



## 2014 Budget



State of Colorado  
Adoption date: November 14, 2013



# 2014 Budget

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\* The column titled CLBL is for easy reference to the Colorado Local Budget Law (CLBL) criteria. CLBL requirements are **underlined and in bold through out the document**.

\*\* The column titled GFOA is for easy reference to the Government Finance Officer Association (GFOA) criteria. GFOA criteria are underlined though out the document.



## 2014 Budget

### Introduction

This Budget Document has been formatted to reflect the Governmental Finance Officers Association (GFOA) Distinguished Budget Awards Program structure and criteria of high quality budget documents. Annually the Program recognizes high quality budget documents. The high quality budget structure contains the following categories:

- Policy Document;
- Financial Plan;
- Operations Guide;
- Communications Device.

GFOA Categories and criteria are explicitly identified and cross referenced in the document.

*The State of Colorado Financial Management Manual – A Guide for Colorado Local Governments* also recommends that a budget document is formatted in the GFOA Budget structure (contains the four categories). Additional requirements by Colorado Local Budget Law are explicitly identified and cross referenced in the document.

The GFOA presented a Distinguished Budget Presentation Award to the Roaring Fork Transportation Authority for the Annual Budget beginning **January 1, 2013**. This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

Management presents the 2014 Roaring Fork Transportation Authority Budget formatted in accordance with the GFOA Budget Award Program categories and criteria.

Michael Yang, CPA  
Budget Officer

## Message

The Roaring Fork Transportation Authority (the Authority) has prepared the 2014 Annual Budget document as a means to communicate to the Public and the Authority Board (the Board) the issues considered in planning the use of limited resources to provide public transit and maintaining the Rio Grande Trail in the Roaring Fork Valley during the 2014 year.

### Services to be delivered

- The Authority provides regional transit services in the Roaring Fork Valley (from Aspen to Glenwood Springs, Colorado) and in the I-70 Corridor (from Glenwood Springs to Rifle, Colorado). 2014 will be the first full year of the new Bus Rapid Transit (BRT) service, VelociRFTA in the Roaring Fork Valley. Additionally, the Authority owns a rail corridor in the Roaring Fork Valley and maintains the Rio Grande Trail for pedestrian, bike and equestrian use.
- In 2014, the Transit Program will provide public transit service to approximately 4 million passengers, covering approximately 4.6 million miles within a 70-mile region, operating and maintaining approximately 100 large transit vehicles with approximately 350 employees during peak winter season.
- The Trails Program maintains a 34-mile rail corridor and trail.

### 2014 Budget Initiatives and Priorities

- At the September 2013 Board meeting, the Board determined that the initial 2014 Budget should add to fund balance, if possible;
- There should be a reduction of transit services, if necessary, in order to avoid a depletion of fund balance; and
- Authority staff should strive to maintain operating reserves and contribute to capital reserves annually in accordance with current policy.
- Consult with the Authority's member jurisdictions to obtain their best estimates for sales tax revenue.
- Develop the transit service plan which will include the first full year of the new BRT service.
- There is no upward transit fare adjustment planned for 2014.
- Develop revenue estimates for service contracts, state and federal grant, and other local governmental contributions.
- As envisioned with the BRT implementation, additional personnel are anticipated to support the first full year of BRT. Any new positions identified as a priority by management will be incorporated into the budget.

### Continuing Budget issues

- In 2013, Sales tax revenues have increased by 2% through May (or July collections) compared to the same period of the prior year, while operating revenue (transit fares) have increased by 3.6%. Management will continue to maintain a guarded approach regarding the sales tax growth rate and monitor activity on a monthly basis.



