill its mission to expand service, improve mobility, reduce pollution, foster regional connectivity and enhance the economic vitality of the Capital Region. The community is asking for more transportation options and choices and CDTA stands ready to deliver!



David M. Stackrow
Chairman

■ Message from the Chief Executive Officer

Our annual report focuses on the importance of strengthening connections—between CDTA and its customers, employers and employees, within the Capital Region communities. We have a talented workforce, a committed board of directors and an outstanding slate of initiatives and projects ready to be advanced. We are collaborating with the people of the Capital Region to provide transportation services that strengthen regional mobility. In response to the challenging economic environment, we continue to make its system easier to pay for. Together with Price Chopper, we launched CDTA AdvantEdge—allowing CDTA customers who shop at Price Chopper to earn discounts on CDTA bus passes, making transit an even more cost-effective option.

We have strengthened communication with our customers and the community. Our redesigned website, cdta.org, launched in January, reflects employee and customer input. The new site offers new features and improved access to information that makes our system easier to use. Its sharp design and innovative features makes it an attractive web address.

Our restructured routes make our system more efficient and cost-effective—while strengthening connections throughout the region. Schenectady route changes reflect community preferences and careful analysis of ridership patterns, offering better connections to major destinations that match community transit needs.

CDTA employees continue to deliver service that customers want and need. Based on our 2009 rider survey, 94% of CDTA customers indicate they are satisfied or very satisfied with our service. Credit goes to our employees, whose dedication to our customers makes us the leading transportation choice for close to 45,000 people every day.

All of us are committed to designing programs and services to attract and retain customers. Additionally, we want to engage customers and community leaders in discussions about how strengthening connections to transit will help shape a sustainable, transit-oriented future for our region. CDTA is an important part of regional development efforts and we want to be a partner on the exciting slate of issues that are being advanced in the Capital Region.

Cordially,



Carm Basile
Chief Executive Officer

■ Our Mission

We plan, finance, and deliver transit services that take people where they want to go in the Capital Region safely, efficiently and at a reasonable cost.

CDTA works to accomplish this mission by:

- Continually identifying ways to increase transit ridership and revenue.
- Taking a leadership role to help mold regional growth and improve the transportation network.
- Balancing regional needs for social service, congestion relief and basic access.
- Delivering a range of transportation services that meets a diversity of markets and customers.
- Developing innovative ways to attract and retain a high quality workforce.
- Identifying appropriate funding sources to meet the region's transportation needs.

■ Our Vision

- CDTA is a growing and vibrant company that seeks to continually increase ridership and the use of its facilities by providing services that people want and need.
- CDTA delivers lifeline services to those who need them and provides a full range of transit options for the choice rider in the Capital Region.
- CDTA plans for the mobility needs of the Capital Region with a predictable and reliable stream of funding sources to meet those needs.
- CDTA is a multi-modal transportation provider, delivering comprehensive transit services, as well as a transportation demand management program that includes vanpool, carpool and incentive-based ride sharing, with a particular focus on city and suburban locations that have a demonstrated need.
- CDTA is responsive to the environment and operates equipment that features the most efficient propulsion systems available. In addition, CDTA undertakes continual outreach to enroll the region's travelers in efforts to move toward an environmentally-responsible approach to travel.
- CDTA works in partnership with state, regional and local agencies to advocate for transit-oriented development in the Capital Region and is advancing infrastructure that will meet current and future mobility needs.
- CDTA undertakes frequent assessments of the region and seeks community input to effectively position the organization to anticipate and meet market changes and expansions.

■ Our Values

- CDTA designs services people want and delivers services people can rely on. We treat customers, the community and each other with respect and integrity.
- CDTA is a flexible and innovative mobility company that responds to changing needs in order to keep the Capital Region moving with the times. We seek to be proactive rather than reactive in meeting the needs of our region. Stakeholder relations and input are integral to our planning and development efforts.
- CDTA operates a financially-stable organization that places importance on cost-recovery and operating efficiency to deliver optimal services in the Capital Region.
- CDTA takes a leadership role in helping to mold regional growth and advocate for mobility. CDTA works with local planning and business organizations to help shape regional growth in a way that provides congestion relief and basic access to our growing region.
- CDTA meets the needs of both the transit-dependent rider and the choice rider by delivering a wide range of transportation alternatives and by working to ensure that its services are easy to identify, use and pay for.
- CDTA helps employers connect their employees to the workplace, delivering commuter solutions that make daily work connections efficient, economical and reliable.
- CDTA employees are the heart and soul of the organization leading innovation and productivity. We promote a positive work environment by supporting each other through effective communication, teamwork and an appreciation for our diverse abilities and contributions.

board of directors



David M. Stackrow



Joseph M. Spairana



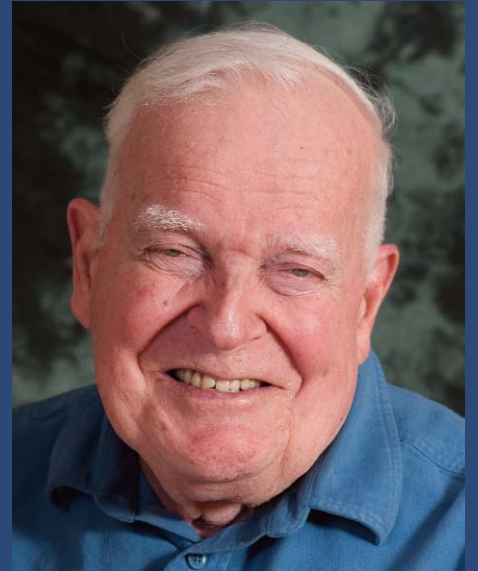
Norman L. Miller



Thomas Owens



Denise A. Figueroa



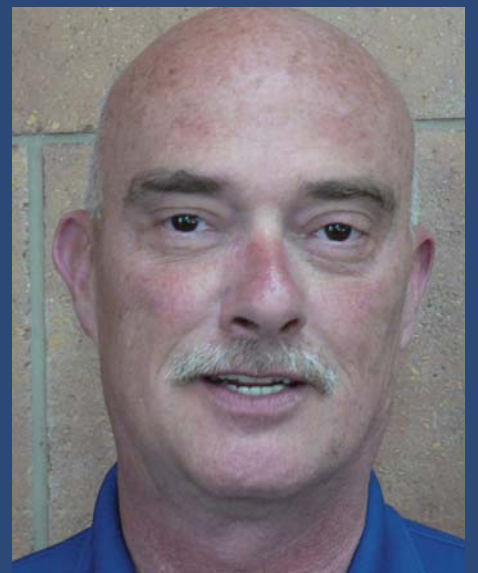
Arthur F. Young, Jr.



5 Lisa Ballout



Georgeanna Lynch



Mark G. Gerling

board of directors

David M. Stackrow *Chairman* Rensselaer County

David M. Stackrow, appointed to the CDTA Board in October 1995, is Vice President/Treasurer of Scott, Stackrow & Co., CPAs, P.C. Mr. Stackrow served as CDTA Chairman of the Board of Directors from April 2002-March 2010. He was honored with the 2009 American Public Transportation Association Outstanding Board member of the year award. Mr. Stackrow holds a Bachelor of Business Administration degree from Siena College. He is Chairman of the Board of Trustees for LaSalle Institute, Vice Chairman of the Board of the City of Troy Industrial Development Agency, Independent Director of the Rensselaer Tobacco Asset Securitization Corporation, and a trustee of the CDTA/ATU 1321 Pension Plan. He is a Past President of the LaSalle Institute Alumni Association and a Past Grand Knight of the Rensselaer Council Knights of Columbus. Mr. Stackrow chairs the CDTA Governance Committee. He resides in Poestenkill with his wife Karen and their two children.

Arthur F. Young, Jr. *Treasurer* Albany County

Arthur F. Young Jr., appointed to the CDTA Board in October 1995, is a retired officer of Key Bank of New York after more than 49 years in banking. At the time of his retirement from Key, Mr. Young was a Senior Vice President and Manager of the bank's Legal and Recovery Division, Secretary of the bank's Board of Directors, President and CEO of Key Financial Services, and a Director of Key Leasing, Inc. and also the bank's Compliance Officer. Mr. Young is a Trustee, Investment Officer and past President of the J.O. Wells Albany Memorial Hospital Nursing Education Foundation, Director of VNA Albany Home Health Care Corp., Director and past Governor of the Albany/Colony of Mayflower Descendants, Director and Elder of the New York State Society of Mayflower Descendants, former Captain General and present D.G.G for N.Y. of the General Society of Mayflower Descendants, Director and Review Chairman of Adirondack Swimming, President and Director of the Elder William Brewster Society, Director and Treasurer of the Capital District Pop Warner Federation, Junior Vice Commander and Director of Sons of Union Veterans of the Civil War, Director of the Berkshire Family History Association, Director of Capital District Genealogy society and Trustee of the Bethlehem Historical Association.

Mr. Young is also a life member of Junior Chamber International, the American Philatelic Society, United States Swimming, the Pilgrim John Holland Society, The Thomas Stanton Society, life member of The Bruce Family International Society, and The Founders of Jamestown Society, and life member of The Pilgrim Hopkins Heritage Society. Mr. Young has been a Certified Swim Official for high school and college swimming, for 42 years and has served as a Deck Official at four United States Olympic Trials. Mr. Young has been the CDTA Treasurer since 1998, is Chairman of the Performance Oversight and Stakeholder Relations Committee, a member of the Governance Committee, Chairman of the Audit committee and Chairman of the Investment Committee. He and his wife Anne reside in Delmar, New York.

■ board of directors

Denise A. Figueroa Vice Chairperson Albany County

Denise A. Figueroa, a CDTA Board member since December 2003, is a founding member and current Executive Director of the Independent Living Center of the Hudson Valley, established in 1987. She is the Chairperson for the CDTA Board of Directors. She holds a M.S. degree from The University of San Francisco and a B.A. degree from Brooklyn College, City University of New York. Ms. Figueroa is one of the original members of the Disabled Advisory Committee. Ms. Figueroa previously chaired the CDTA Planning and Resource Development Committee. She lives in Cohoes.

Norman L. Miller Schenectady County

Norman L. Miller has been a member of the CDTA Board since July 2006. Mr. Miller is president of Leadership Management of New York, Inc., a strategic development company that specializes in organization and management development, executive leadership, and team building. He retired from the United States Air Force with 33 years of service. He is a member of the Schenectady Rotary Club, and Schenectady/Saratoga Visiting Nurse Association board of directors. He is also a member of the Schenectady County Chamber of Commerce, and a founding member of the Albany County Safe Haven organization in Altamont. Active in his community, he is a member of the Princetown Comprehensive Planning Committee. He was a member of the 1988 Olympic Bobsled Coaching Staff. Mr. Miller is the author of "IceSpy", an espionage novel published in 1995. Mr. Miller is a member of the CDTA Planning Resources and Development Committee. He and his wife reside in Princetown.

Thomas Owens Albany County

Thomas M. Owens, appointed to the CDTA Board in July 2008, is an attorney for the Port of Albany. A graduate of the U.S. Naval Academy (B.S.), Mr. Owens served as a submarine officer for seven years. Following submarine duty, Mr. Owens worked in Washington, D.C. as a consultant for the U.S. Departments of Energy and State. In April 2000, he was selected by the Capital District Business Review as one of the top business leaders in the Capital District under forty years of age. A patent attorney, Mr. Owens has also earned degrees from Georgetown University (M.A.) and Albany Law School (J.D.). Mr. Owens is a member of the CDTA Performance Oversight and Stakeholder Relations committee. He resides in Bethlehem with his wife Theresa and their six children.

board of directors

Joseph M. Spairana Secretary Rensselaer County

Joseph M. Spairana, Jr., appointed to the CDTA Board in December 2008, is retired from the New York State Department of Transportation with 35 years of service. At the time of his retirement, Mr. Spairana was Engineer in Charge responsible for construction operations for major roadway improvement projects throughout the Capital Region. Mr. Spairana serves as Secretary on the Board of Directors of the Lansingburgh Boys and Girls Club. Mr. Spairana is a member of the CDTA Planning and Resource Development Committee. He is a lifelong resident of Rensselaer County and lives with his family in Wynantskill.

Georgeanna Lynch Saratoga County

Georgeanna “Georgie” Lynch was appointed to the CDTA Board in May 2009 and chairs the CDTA Planning and Resource Development Committee. She is a Business Development Manager with Gilbane Building Company. Ms. Lynch previously spent ten years in the environmental consulting industry. She is a Certified Hazardous Materials Manager and a NY Department of Health Certified Asbestos Inspector.

Ms. Lynch is a 2008 graduate of Leadership Saratoga and the Chair for the Air and Waste Management Association – Eastern NY Chapter. Ms. Lynch is also a member of Women in Transportation, Greater New York and the Society of Wetland Scientists. Ms. Lynch holds a Master of Science degree in Environmental Science and Engineering from Colorado School of Mines with Bachelor’s degrees in Environmental Science and Geology from SUNY Plattsburgh. She moved to Saratoga Springs with her family four years ago from Denver, Colorado

board of directors

Lisa Ballout Saratoga County

Lisa Ballout was appointed to CDTA Board in February 2010. Ms. Ballout comes to CDTA as a strong proponent and rider of public transportation with a background in education and community service. When working as a Student Life Services Director at Wichita State University for 8 years, she promoted transportation programs to students. She has worked in the Niskayuna and Shenendehowa School Districts as teacher and student liaison.

As a 21 year Capital Region resident, Ms. Ballout has served on and provided leadership for numerous committees and community youth organizations and has led several advocacy and fundraising campaigns. She was leader of Girl Scout Troop 209 in Clifton Park for 8 years and Chairperson for Arongen Parent Teachers Association Nature Projects for 4 years developing map trails in collaboration with teachers, parents and Five Rivers Environmental Education Center experts. Previously she was a board member of the Clifton Knolls Neighborhood Association, University of New Hampshire Parents Association, Shenendehowa Crew.

Ms. Ballout has a Bachelor of General Studies degree and a Masters in Education in Counseling and Educational Psychology degree from Wichita State University. Ms. Ballout represents Saratoga County and is a member of the CDTA Performance, Oversight and Stakeholder Relations Committee. She resides in Clifton Park with her husband. They have two adult children.

Mark G. Gerling Albany County

Mark Gerling was appointed to the CDTA Board in June 2010 and serves as a labor representative. Mr. Gerling began at CDTA as a bus operator in 1993. He has held various leadership positions with Amalgamated Transit Union 1321 since 1998 and brings with him both transit knowledge and strong experience in labor/management relations.

Mr. Gerling is member and former Trustee of the Troy Area Labor Council, member and past Chancellor of the Albany City Lodge #540 Knights of Pythias, past Deputy Grand Chancellor of the Knights for Upstate New York and slated to become Assistant Chief Grand Chancellor of New York 2010-2011. He was also Co-chair of the Capital District Chapter/NYS Executive Board member of the Working Families Party. Mr. Gerling is member and Political Director of the Executive Board for ATU #1321.

In years past, Mr. Gerling has volunteered for several community service organizations including a past member of the Pine Hills and Council of Albany Neighborhood Associations, a member of the Albany County Democratic Committee, Co-chair Capital District Chapter Steering Committee and a Coach for National League of Albany, Central Babe Ruth of Albany the City of Albany Youth basketball. In 2001, Mr. Gerling received the Citizen Action of New York Jim Perry Labor Award. He resides in Albany County.





senior executive team

left to right, top to bottom

Carm Basile
Amanda Avery
Mike Collins
Chris Desany
Chuck MacNeil
Kristina Younger



■ senior executive team

Carm Basile Chief Executive Officer

Amanda Avery General Counsel

Mike Collins Deputy Executive Director of Finance & Administration

Chris Desany Chief Information Officer

Chuck MacNeil Deputy Executive Director of Operations

Kristina Younger Deputy Executive Director of Business Development

Independent auditor's report

The Board of Directors
Capital District Transportation Authority
Albany, New York

We have audited the accompanying balance sheets of Capital District Transportation Authority (the Authority) (a component unit of the State of New York) as of March 31, 2010 and 2009, and the related statements of revenues, expenses, and changes in net assets, and cash flows for the years then ended. These basic financial statements are the responsibility of the Authority's management. Our responsibility is to express an opinion on these basic financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the Authority as of March 31, 2010 and 2009, and the changes in its net assets and cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated May 21, 2010 on our consideration of the Authority's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis (MD&A) preceding the basic financial statements and the Schedule of Funding Progress for Other Postemployment Benefits on page 16, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion on it.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements that collectively comprise the Authority's financial statements as a whole. The accompanying supplementary information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. The accompanying supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.



Lumsden & McCormick, LLP
Certified Public Accountants

May 21, 2010

Management's Discussion and Analysis
For the Year Ended March 31, 2010
(Unaudited)

Introduction

This Management Discussion and Analysis (MD&A) of the Capital District Transportation Authority ("CDTA" or "Authority") provides an introduction to the major activities affecting the operations of the Authority and an overview to the financial performance and financial statements of CDTA for the fiscal years ended March 31, 2010, 2009 and 2008.

Following the MD&A are the basic financial statements of the Authority, together with the notes, which are essential to a full understanding of the data contained in the financial statements. The financial statements include the following: balance sheets, statements of revenues, expenses, and changes in net assets, and statements of cash flows. The balance sheets provide a snapshot of CDTA's financial condition at March 31, 2010 and 2009. The statements of revenues, expenses, and changes in net assets report the results of CDTA's operations and activities for the years ended March 31, 2010 and 2009. The statements of cash flows report CDTA's sources and uses of cash from operating, non-capital financing, capital and related financing, and investing activities for the years ended March 31, 2010 and 2009.

Financial Position

The summarized balance sheets below provide a snapshot of the financial condition of CDTA as of March 31 of each fiscal year. Increases or decreases in net assets may indicate a strengthening or weakening of the Authority's financial position over time.

	2010	2009	2008
Assets:			
Current and other	\$ 46,842,144	\$ 42,035,503	\$ 48,965,980
Capital assets, net	107,776,516	104,713,547	100,548,835
Total assets	\$ 154,618,660	\$ 146,749,050	\$ 149,514,815
Liabilities and net assets:			
Current liabilities	\$ 18,580,249	\$ 13,676,256	\$ 14,242,057
Non current liabilities	11,867,651	5,579,305	-
Total liabilities	30,447,900	19,255,561	14,242,057
Net assets:			
Invested in capital assets	107,776,516	104,713,547	100,548,835
Unrestricted	16,394,244	22,779,942	34,723,923
Total net assets	124,170,760	127,493,489	135,272,758
Total liabilities and net assets	\$ 154,618,660	\$ 146,749,050	\$ 149,514,815

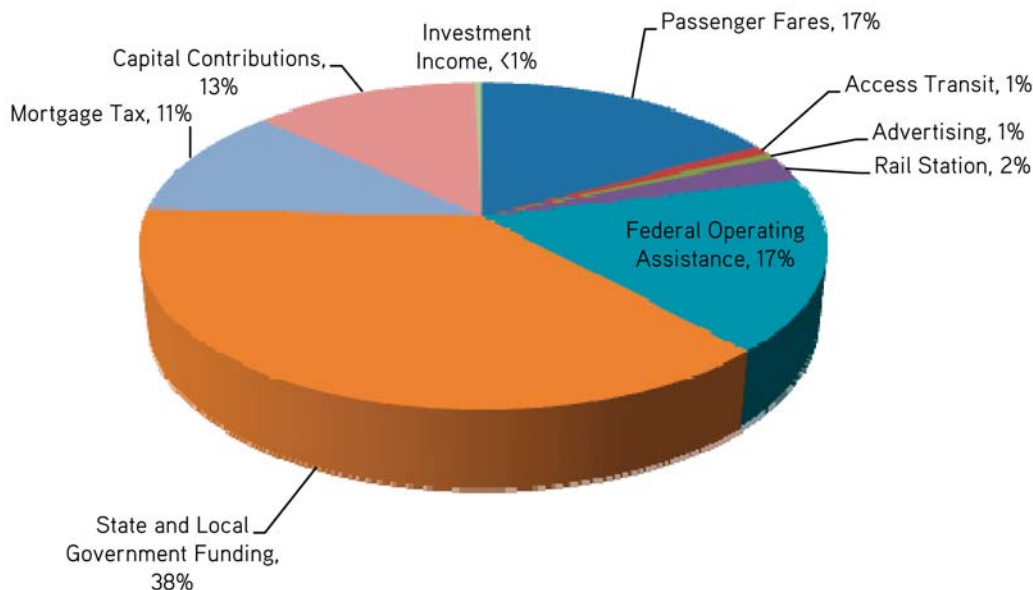
Current and other assets, comprised mainly of cash, investments and accounts receivable, increased \$4.8 million, primarily due to an increase in outstanding grants receivable at March 31, 2010. Net capital assets reflect the cost of capital assets net of accumulated depreciation. Net capital assets increased approximately \$3.1 million in 2010, after disposals. There were capital additions of \$14.9 million during 2010, primarily for bus purchases, offset by depreciation of approximately \$11.7 million.