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- In 2013, management obtained fixed price transit fuel contracts to manage the volatility normally associated with fuel prices. The same approach has been used for 2014 and staff recently locked prices for the 2014 budget which reflect a 1% increase over the current year. Staff is also procuring a Compressed Natural Gas (CNG) fuel provider later this year with the goal of having a contract in place for the period starting in January 1, 2014. For planning purposes, we plan to use our current CNG pricing in our budget preparations.
- Health care costs continue to rise with an increase of 10% for 2014. Determined to maintain current employee premiums and coverage levels to the greatest extent possible, Management replaced the existing PPO B1000 plan with the less expensive PPO B2000 plan, which in itself completely absorbed the price increase. While the PPO B2000 plan has deductibles twice the amount of the previous plan, a Health Reimbursement Account (HRA) was introduced where employees who exceed the first half of their deductibles are eligible to have the second half of their deductibles reimbursed by the Authority. By becoming partially self-funded, the overall cost increase would be equal to approximately 10% of the HRA utilization.
- Historically, the high cost of living in the Roaring Fork Valley has negatively affected the Authority's ability to hire and retain qualified transit personnel. The recession has increased the pool of workers available in the region for the past few years. Management continues to review RFTA's compensation package with respect to wage and benefit enhancements, including employee housing, in order to remain competitive in the local job market. Part of the review includes a biennial compensation plan update performed by third party compensation consultants with the most recent one in the fall of 2013.

### New Budget issues

- Now that the BRT Project has transitioned from the planning phase to the implementation phase and the BRT service is operational and will be part of the Authority's overall transit service plan for the full year, the remaining fund balance of the BRT Special Revenue Fund will be transferred into the General Fund at the start of the year and will record the sales and use tax revenues and operating expenditures previously recorded in the BRT Special Revenue Fund in the General Fund on a going forward basis.
- Any additional funds needed to fund the incremental operating and maintenance costs related to the new BRT stations and park & rides will be transferred from the General Fund and into the Bus Stops and Park & Ride Special Revenue Fund using current available sales tax revenues.

Dan Blankenship  
Chief Executive Officer



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**Policy Document**

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Overview of Financial Policies

**Financial Planning**

- *Balanced Budget:* Current year expenditures/ expenses will be funded from current year forecasted sales tax, transit fares and other sources specifically identified to fund current operating expenditures/ expenses. Other sources of funds must be confirmed or reasonably anticipated to be used for operating expenditures/ expenses. Use of fund balance for current year expenditures/expenses will be explicitly approved by the Board;
- *Long Range Planning:* Management has committed to preparing a 5-year projection in 2014. The projection will include estimated revenues, operating costs and future capital purchases such as bus purchases/ replacement, trails and facilities projects;
- *Capital purchases:* The useful life of a bus for operating purposes is 12 years and/or 500,000 miles. Refurbishing a bus can extend its operating life. Annually, Management will review the bus fleet based on the above criteria to determine required replacement. Trails capital expenditures/expenses will be incurred as funding is available. Capital assets are defined as assets with an initial cost of \$5,000 or more and a minimum useful life of 3 years.

**Basis of Budgeting**

- The Authority Budget and Financial Statements are reported in accordance with generally accepted accounting principles on a modified accrual basis of accounting; Authority transit and trails activity is recorded in the General Fund of the government wide financial statements; additionally, the Authority accounts for service contract, bus stop and park & ride activity as well as certain trails activity in Eagle County in each of its own Special Revenue fund; Bond Resolutions for Series 2009A&B, 2012A, and 2013A&B require capital projects funds and debt service funds for each bond and a reserve fund; capital expenditures using the Federal Transit Authority's Very Small Starts capital grant funds are recorded in its own capital projects fund; and finally, capital expenditures using the State of Good Repair capital grant are recoded in its own capital projects fund.
- The modified accrual basis of accounting recognizes increases and decreases in financial resources only to the extent that they reflect near-term inflows or outflows of cash. Amounts are recognized as revenue when earned and collectable to pay liabilities of the current period or soon after; certain expenditures are recognized when payment is due.

**Revenue**

- *Revenue Diversification:* Funding is received primarily through dedicated sales tax, service contract revenue and transit fares. Revenue diversification is achieved by actively pursuing other financing sources each year such as local, state and federal grants;



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- *Fees and Charges:* Annual sales tax forecast will be based on estimates received from the participating governmental entities. Additionally, annual review of Transit fares is performed for possible adjustment;
- *Use of one time revenues/ unpredictable revenues:* Financing sources (sources other than sales tax, service contract revenue or transit fares) should not be used to pay for current year operating expenditures unless specifically identified to fund operating expenditures/ expenses by the contributor/ grantor of the resource and the amount to be received is certain.