Total liabilities increased \$11.2 million during 2010 due to the impact of the \$6.3 million accrual of postemployment benefits required by Governmental Accounting Standards Board (GASB) Statement No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions (GASB 45). GASB 45 requires the recognition of the costs of postemployment benefits other than pensions (OPEB) during the periods when employees render services that entitle them to the benefits, rather than expensing the costs when they are paid. Additionally, accounts payable increased approximately \$3.6 million due to the timing of payments and the accrual of \$3.0 million due to Adirondack Trailways, Inc. for services which will be reimbursed to CDTA by a related federal grant.

CDTA ended 2010 and 2009, with no outstanding borrowings or debt.

Revenue Summary

The chart below summarizes the 2010 revenue by source and is followed by a chart showing the amounts associated with each category.



	2010	2009	2008
Operating revenue:			
Passenger fares	\$ 15,414,673	\$ 13,133,225	\$ 11,407,130
Access Transit	857,974	705,177	643,206
Advertising	528,500	522,909	400,174
Rail Stations	2,164,392	1,745,809	1,669,231
Total operating revenues	<u>18,965,539</u>	<u>16,107,120</u>	<u>14,119,741</u>
Non-operating revenue:			
Capital contributions	11,337,617	9,593,832	7,730,650
Federal operating assistance	15,290,978	8,921,233	8,299,645
State and local government funding	34,055,252	35,914,841	34,434,663
Mortgage tax	10,091,733	10,263,773	12,707,609
Investment income and other	360,614	799,035	2,438,513
Total non-operating revenue	<u>71,136,194</u>	<u>65,492,714</u>	<u>65,611,080</u>
Total revenue	<u>\$ 90,101,733</u>	<u>\$ 81,599,834</u>	<u>\$ 79,730,821</u>

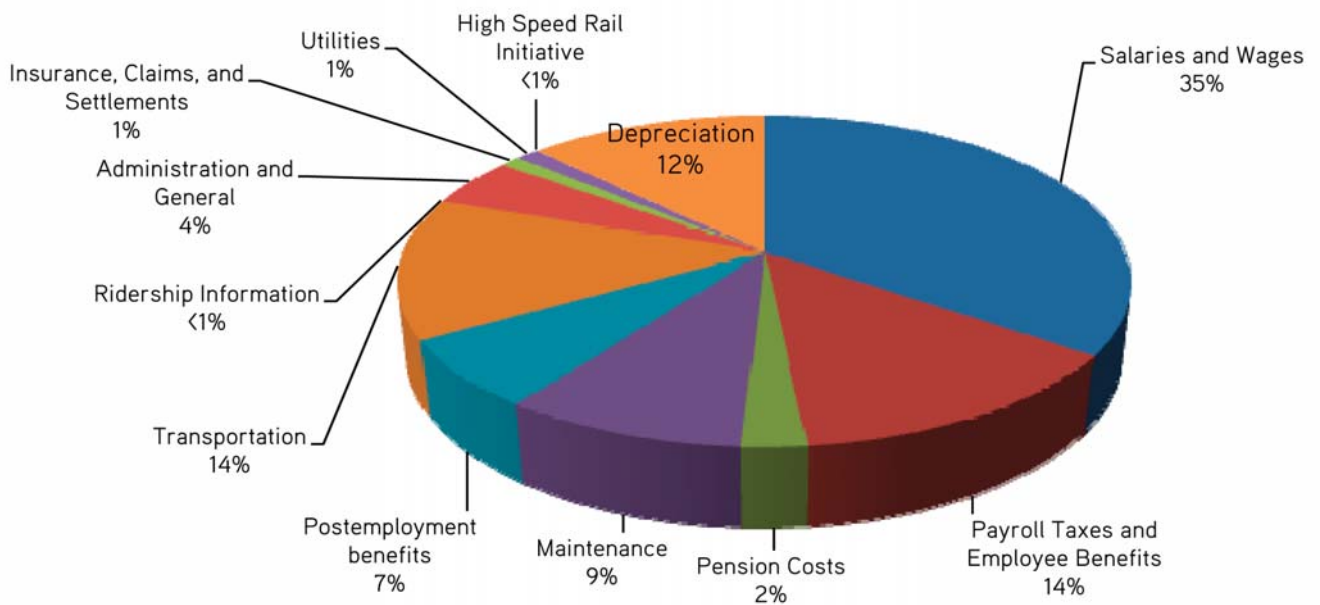
Operating revenues for 2010 increased by \$2.9 million over 2009. This is the result of increased bus fares as well as increased parking rates at the Rensselaer Rail Station. Advertising revenue remained consistent with 2009.

Non-Operating revenue increased \$5.6 million primarily due to increased federal funds to cover operating expenses. This includes grants allocated for non-capitalized items, including project related salaries, as well as assistance to Adirondack Trailways for public transit service provided. CDTA was also successful in obtaining more allocations, thus preventing a decrease in capital contributions as more funds were used for non-capitalized expenditures.

Consistent with the economy, investment earnings and mortgage recording tax decreased from last fiscal year.

Expense Summary

Total expenses for 2010 are approximately 4.5% higher than 2009. The chart below gives an overview of the 2010 expenses and is followed by a chart showing the amounts expended by category.



	2010	2009	2008
Expenses:			
Salaries and wages	\$ 32,567,897	\$ 31,602,080	\$ 29,880,555
Payroll taxes and employee benefits	12,782,532	12,120,960	10,836,278
Pension costs	2,261,443	2,060,367	1,755,107
Other postemployment benefits	6,288,346	5,579,305	-
Maintenance	8,598,205	8,335,620	7,975,722
Transportation	12,799,826	11,634,749	8,999,572
Ridership information	705,361	638,281	1,003,977
Administration and general	3,579,022	3,552,509	3,697,722
Insurance, claims and settlements	1,004,412	940,867	1,401,647
Utilities	1,118,001	1,471,882	1,433,556
	<u>81,705,045</u>	<u>77,936,620</u>	<u>66,984,136</u>
Depreciation	11,710,370	10,640,125	9,359,640
High Speed Rail initiative	9,047	802,358	415,579
Total expenses	<u>\$ 93,424,462</u>	<u>\$ 89,379,103</u>	<u>\$ 76,759,355</u>

As with many organizations, costs associated with employee salaries and benefits comprise a significant amount of the Authority's expenses. Of the \$4.1 million increase in expenses from last fiscal year, \$2.5 million was attributed to increases in wages, benefits, pension costs, and postemployment retirement benefits (GASB45). During 2010, salary increases averaged 2.5% over the prior year.

Increased maintenance costs are attributed to required maintenance and older buses and inflationary costs of labor and supplies. The Authority is half-way through its vehicle replacement program and completion of this process is expected to mitigate future increases.

Transportation costs increased \$1.2 million in 2010. Due to strategic purchasing, fuel costs decreased significantly and partially offset the increase in purchased transportation provided by Adirondack Trailways, Inc.

Depreciation also increased significantly as newer vehicles, especially those with hybrid components, have been placed in service in recent years.

Finally, the High Speed Rail Initiative was disbanded during the early part of the fiscal year. This resulted in a decrease in total expenses for this initiative.

Capital Assets

Capital assets, net of depreciation, are as follows:

	2010	2009	2008
Land and improvements	\$ 1,529,981	\$ 1,529,981	\$ 1,529,981
Construction in progress	320,270	264,991	8,400,197
Buildings and improvements	59,316,934	60,377,492	61,001,264
Revenue equipment	36,028,462	31,676,522	27,426,534
Service equipment and vehicle	1,270,812	1,445,876	1,528,223
Furniture and fixtures	9,310,057	9,418,685	662,636
	<u>\$107,776,516</u>	<u>\$104,713,547</u>	<u>\$100,548,835</u>

Capital additions in 2010 totaled \$14.9 million, offset by disposals of \$3.6 million.

Factors Impacting the Authority's Future

There are several major factors that will impact the Authority's future.

The expected extension of SAFETEA-LU, the federal legislation that funds transit agencies, did not occur during fiscal 2010. Therefore, significant legislative changes, most notably provisions for operating expenses, have yet to be addressed. Hopefully, this is resolved prior to next fiscal year.

New York State operating assistance, the mortgage recording tax, and passenger fares fund the majority of CDTA's operating costs. A challenge for CDTA is the flattening or decline of these funding sources while operating expenses are increasing. In an attempt to offset the decline in funding, CDTA's Board of Directors voted to increase the base fare for the first time in 14 years (from \$1.00 to \$1.50) effective April 1, 2009. While this did increase passenger revenue, ridership declined, so the Authority did not fully realize the anticipated revenue increase.

Funding shortfalls resulted in the need to use a portion of the federal allocation on maintenance rather than on capital projects, resulting in the erosion of existing capital funding and a long-term reduction in the ability to keep up with future capital needs. While the Authority has been successful in securing additional federal funds, how long these opportunities will be available remains uncertain. In short, their sustainability is questionable.

Limited funding has delayed implementation of several services expansion initiatives. Should funding turn more favorable, the Authority has several planned service expansions ready to make available to the public. They include Schenectady route restructuring, Northway Express service expansion, and Bus Rapid Transit service.

As previously noted, GASB 45 was implemented for 2009. An actuarial valuation calculated the unfunded actuarial accrued liability at March 31, 2009 at \$85.7 million. The Authority currently plans to continue funding this liability on the pay-as-you-go basis.

The Authority expects delivery of 40 new vehicles (23 of which are hybrid electric) shortly, funded with federal grants received under the American Recovery and Reinvestment Act of 2009 (ARRA). This should have a positive impact on the organization in terms of overall maintenance costs, fuel efficiency, and the public perception associated with replacing 12-year old buses with new ones.

During fiscal 2010, Milt Pratt, Deputy Executive Director of Administration and Finance, was retained as a consultant for two years to facilitate the restructuring of CDTA's finance department subsequent to his retirement.

Request for Information

The Management Discussion and Analysis is intended to provide general information related to operations for 2010. Questions concerning this information or requests for additional information can be directed to Michael P. Collins, Deputy Executive Director of Administration and Finance, Capital District Transportation Authority, 110 Watervliet Avenue, Albany, New York 12206, or telephone 518-437-8380.

balance sheets

March 31,	2010	2009
Assets		
Current assets:		
Cash	\$ 3,957,843	\$ 3,084,136
Investments	24,979,849	24,885,808
Receivables:		
Mortgage tax	682,234	870,945
Federal grants	8,464,573	5,856,740
State grants	3,277,584	1,129,596
Trade and other	1,704,917	1,905,418
Advances to related party	613,534	472,490
Materials, parts and supplies	2,778,420	2,889,259
Prepaid expenses	383,190	941,111
	<u>46,842,144</u>	<u>42,035,503</u>
Noncurrent assets:		
Capital assets, net	<u>107,776,516</u>	<u>104,713,547</u>
Total assets	\$ 154,618,660	\$ 146,749,050
Liabilities		
Current liabilities:		
Accounts payable	\$ 5,418,007	\$ 1,808,304
Accrued expenses	3,492,045	3,146,507
Deferred passenger revenue	617,197	554,445
Estimated provision for claims and settlements	9,053,000	8,167,000
	<u>18,580,249</u>	<u>13,676,256</u>
Noncurrent liabilities:		
Other postemployment benefits	<u>11,867,651</u>	<u>5,579,305</u>
Total liabilities	<u>30,447,900</u>	<u>19,255,561</u>
Net Assets		
Invested in capital assets	107,776,516	104,713,547
Unrestricted	16,394,244	22,779,942
Total net assets	<u>124,170,760</u>	<u>127,493,489</u>
Total liabilities and net assets	\$ 154,618,660	\$ 146,749,050

statements of revenues, expenses, and changes in net assets

For the years ended March 31,	2010	2009
Operating revenues:		
Passenger	\$ 15,414,673	\$ 13,133,225
Access Transit	857,974	705,177
Advertising	528,500	522,909
Rail station parking and rentals	2,164,392	1,745,809
Total operating revenues	18,965,539	16,107,120
Operating expenses:		
Salaries and wages	32,567,897	31,602,080
Payroll taxes and employee benefits	12,782,532	12,120,960
Pension costs	2,261,443	2,060,367
Other postemployment benefits	6,288,346	5,579,305
Maintenance	8,598,205	8,335,620
Transportation	12,799,826	11,634,749
Ridership information	705,361	638,281
Administration and general	3,579,022	3,552,509
Insurance, claims and settlements	1,004,412	940,867
Utilities	1,118,001	1,471,882
Total operating expenses before depreciation	81,705,045	77,936,620
Operating loss before depreciation	(62,739,506)	(61,829,500)
Depreciation	(11,710,370)	(10,640,125)
Operating loss	(74,449,876)	(72,469,625)
Non-operating revenues (expenses) net:		
Federal operating assistance	15,290,978	8,921,233
State and local government funding	34,055,252	35,914,841
Mortgage tax	10,091,733	10,263,773
Investment income	384,926	1,227,905
Other nonoperating expense	(33,359)	(1,231,228)
Total net nonoperating revenues	59,789,530	55,096,524
Decrease in net assets before capital contributions	(14,660,346)	(17,373,101)
Capital contributions	11,337,617	9,593,832
Decrease in net assets	(3,322,729)	(7,779,269)
Net assets - beginning of year	127,493,489	135,272,758
Net assets - end of year	\$ 124,170,760	\$ 127,493,489

statements of cash flows

For the years ended March 31,	2010	2009
Cash flows from operating activities:		
Cash received from passengers	\$ 15,677,926	\$ 12,209,151
Cash payments to suppliers for goods and services	(31,190,153)	(35,013,251)
Cash payments to employees for salaries and wages	(38,716,545)	(37,811,298)
Other operating revenues received	3,550,866	2,973,895
Net cash used for operating activities	(50,677,906)	(57,641,503)
Cash flows from non-capital financing activities:		
Operating assistance, governmental funding and mortgage tax received	54,861,806	55,077,373
Other nonoperating revenues received	99,725	92,629
Advances repaid by (to) related party	(141,044)	277,016
Payments for interest	(10,323)	-
Net cash provided by non-capital financing activities	54,810,164	55,447,018
Cash flows from capital and related financing activities:		
Proceeds from sales of capital assets	42,540	70,722
Acquisition of capital assets	(14,929,593)	(15,397,058)
Capital contributed under grants	11,337,617	9,593,832
Net cash used for capital and related financing activities	(3,549,436)	(5,732,504)
Cash flows from investing activities:		
Interest received on investments	623,798	936,568
Proceeds from sales and maturities of investments	12,023,440	19,935,525
Purchases of investments	(12,356,353)	(12,296,952)
Net cash provided by investing activities	290,885	8,575,141
Net increase in cash	873,707	648,152
Cash, beginning of year	3,084,136	2,435,984
Cash, end of year	\$ 3,957,843	\$ 3,084,136
Reconciliation of operating income to net cash used for operating activities:		
Operating loss	\$ (74,449,876)	\$ (72,469,625)
Adjustments to reconcile operating income to net cash used in operating activities:		
Depreciation	11,710,370	10,640,125
Other postemployment benefits	6,288,346	5,579,305
Changes in assets and liabilities:		
Trade and other receivables	200,501	(464,771)
Materials, parts and supplies	110,839	(315,642)
Prepaid expenses	557,921	(45,094)
Accounts payable	3,609,703	(1,099,935)
Accrued expenses	345,538	332,437
Deferred passenger revenue	62,752	(459,303)
Estimated provision for claims and settlements	886,000	661,000
Net cash used for operating activities	\$ (50,677,906)	\$ (57,641,503)

notes to basic financial statements

1. Financial Reporting Entity:

The Capital District Transportation Authority (the Authority) is a public benefit corporation created by New York State (the State), effective August 1, 1970, under Chapters 460 and 461 of the Laws of 1970 (the Law). The purposes of the Authority, as defined by legislation, are “the continuance, further development and improvement of transportation and other services related thereto, within the Capital District Transportation District, by railroad, omnibus, marine and air, in accordance with the provisions of the Law.” The Law conveys broad powers to the Authority to fulfill its purposes in Albany, Schenectady, Rensselaer and Saratoga Counties in New York State, with a provision for other counties to elect to participate. The properties and income of the Authority are exempt from all Federal and State income and franchise taxes under the provisions of the enabling legislation.

The Authority follows the requirements of Governmental Accounting Standards Board (GASB) Statement No. 39, Determining Whether Certain Organizations Are Component Units. This statement amends GASB Statement No. 14, The Financial Reporting Entity, and provides additional guidance to determine whether an affiliated organization is considered a component unit of a financial reporting entity. The Authority is included in the basic financial statements of the State as an enterprise fund.

The Authority’s basic financial statements include the following as blended component units: three public benefit corporations which have been created as operating subsidiaries of the Authority to provide mass transit omnibus operations in the counties of Albany, Schenectady, Rensselaer and Saratoga:

- Capital District Transit System, which acquired the assets and liabilities of the former Schenectady Transit System in 1971.
- Capital District Transportation System Number One, which purchased certain assets of the United Traction Company from Albany County in August 1972.
- Capital District Transportation System Number Two, which provides rural bus service in the counties of Rensselaer and Saratoga and certain demand response (handicapped) services in the cities of Albany, Troy and Schenectady. In April 2003, this entity also commenced operating a Northway commuter bus service that was previously operated by Saratoga County.

The Authority’s financial statements also include as blended component units the accounts of the following two public benefit corporations which were created as subsidiaries of the Authority to provide other transportation related services:

- Access Transit Services, Inc. (Access), incorporated in November 1997, provides Medicaid transportation services to qualifying individuals in Schenectady and Rensselaer Counties.
- CDTA Facilities, Inc., incorporated in September 2002, owns and operates the Rensselaer Rail Station and Saratoga Rail Station.

2. Summary of Significant Accounting Policies:

Basis of Presentation

The financial statements of the Authority are prepared in conformity with U.S. generally accepted accounting principles (GAAP) as applied to government units. The Authority applies all Governmental Accounting Standards Board (GASB) pronouncements as well as applicable Financial Accounting Standards Board (FASB) pronouncements issued on or before November 30, 1989.

Measurement Focus

The Authority reports as a special purpose government engaged in business-type activities, as defined by GASB Statement No. 34. Business-type activities are those that are financed in whole or in part by fees charged to external parties for goods or services. The Authority's financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been satisfied.

The Authority's policy for defining operating activities in the statements of revenues, expenses and changes in net assets are those that generally result from exchange transactions such as payments received for services and payments made to purchase those goods or services. Certain other transactions are reported as non-operating activities and include government funding and investment income.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Investments

The Authority's investment policies comply with the New York State Comptroller's guidelines for Public Authorities. Investments consist primarily of government obligations, stated at market value. Securities are held by pledging institutions' agents in the Authority's name.

Materials, Parts and Supplies

Materials, parts and supplies are stated at average cost, net of an allowance for obsolescence of approximately \$350,000 at March 31, 2010 and 2009.

Capital Assets

Capital assets are reported at actual historical cost. For assets being depreciated, expense is calculated over estimated useful lives using the straight-line method. Maintenance and repairs are expensed as incurred, significant improvements are capitalized.

Capitalization thresholds for determining which asset purchases are added to capital accounts and the estimated useful lives of capital assets are:

	Capitalization Policy	Estimated Useful Life
Buildings and improvements	\$5,000	10-40 years
Revenue equipment	\$5,000	4-12 years
Service equipment and vehicles	\$5,000	3-7 years
Furniture and fixtures	\$5,000	5-7 years

Compensated Absences

The Authority provides for vacation, sick and compensatory time that is attributable to services already rendered. The liabilities are recorded based on employees' rates of pay as of the end of the fiscal year, and include all payroll related liabilities. In the event of a voluntary termination, an employee is reimbursed for accumulated vacation days up to a stated maximum. In addition, upon retirement, union employees are reimbursed for sixty percent of all accumulated sick days, up to a stated maximum, as specified in contractual agreements.

Postemployment Healthcare Benefits

The Authority provides health care benefits for eligible retired employees and certain dependents. Prior to fiscal 2009, the Authority recognized the cost of these benefits on a pay-as-you-go basis. For the year ended March 31, 2009, the Authority adopted GASB Statement No. 45 – Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions (GASB 45). This pronouncement establishes standards for the measurement, recognition, and display of other postemployment benefits (OPEB) expenses and related liabilities, note disclosures, and required supplementary information (Note 7).

Net Assets

- Invested in capital assets – consists of net capital assets typically reduced by outstanding balances of any related debt obligations attributable to the acquisition, construction, or improvement of the assets; however, the Authority has no outstanding debt at this time.
- Restricted net assets – consists of net assets subject to externally imposed restrictions by creditors (such as through debt covenants), federal or state laws or enabling legislation. Currently, there are no restricted net assets.
- Unrestricted – consists of all other net assets that do not meet the definition of the above restrictions and are available for general use of the Authority.

Operating Revenues

The Authority derives passenger revenues from farebox rider payments and the advance sale of transit passes. Amounts received from these advance sales are credited to deferred revenue at the time of sale. As passes are redeemed, passenger revenue is recognized. Deferred passenger revenue represents the face value of unexpired transit passes at year end. Access revenues are primarily comprised of revenues earned from facilitating transportation services for Medicaid qualified individuals. Rail station parking and rental revenues are comprised of parking receipts and rentals earned at the Authority's Rensselaer and Saratoga Rail Stations.

Capital Contributions

Capital contributions are derived from capital project grants and other resources which are restricted to capital asset acquisition or construction. The Authority recognizes capital contributions arising from capital project grants when earned (generally when the related capital expenditure is made). Capital project grants generally require the Authority to match a certain percentage of the capital project grant funds.

3. Cash and Investments:

The Authority has a written investment policy that applies to all its investments. The policy allows for the following investments:

- Certificates of Deposits in banks doing business in New York State which are also members of the Federal Deposit Insurance Corporation (FDIC)
- Deposits in money market accounts in banks specified above
- Money market funds that invest exclusively in obligations of the United States Government or one of its agencies
- Obligations of the State, the United States Government or Agencies of the United States Government, or obligations guaranteed as to principal and interest by one of these entities

The amount of investments by type and maturity at March 31, 2010 and 2009 are presented below:

March 31, 2010					
Investment type	Fair value	% of total	Maturities (in Years)		
			Less than 1	1-5	5-9
U.S. Treasury notes	\$ 199,922	0.8%	\$ 199,922	\$ -	\$ -
Federal Agency notes	13,274,516	53.1%	1,592,777	3,624,163	8,057,576
Money market funds	11,505,411	46.1%	11,505,411	-	-
	\$ 24,979,849	100.0%	\$ 13,298,110	\$ 3,624,163	\$ 8,057,576

March 31, 2009					
Investment type	Fair value	% of total	Maturities (in Years)		
			Less than 1	1-5	5-9
U.S. Treasury notes	\$ 427,870	1.7%	\$ 427,870	\$ -	\$ -
Federal Agency notes	12,444,485	50.0%	1,921,034	5,005,843	5,517,608
Money market funds	12,013,453	48.3%	12,013,453	-	-
	\$ 24,885,808	100.0%	\$ 14,362,357	\$ 5,005,843	\$ 5,517,608

The Authority limits its investments to those investment banks or firms and brokers who have been in business for over five years, have invested over \$500 million in assets for their clients at the time of any investment made by the Authority, and have demonstrated a proven record of returns for their clients, in the past and present, that are above the rates of inflation.

Investments are designated for the following purposes:

	2010	2009
Operating	\$ 6,009,505	\$ 6,455,736
Vehicle replacement	2,069,314	1,326,711
Capital projects and local match	3,273,316	3,789,399
Risk retention	6,228,701	6,061,641
Workers' compensation self-insurance	7,399,013	7,252,321
Total investments	\$ 24,979,849	\$ 24,885,808

- Operating reserve: funds reserved for future operating contingencies
- Vehicle replacement reserve: funds reserved for the future replacement of vehicles
- Capital projects and local match reserve: funds reserved to pay for future capital projects and provide the local share to match federal and state grant funds
- Risk retention reserve: funds reserved to provide funding to cover potential future self-insurance liability claims
- Workers' compensation self-insurance reserve: funds reserved to pay for future workers' compensation self-insurance claims and any retroactive premiums that come due on previous workers' compensation plans maintained with an insurance carrier

Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. As of March 31, 2010 and 2009, none of the Authority's bank deposits were exposed to custodial credit risk.

4. Capital Assets:

	April 1, 2009	Additions	Reclassifications and Disposals	March 31, 2010
Capital assets not being depreciated:				
Land and improvements	\$ 1,529,981	\$ -	\$ -	\$ 1,529,981
Construction-in-progress	264,991	55,279	-	320,270
	<u>1,794,972</u>	<u>55,279</u>	<u>-</u>	<u>1,850,251</u>
Capital assets being depreciated:				
Building and improvements	84,926,052	1,549,667	-	86,475,719
Revenue equipment	96,193,780	11,982,120	(3,575,098)	104,600,802
Service equipment and vehicles	3,984,892	13,240	-	3,998,132
Furniture and fixtures	12,174,365	1,329,287	-	13,503,652
Total depreciated assets	<u>197,279,089</u>	<u>14,874,314</u>	<u>(3,575,098)</u>	<u>208,578,305</u>
Less accumulated depreciation:				
Building and improvements	(24,548,560)	(2,610,225)	-	(27,158,785)
Revenue equipment	(64,517,258)	(7,473,926)	3,418,844	(68,572,340)
Service equipment and vehicles	(2,539,016)	(188,304)	-	(2,727,320)
Furniture and fixtures	(2,755,680)	(1,437,915)	-	(4,193,595)
Total accumulated depreciation	<u>(94,360,514)</u>	<u>(11,710,370)</u>	<u>3,418,844</u>	<u>(102,652,040)</u>
Total depreciated assets, net	<u>102,918,575</u>	<u>3,163,944</u>	<u>(156,254)</u>	<u>105,926,265</u>
Total capital assets, net	<u>\$ 104,713,547</u>	<u>\$ 3,219,223</u>	<u>\$ (156,254)</u>	<u>\$ 107,776,516</u>

	April 1, 2008	Additions	Reclassifications and Disposals	March 31, 2009
Capital assets not being depreciated:				
Land and improvements	\$ 1,529,981	\$ -	\$ -	\$ 1,529,981
Construction-in-progress	8,400,197	457,876	(8,593,082)	264,991
	9,930,178	457,876	(8,593,082)	1,794,972
Capital assets being depreciated:				
Building and improvements	82,928,176	1,997,876	-	84,926,052
Revenue equipment	87,508,841	12,018,086	(3,333,147)	96,193,780
Service equipment and vehicles	3,851,432	133,460	-	3,984,892
Furniture and fixtures	2,791,623	9,382,742	-	12,174,365
Total depreciated assets	177,080,072	23,532,164	(3,333,147)	197,279,089
Less accumulated depreciation:				
Building and improvements	(21,926,912)	(2,621,648)	-	(24,548,560)
Revenue equipment	(60,082,307)	(7,175,977)	2,741,026	(64,517,258)
Service equipment and vehicles	(2,323,209)	(215,807)	-	(2,539,016)
Furniture and fixtures	(2,128,987)	(626,693)	-	(2,755,680)
Total accumulated depreciation	(86,461,415)	(10,640,125)	2,741,026	(94,360,514)
Total depreciated assets, net	90,618,657	12,892,039	(592,121)	102,918,575
Total capital assets, net	\$ 100,548,835	\$ 13,349,915	\$ (9,185,203)	\$ 104,713,547

5. Public Support and Operating Assistance:

The Authority's operations are funded primarily by farebox revenues from passengers and operating subsidy payments from the Federal Transit Administration (FTA) under Sections 5307 and 5309 of the Urban Mass Transportation Administration (UMTA) Act; Federal Department of Transportation; New York State; and Albany, Rensselaer, Schenectady and Saratoga Counties.

In addition to FTA funding, other non-operating revenues include the gross receipts tax, which is imposed by New York State on gas and oil companies and allocated to public transportation operators, and the mortgage recording tax, which is a tax imposed on substantially all mortgages granted within the Capital District Transportation District and collected by the various counties. Public support and operating assistance recognized for the years ended March 31, 2010 and 2009 was:

	2010	2009
Federal:		
Preventive maintenance	\$ 9,395,720	\$ 6,938,240
Other	5,895,258	1,982,993
Total FTA	15,290,978	8,921,233
New York State:		
Public transit operating assistance	4,640,883	4,732,828
Gross receipts tax	27,497,369	29,265,013
Total New York State	32,138,252	33,997,841
Albany County:		
Mortgage recording tax	3,326,092	3,558,984
Operating assistance	1,075,437	1,075,437
Total Albany County	4,401,529	4,634,421
Rensselaer County:		
Mortgage recording tax	1,508,273	1,593,272
Operating assistance	446,661	446,661
Total Rensselaer County	1,954,934	2,039,933
Schenectady County:		
Mortgage recording tax	1,394,208	1,462,657
Operating assistance	316,305	316,305
Total Schenectady County	1,710,513	1,778,962
Saratoga County:		
Mortgage recording tax	3,863,160	3,648,860
Operating assistance	78,597	78,597
Total Saratoga County	3,941,757	3,727,457
	\$ 59,437,963	\$ 55,099,847

6. Advances to Capital District Transportation Committee:

In accordance with an agreement between the Authority and the New York State Department of Transportation, the Authority functions as the “host agency” for the Capital District Transportation Committee (CDTC). As designated by this agreement, CDTC is the Capital District Regional Transportation Metropolitan Planning Organization and, as such, is the recipient of various Federal and State funded grants relating to regional transportation planning. The Committee’s board is composed of elected and appointed officials from each of the four counties; from each of the eight cities in the four counties; from the New York State Department of Transportation; the Capital District Transportation Authority; the Capital District Regional Planning Commission; and a member representing the area’s towns and villages. The Authority has no budgetary oversight and no responsibility for CDTC’s deficits or debts.

The Authority’s agreement with CDTC provides that the Authority assume certain responsibilities relating to grant management and accounting functions. Additionally, the Authority advances CDTC periodic working capital funds. Such advances, which do not bear interest, total \$613,534 and \$472,490 at March 31, 2010 and 2009.

The Authority’s financial statements do not include the assets, liabilities, revenues or expenses of CDTC.

7. Postemployment Healthcare Benefits:

The Authority provides postemployment health care benefits for retirees meeting eligibility requirements based on date of hire, attainment of retirement age, and years of service. Benefits are provided in the form of insurance premium payments for coverage of eligible retirees and spouses. Employees retiring after January 1, 2007 contribute 10-15% of premiums, while employees retiring prior to January 1, 2007 are provided full coverage. Surviving spouses are entitled to continue coverage by paying 100% of the premiums. Benefit provisions and retiree contribution rates are determined through negotiations between the Authority and its employees or the collective bargaining units that represent its employees.

As stated in Note 2, the Authority adopted GASB 45 for the year ended March 31, 2009. The objective of this statement is to improve the faithfulness and usefulness of financial information presented with respect to postemployment benefits other than pensions (OPEB). This pronouncement requires that the Authority recognize the cost of these benefits during the periods when employees render the services that will ultimately entitle them to the benefits, rather than continuing to use the pay as you go method. This cost is referred to as the annual required contribution (ARC) and includes the following components:

- amortization of the unfunded actuarial accrued liability (UAAL) for the current year, the UAAL being the actuarially determined and unfunded present value of all future OPEB costs associated with current employees and retirees as of the beginning of the year
- the actuarially-determined cost of future OPEB ascribed to, or “earned,” in the current year (normal cost)

The ARC represents an amount that, if funded each year, would ultimately satisfy the UAAL at the end of the amortization period (the Authority is using the maximum period allowed by GASB No. 45 of 30 years) as well as each year’s normal cost during that timeframe. A liability is recognized to the extent that actual funding is less than the ARC. This liability is reflected on the balance sheets as other postemployment benefits. The Authority’s Board of Directors has the authority to establish a funding policy for the plan. The current policy is to fund the plan to the extent of premium payments and reimbursements on the “pay as you go” basis.

The following table summarizes the Authority's ARC, the amount actually contributed, and changes in the Authority's net OPEB obligation for the years ended March 31, 2010 and 2009:

	2010	2009
Annual requirement contribution		
Normal cost	\$ 3,447,802	\$ 3,315,194
Amortization of UAAL	4,156,821	3,905,507
Annual required contribution	7,604,623	7,220,701
Interest on OPEB obligation	223,172	-
ARC adjustment	(100,475)	-
Annual OPEB cost	7,727,320	7,220,701
Contributions made	(1,438,974)	(1,641,396)
Increase in OPEB obligation	6,288,346	5,579,305
Net OPEB obligation - beginning of year	5,579,305	-
Net OPEB obligation - end of year	\$ 11,867,651	\$ 5,579,305

The Authority's annual OPEB cost, the percentage of OPEB cost contributed to the plan, and the net OPEB obligation for 2010 and 2009 were:

Year Ended	OPEB Cost	OPEB Cost Contributed	OPEB Obligation
March 31,			
2010	\$ 7,727,320	18.6%	\$ 11,867,651
2009	\$ 7,220,701	22.7%	\$ 5,579,305

The actuarial analysis supporting the GASB 45 implementation was completed using valuation dates of April 1, 2009 and 2008, and a measurement date of April 1, 2008. As of March 31, 2010, the total unfunded actuarial accrued liability for future benefits was \$85,735,192, all of which is unfunded.

The annual payroll of employees eligible to be covered was \$32,167,392, thus the ratio of the UAAL to covered payroll was 267%. The schedule of funding progress presented as required supplementary information (RSI) following the notes to the financial statements, presents multiyear trend information about whether the actuarial values of plan assets are increasing or decreasing over time relative to the UAALs for benefits.

The actuarial valuation involves estimates of costs and the impact of events far into the future. Examples include employee turnover and retirement rates, employee and retiree mortality, and changes in health care costs and interest rates. The benefits will be subject to routine actuarial revaluations in future years and these analyses will reflect revised estimates and assumptions as actual results are compared to past projections and expectations of the future. Similarly, the April 1, 2009 and 2008 valuations reflected benefits and cost sharing in effect at the time. Any changes in these factors will impact the results of future valuations.

The actuarial calculations reflect a long-term perspective and utilize techniques designed to reduce short-term volatility in actuarial accrued liabilities. A summary of the methods and assumptions is provided below:

Healthcare cost trend: 8 - 10.5% next year, ultimately declining to 5% in 2018

Actuarial cost method: Projected unit credit

Amortization method: 30 years, open, level dollar method

Discount rate: 4%

Mortality: RP-2000 Mortality Table for males and females

8. Retirement Plans:

Employees of the Authority

The Authority participates in the New York State and Local Employees’ Retirement System (ERS), which is a cost-sharing multiple employer, public employee retirement system. ERS provides retirement benefits as well as death and disability benefits. The New York State Retirement and Social Security Law govern obligations of employers and employees to contribute and provide benefits to employees. ERS issues a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, New York, 12244.

ERS requires employee contributions of 3% of salary except for those who joined ERS before July 1976, or have greater than 10 years of service. Members joining the system after January 1, 2010 contribute 3% of their gross salary during the length of employment. The Comptroller annually certifies the rates expressed as a percentage of the wages of participants used to compute the contributions required to be made by employers to the pension accumulation fund.

The required contributions over the past three years were:

	Contribution	
	Contribution	Rates
2010	\$ 391,549	7.0 - 9.3%
2009	\$ 317,906	8.0 - 10.8%
2008	\$ 284,442	8.9 - 12.1%

The Authority’s contributions made to ERS were equal to 100% of the amounts required for each year.

Deferred Compensation

The Authority offers its employees participation in the Deferred Compensation Plan for Employees of New York State (the Plan). The Plan, which is available to all Authority employees, permits participants to defer a portion of their salary until future years. Amounts deferred under the Plan are not available to employees until termination, retirement, death or unforeseeable emergency. Plan assets and liabilities are not included in these financial statements.

Employees of Operating Subsidiaries

Union employees of the Authority’s operating subsidiaries are covered by various pension plans that are sponsored by unions that represent those operating subsidiary employees. The Authority contributes to the plans based on negotiated benefits determined under various union agreements. Under these negotiated benefits, all employees having attained 60 days of service are eligible to participate in the Plans. Both the Authority and its employees contribute on a weekly basis. The Authority’s contributions to the Plans equal amounts recorded for pension expense and approximated \$1,853,000 and \$1,725,000 for the years ended March 31, 2010 and 2009.

9. Commitments and Contingencies:

Risk and Risk Management

The Authority is subject to certain business risks that could have a material impact on future operations and financial performance. These risks include economic conditions, collective bargaining disputes, federal, state and local government regulations and changes in law.

The Authority is also exposed to various risks of loss related to torts; damage to, theft of and destruction of assets; errors and omissions; natural disasters and employee injuries. To limit its exposure, the Authority purchases a variety of insurance policies, subject to specific deductibles and coverage limits.

Self-insured Claims

The Authority assumes liability for certain risks including personal injury and workers' compensation claims. Additionally, the Authority has specific excess workers' compensation insurance from a commercial insurer to cover claims made in excess of the coverage limits. Estimated liabilities for claims that are not covered by insurance have been reflected in the financial statements. Claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. These losses include an estimate of claims that have been incurred but not reported. At March 31, 2010, the amount of these liabilities was \$7,496,000 for workers' compensation claims included in accrued liabilities on the accompanying balance sheets and \$1,557,000 for liability claims. These liabilities are the Authority's best estimates based on available information. Changes in the reported liability since March 31, 2010 resulted from the following:

Fiscal Year	Liability at Beginning	Current- Year		Liability at End
		Claims and Changes in Estimates	Claim Payments	
Workers' Compensation				
2010	\$ 6,662,000	\$ 2,450,000	\$ 1,616,000	\$ 7,496,000
2009	5,945,000	2,224,000	1,507,000	6,662,000
Liability				
2010	1,505,000	539,700	487,700	1,557,000
2009	1,561,000	455,000	511,000	1,505,000

Grants

The Authority receives financial assistance from federal and state agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with the terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the Authority. Based on prior experience, Authority management expects any such amounts to be immaterial.

Litigation

The Authority is involved in legal proceedings, which, in the opinion of management, will not have a material adverse effect upon the financial position of the Authority.

CAPITAL DISTRICT TRANSPORTATION AUTHORITY

Required Supplementary Information (Unaudited)
 Schedule of Funding Progress for Other Postemployment Benefits

Actuarial Valuation Date	Actuarial Value of Assets (a)	Unfunded Actuarial Accrued Liability (UAAL) (b)	Excess (Deficiency) of Assets over UAAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b- a)/c)
4/1/2009	\$ -	\$ 85,735,192	\$ (85,735,192)	0%	\$ 32,167,392	267%
4/1/2008	\$ -	\$ 71,879,884	\$ (71,879,884)	0%	\$ 31,590,930	228%

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

The Board of Directors
Capital District Transportation Authority
Albany, New York

We have audited the financial statements of the Capital District Transportation Authority (the Authority) (a component unit of the State of New York) as of and for the year ended March 31, 2010, and have issued our report thereon dated May 21, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Authority's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the basic financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control over financial reporting.


A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the financial statements will not be prevented or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's basic financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

This report is intended solely for the information and use of management, Board of Directors, the New York State Department of Transportation, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



May 21, 2010

we ride with pride

CDTA's focus on employee opportunity, retention, recruitment and recognition has positioned the organization as an employer of choice in the Capital Region and an acknowledged leader in the industry.

Carm Basile Selected as Chief Executive Officer

CDTA is a place to build a career—providing opportunities for dedicated employees to advance. The new Chief Executive Officer is a great example. Carm Basile has spent his entire professional career at CDTA, joining CDTA in 1981 as a Transportation Planner and advancing to positions in service planning, strategic planning, marketing and business development. Under his leadership, CDTA implemented the iride branding campaign, designed the award-winning SimpleFare program, completed the organizations' Transit Development Plan and coordinated the agency's Strategic Business Plan. Basile asserts the foundation of CDTA's success is its employees who deliver services and programs that make transit a natural choice for everyone in the Capital Region.

Stackrow Earns Leadership Award

CDTA Chairman Dave Stackrow received the 2009 Outstanding Public Transportation Board Member Award from the American Public Transportation Association (APTA) for his outstanding contributions to the public transportation industry. Stackrow has served on the CDTA Board since 1995, with the past eight years as Board Chair. He has led the transformation of CDTA from bus company to mobility leader, by advocating for projects that attract more riders, improve accessibility, and enhance the role of transit in the Capital Region.

Some of the initiatives led by Stackrow include:

- Introduction of Simplefare, a program that changed the way fares are structured, making it easier to understand, use and to pay for.
- Delivering professional opportunities and improved labor relations through the Project Empire Career Ladder Training Program.
- Launch of new iride branding and marketing campaign.
- Launch of Go Green initiatives using hybrid buses and biodiesel fuel to provide improved energy efficiency, better air quality, and reduced independence on foreign oil.

CDTA Wins National Ridership Award

CDTA received the 2009 Federal Transit Administration (FTA) Annual Award for Success in Enhancing Ridership for innovative actions to attract new groups of riders. Awards are based on a demonstrated connection between the initiative and the ridership gain, as well as total ridership gain. CDTA ridership increased 8% from fiscal year 2007 to 2008, 11% from 2008 to 2009 and 21% between 2006 and 2009.

CDTA Celebrates Workplace Diversity Award

CDTA was presented with the 2009 Capital Region Human Resource Association (CRHRA) Top Five Spectrum Award: A Celebration of Workplace Diversity Award. The CRHRA diversity committee honors Capital Region businesses that demonstrate respect for diversity in the workplace and foster a wholly inclusive environment. CDTA employs a very diverse workforce and recently implemented a training program to promote diversity within its workplace and among the people it serves in the community.

CDTA Rates High in Reliability and Rider Satisfaction

CDTA's 2009 survey revealed that 94% of respondents are satisfied or very satisfied with our service. 100% of NX Express customers and 93% of riders of express routes expressed satisfaction with their service. CDTA reliability scored high praise, with 96% of customers rating service as reliable or very reliable. 100% of NX riders and 97% of express customers rated the commuter service as reliable or very reliable.

CDTA Employees Place First in Statewide Transit Competitions

Operator Keith Strait scored a "first place" win in the 22nd Annual CDTA Bus Roadeo driving competition held on June 17, 2009 at the UAlbany Campus. Strait, a 24 year employee from the Schenectady Division, placed second in the 2005, 2007 and 2008 competitions. He also placed 3rd in 2000 and in 2004. Top finishers go on to represent CDTA in the New York State Roadeo competition.

The CDTA Team placed first in the inaugural New York State Maintenance Bus Roadeo competition held November 20, 2009 at the CDTA's Training facility. The competition, organized by CDTA and hosted through the New York Public Transportation Association (NYPTA), fosters excellence in bus maintenance and repair. Participating transit authorities included CDTA, MTA NYC Transit and MTA Bus Company. CDTA Team Members include Phil Jordan and Eric Hermance from the Albany Division and Robert Vansteenburgh from the Troy Division. Winners of the State competition go on to represent their Transit Authority at the American Public Transportation Association (APTA) International Maintenance Roadeo.

CDTA Customer Service Representative Natarshal Miles placed first in the first annual NYPTA Call Center Challenge at its annual fall conference on November 19, in Albany. Five New York Transit agencies participated in the Challenge, which showcases the talents of "behind the scenes" call center transit employees from across New York State.

CDTA Customers Speak Up About Benefits of Transit

Several of CDTA's loyal customers went public to share their personal connections to transit.

The iRide "Voices" Campaign features CDTA customers who volunteered to be profiled in video interviews and in print ads, discussing the role of transit in their everyday lives—saving money, going green and connecting to jobs, recreation and friends.

CDTA customer Justin Cerone of Saratoga Springs went behind the camera and won the CDTA iride arts YouTube video contest with his lively submission: iride CDTA "Catch Our Rhythm." Cerone's winning entry was showcased at the Ballston Spa Film Festival, and continues to be featured on YouTube and CDTA's website.

we ease the ride

CDTA strengthens connections to transit information and enhances services, providing a better experience for our customers.

Customer Input Guides Web site Redesign

CDTA's newly redesigned Web site offers interactive high-tech tools to enhance service through improved communications with its 14 million riders. Created with input from customers and stakeholders, the site integrates technologies and social networking features to provide online trip planning capabilities, Twitter and RSS feeds that offer up-to-the-minute service alerts. Improved functionality makes information more accessible to individuals with disabilities.



A new applications center features freely available tools that use CDTA schedule and route data. This includes applications for trip planning via text messaging, links to Web sites like “Google Transit” and NY511, and iPhone and mobile applications allowing customers to plan trips and request bus schedule information via cell phones or PDAs. CDTA debuted its free iPhone Application called CDTA iRide. This “app” plans your trip, calculates fares, finds nearby stops, and shows scheduled arrivals—making CDTA even easier to use.

CDTA Goes Wireless on the Northway

CDTA introduced free wireless internet service on its Northway Commuter Xpress (NX) service. NX's fleet of 15 buses is equipped with wireless internet service that enables customers to connect their laptop or PDA to the internet during their commute between Saratoga and Albany. NX ridership has grown by 25% over the last few years, serving more than 230,000 commuters annually (compared with 170,000 in 2006).

New Call Center Opens

CDTA's new consolidated call center at 85 Watervliet Avenue opened in September, merging all customer service functions under one roof—and maximizing operational efficiency for CDTA customer relations personnel. The consolidated center brings services needed to support customers together in a single location, increasing convenience for CDTA's riders.

New Full Service Sales Outlet Location in Albany

CDTA opened a new full-service Sales Office at 85 Watervliet Avenue in Albany. This new location is at a bus stop, providing a convenient location for CDTA customers. The new full service outlet sells all CDTA fare products.

we deliver savings

CDTA promotes the fiscal benefits of choosing transit. Despite a difficult economy, CDTA delivers increased value for transit customers.

Price Chopper shoppers earn discounts on CDTA passes.

CDTA partnered with the Golub Corporation, owners of the Price Chopper Supermarket chain, to develop the “CDTA AdvantEdge” program, offering frequent shoppers discounts on bus passes. CDTA AdvantEdge is an cumulative savings/reward program modeled on the supermarket’s popular Fuel AdvantEdge program, but with an emphasis on transit. For every \$50 spent at Price Chopper, customers earn a \$2.00 discount off CDTA fare products. The value-added program, which began as a three-month pilot program, was very popular with customers and is expected to be extended.



31-Day Swiper Offers Value and Flexibility

CDTA began sales of its newest prepaid fare product in June 2009. Available in retail outlets and online, the new 31-Day Rolling Swiper is activated with the first use, and offers the customer unlimited trips for 31 consecutive days. The 31-Day Swiper offers the value of the 7-Day Swiper, with the flexibility of purchasing the cards at any time during the month.



We Serve Our Communities

CDTA transit services strengthen economically vibrant communities, connecting people to employment, education, shopping and recreational opportunities.

Free Passes for Homebuyers

CDTA partners with the New York State Office of Mental Retardation and Developmental Disabilities “Home of Your Own” Program to assist people with developmental disabilities strengthen their connection to the larger community. Through the “Homeowner’s Transit Use Incentive Program,” qualified homebuyers receive, unlimited-access CDTA transit passes and travel training assistance when they purchase a home in the Capital Region. The program is also open to income-qualified guardians or family members and direct support professionals. The funding for this program is provided through CDTA’s Transportation Demand Management Program (TDM).

In addition to OMRDD, CDTA has established partnerships with seven agencies to develop their own customized Homeowners Transit Use Incentive Program. They include Albany Housing Partnership, Albany Local Development Corporation, Better Neighborhoods, Inc., Schenectady Homeownership Program, South End Improvement Corp., and the Troy Rehabilitation & Improvement Program (TRIP), in addition to the Office of Housing Initiatives and Supports.

CDTA Administers New Freedoms Grant Projects

New Freedoms federal grants encourage public transportation services that go beyond those currently required by the American Disabilities Act of 1990. CDTA works with Capital Region community groups to initiate new mobility programs such as:

- Catholic Charities and Schenectady Ridge Services Association for Retarded Citizens /ARC sought to improve transportation services for their clients. The groups collaborated to win a grant for scheduling/routing software and they have established a pilot program for weekend transportation service coordinated with software acquired through the grant.
- The City of Watervliet envisioned a circulator service that would enable residents living at senior complexes in Watervliet and Green Island to reach businesses, shopping centers and connect to CDTA services. The City received a grant to purchase a shuttle and worked with CDTA to coordinate the service.
- Accessible Taxis outfitted to transport up to three wheelchairs or 12 passengers will be delivered shortly, through a grant that will provide wheelchair users with additional mobility options. The Dodge Caravan Taxis will be owned by CDTA and operated by one or more local taxi providers.

CDTA Hosts English Language Program

Learning english is often the key to success for immigrants, easing their transition into new lives, facilitating employment—and ultimately strengthening the connection to their new community. The English Language Learner program is a joint partnership of the CDTA/ATU Project Empire collaboration and the Capital Region Career Technical School. The school administers the ELL program, which is funded through a federal grant run by New York State. Weekly classes, open to adults over the age of 21, are held at CDTA’s Technical Training Center, providing a convenient, accessible location for participants.

Shuttle Service Supports Community Events

CDTA supports Capital Region communities by providing service to help reduce traffic congestion and provide attendees with easy access to events. CDTA provided support service to events such as:

- Disney® Christmas Carol Train exhibit at the Rensselaer Rail Station
- Saratoga First Night celebrations
- Martin Luther King, Jr. Holiday Observance Ceremony at the Empire State Plaza
- NCAA Hockey Tournament at the Times Union Center in Albany in March.
- New York State High School Wrestling Championships at the Times Union Center

we connect the region

CDTA promotes regional mobility by strengthening connections within its system and among all travel modes.

Schenectady Service Changes Enhance Efficiency, Support Future Improvements

For the past two years, we have worked with employees, customers and stakeholders to develop a service improvement plan for Schenectady. The Schenectady restructuring, makes service more efficient and understandable while improving connections between neighborhoods and major destinations. New cross-town routes reduce the need for transfers and provide customers with one-seat rides to their destinations. Bus service is now available later in the evening, accommodating shift workers. Additionally, the changes support BusPlus (Bus Rapid Transit) operations between Schenectady and Albany and provide a framework for further service improvements, such as 7- day operation and late evening service, when additional funding is available.

Route Changes and Bus Stop Consolidations Streamline Service

To increase operational efficiency and reduce expenses, we instituted route changes in Albany and Rensselaer, focusing on lightly used routes or routes that operate in close proximity, allowing for service consolidations. In all, we trimmed 27,000 service hours from schedules. As part of this effort, we evaluated bus stops throughout the service area to identify those that could be discontinued with minimal impact to customers. Consolidating bus stops reduces travel-times and improves on-time performance along routes. Spacing bus stops at measured intervals along routes also improves traffic flow.

BusPlus Gaining Visibility

Progress toward new BusPlus service is evident along the busy 17-mile Route 5 corridor between Schenectady and Albany. CDTA, NYSDOT, the City of Albany and the City of Schenectady are working together to complete site work for the upgraded BusPlus shelters along Route 5. We completed our first BusPlus shelter on Central Avenue at the West Mall and plan to install 13 more of the distinctive stations in the next year.

American Recovery and Reinvestment Act funds will enable NYSDOT to improve the pavement condition and enhance transit operations on the corridor by resurfacing a total of 17 miles along Route 5. When complete, BusPlus service will improve accessibility, encourage smart growth opportunities, enhance economic development initiatives, and support sustainability.



we enhance the environment

CDTA environmental initiatives save energy, reduce emissions and enhance operational efficiency.

TIGGER Grant Funds Hybrid Bus Conversion

CDTA won \$3.5 million in economic stimulus funds from the federal government to help it convert to diesel-electric hybrid buses. This extra support, made possible through the "Transit Investments for Greenhouse Gas and Energy Reduction" grant program, covers the incremental costs to convert 19 diesel electric buses to hybrid. The grant is for "cutting-edge environmental technologies to help reduce global warming". CDTA was one of 43 transit agencies chosen in the nationwide competition to receive this funding. We have 40 new buses on order that are hybrids or clean-fuel diesel. CDTA's green fleet is popular with riders who want to be part of the effort to reduce greenhouse gases.

Grant Provides Free Bike Racks

Despite a growing interest in alternative commuting—and the addition of bike racks on all CDTA buses, the lack of bike racks at destinations around the Capital Region discourages many from biking to work. To encourage people to ride their bikes to work and to combine transit with bicycling, CDTA and the Capital District Transportation Committee are offering subsidies to businesses and other organizations to install bike racks throughout the Region. The racks were provided free to public and nonprofit sectors, while private sector businesses and employers received a 50% subsidy. The Capital Region Bike Rack Program is a new addition to Travel Demand Management (TDM) strategies administered by CDTA and CDTC using federal funds from the Congestion Management and Air Quality (CMAQ) program.



CDTA launches iRide, iShop, iCare Celebration for Earth Days

CDTA joined with local green markets to promote transit and environmentally-friendly shopping options during our iRide, iShop, iCare Earth Days Celebration, April 18-26. CDTA riders and shoppers received eco-friendly reusable tote bags and entered our iRide Green raffle for a chance to win a buy local gift basket or certificate, as well as CDTA 10 trip passes. In other festivities, CDTA Travel Trainers staffed a booth at the New York State Department of Transportation Earth Day event and showcased a new CDTA hybrid bus.

CDTA Supports Leave Your Car Home Week

CDTA participated in Skidmore College's annual "Leave Your Car Home" week in September 2009, by offering free 31-Day Rolling Passes. This event raises awareness of public transportation as an effective way to reduce one's carbon footprint.

■ we protect our investment

Crossgates Mall Gets New Waiting Area

CDTA replaced the ten year old shelter at Crossgates Mall, where we serve up to 750 customers every day at one of its busiest stops. The new shelter is the first to feature the identifiable CDTA iride branding scheme. Shelter construction was completed in approximately four weeks, with the stop remaining operational throughout. Improvements include upgraded LED lighting for better safety and security and upgrades to pedestrian crossings including a new 12-foot concrete bus pad, new walkway, high visibility crosswalks and detectable warning strips for the visually impaired.



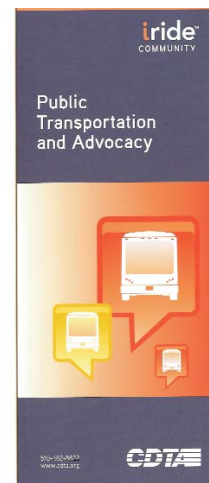
Workplace Safety Improves by 50%

In 2008, CDTA initiated a comprehensive process to improve safety in the workplace and reduce worker injuries. The approach concentrates on three broad areas: Employee training and awareness, employee accountability, and maintenance and procurement. The results for the first full year are impressive. The frequency of injury dropped over 40% and severe injuries dropped over 50% from 2007 levels.

CDTA employees play an important role in improving workplace safety. In addition to following all safety rules and protocols, employees are responsible to identify and report hazards in the workplace and work to eliminate them. Safety is a team effort and our employees do their part to improve safety and reduce operational costs.

CDTA Customers Advocate for Transit

Although no one wants to pay more, CDTA customers understand the effects of reduced state and federal funding. In response to customer requests, CDTA created a pamphlet on advocating for transit to assist riders in speaking out for better support of these vital services. As the current decline in federal and state spending persists, CDTA encourages customers to advocate for transit funding.





Did You Know?
Public transit strengthens business

A \$10 million capital investment in public transportation can return up to \$30 million in business sales.
(American Public Transit Association)

CDTA snapshot

General Information:

Counties Served: Albany, Rensselaer, Saratoga,
Schenectady

Consolidated Budget, 2009-2010: \$73.5 million

Customer Revenue (annually): \$13 million

CDTA Employees: 700
 Size of service area (square miles): 2,300
 People living within ¼ mile of bus service: 389,517
 Percent of people living within ¼
 mile of bus service: 50.6
 Service area population: 769,000

Operating and Service Details:

Total Number of Vehicles 306
 Fixed Route Vehicles 234
 Hybrid- Electric Vehicles 50
 (included in 234)
 Paratransit Vehicles (STAR) 36
 Shuttle Vehicles 22
 NX Commuter Coaches 14
 Number of Bus Routes 56
 (not including rural or seasonal)
 Annual Vehicle Miles 10 million
 Annual Fuel Consumption (gallons) 2.2 million

Bus Stops 3,135
 Passenger Shelters 240
 Park and Ride Lots 20
 Available Parking Spaces 1,300

Ridership Statistics (FY 2009-2010)

Total Ridership 13,803,000 million
 • Fixed Route 13,394,000
 • NX 186,000
 • STAR 223,000
 ADA-certified customers 4300
 Average Weekday Boardings 45,000
 Bikes on Buses 38,445
 Annual Wheelchair Boardings Fixed Route 14,435

Information Sources and Statistics:

Customer Information Center 482-8822
 STAR Reservation Center 482-2022
 Access Reservation Center 459-8747

Total Calls Answered Annually 648,000

CDTA Web site www.cdta.org
 Web site Visits Annually 1.2 million

Operating Facilities

Administrative Headquarters and
 Maintenance Facility
 110 Watervliet Avenue
 Albany, 12206

Satellite Garage
 2401 Maxon Road
 Schenectady, 12308

Satellite Garage
 40 Hoosick Street
 Troy, 12180

Consolidated Call Center
 85 Watervliet Avenue
 Albany, 12206

Rail Stations

Rensselaer Rail Station
 CDTA Board Room and Business
 Development Office
 525 East Street
 Rensselaer, 12144

Saratoga Springs Train Station
 Station Lane
 Saratoga Springs, 12866

■ we look ahead

The challenges of the past year have strengthened our resolve to be the premier mobility provider in the Capital Region. Through efficient management of our resources combined with service adjustments to enhance efficiency, we will continue to deliver high-quality transportation solutions that position the region for future growth and economic opportunity. In the year ahead, we plan to:

Make transit service cost effective to encourage a new generation of riders by introducing a new fare product designed to meet the needs of the Capital Region's students.

Collaborate with local businesses to create and implement programs that add value and increase savings for customers, such as our successful CDTA AdvantEdge program with PriceChopper.

Install BusPlus stations and totems along Route 5 and specially-branded hybrid buses will arrive in the Capital Region, bringing the region's Rapid Transit to launch.

Shine a light on CDTA's commitment to environmental initiatives with the installation of solar-powered bus stops along the Route 5 corridor.

Advance infrastructure projects that will offer long-term benefits to our region, constituents and our customers.

- o Saratoga Bus Facility—We will continue to advance the development of a bus garage on an 11-acre site in the City of Saratoga Springs that will support bus operations in Saratoga County. The proposed facility will house a 50-bus fleet and provide preventive and minor maintenance and fueling services. In addition to indoor bus storage, the proposed facility will include operator locker rooms, a fitness area, a bus wash and administrative offices.
- o Albany Intermodal Center—construction of a downtown transit hub.
- o Schenectady Intermodal Station—completed design centered on creating a new, practically-scaled station complex with improved platforms and customer access. Planned station features include improvements to the existing station and the addition of new amenities and retail spaces.



about CDTA

The Capital District Transportation Authority (CDTA) was created in 1970 by the New York State Legislature, as a public benefit corporation, to provide regional transportation services by rail, bus, water and air. Today's CDTA is the premier mobility provider in the Capital Region, operating regular route bus service, shuttle systems and paratransit services. CDTA owns and operates the Rensselaer Rail and Saratoga Springs Train Stations. CDTA also operates the Northway Commuter Service between Saratoga County and downtown Albany.

Today, over 700 people work at CDTA to deliver a transit system that serves more than 800,000 people who live and work in the region, transporting close to 45,000 customers each weekday.

For a printed copy of this report, or more information, please contact CDTA:

110 Watervliet Avenue
Albany, New York 12206
www.cdta.org
518-482-8822