### Expenditure/ Expense Policies

- *Debt capacity, issuance and management:* By Colorado Law (the State constitution), the Authority cannot enter into any action creating a multiple fiscal year debt or other financial obligation unless first submitted to a vote of the registered electors residing within the boundaries of the Authority;
- However, the Law allows the Board to enter into installment or lease purchase contracts, subject to annual appropriation with the following limits:
  - for the purchase of property or capital equipment;
  - the term of any such contract may not extend over a period greater than the estimated useful life of the property or equipment;
- Additionally, Authority policy prohibits debt with the following exceptions:
  - use of a credit card for business-related purposes;
  - borrowing from unassigned fund balance in an amount greater than can be replenished by certain, otherwise unencumbered revenues within 90 days after borrowing without Board approval;
- Derivatives do not fit within the overall debt management program and are prohibited;
- The Authority does not have written policies concerning debt structuring, issuance or management practices. The Authority plans to prepare a debt policy in accordance with GFOA best practices and advisories;
- *Reserve or stabilization accounts:* the Operating reserve requirement is fifteen percent of the annual budgeted amount of operating revenues (consisting of sales tax and transit fare revenues) or a 2-month average of budgeted operating expenditures, whichever is larger. This reserve would allow the Authority to maintain service levels for a 12 month period when experiencing a fifteen percent reduction in sales tax and transit fare revenue. Additionally, capital reserves are committed based on Board requirements as to amount. Prior Board approval is required to use reserved funds, to not reserve funds in a given year or use fund balance when expenditures exceed revenues in a given year.
- *Operating/ capital expenditure accountability:* Review of actual expenditures to budget by department will be performed on a monthly basis taking action to bring the department expenditures within budget when necessary.



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### Non-financial goals and objectives

#### **Global ends statement:**

**The Roaring Fork Transportation Authority’s purpose is that residents and visitors utilize an environmentally friendly, safe, efficient, convenient, and economical public transit and trails system.**

Ends statements that support the Global ends statement have been identified as follows:

- The Rio Grande Corridor is appropriately protected and utilized;
- Trail and transit users move safely, quickly, and efficiently;
- There is a positive public perception of bus-riding;
- Transit experiences are enjoyable;
- Transit access is affordable to all in the valley;
- Ridership increases 1.75% per year;
- Trail and transit users enjoy environmentally friendly equipment and facilities.

#### **Policy for a Greener, Less Petroleum-Dependent Transit Fleet**

Additionally, in December 2002, the Authority adopted a phased approach to converting its fleet to alternative propulsion systems as a means of:

- Reducing the environmental impacts from transit operations on the community and
- Reducing the Authority’s dependence on petroleum by moving towards sustainable and renewable forms of energy and
- Providing higher quality service to our customers and the communities we serve.

Furthermore, in July 2011, the Authority Board created the following vision statement and identified the following values statements:

### **VISION/MISSION**

**RFTA pursues excellence and innovation in providing preferred transportation choices that connect and support vibrant communities.**



## **VALUES**

### **Safe**

Safety is RFTA's highest priority.

### **Accountable**

RFTA will be accountable to the public, and its users.

### **Affordable**

RFTA will offer affordable and competitive transportation options.

### **Convenient**

RFTA's programs and services will be convenient and easy to use.

### **Dependable**

RFTA will meet the public's expectations for quality and reliability of services and facilities.

### **Efficient**

RFTA will be efficient in management, operations, and use of resources.

### **Innovative**

RFTA will be innovative in accomplishing goals.

### **Sustainable**

RFTA will be financially, socially, and environmentally sustainable to ensure our services continue.

**Organizational Objectives:**

In 2012, the Authority’s organizational long-term objectives and related strategies were updated:



## **Organizational Strategies:**

### Objective 1: Safety

#### *Strategies:*

1. Develop a plan to systemically reinforce good safety habits throughout the Authority.
2. Develop a system to identify, evaluate, and implement innovative ideas to proactively implement safety throughout the Authority.
3. Develop a plan to more fully integrate the public in the Authority's safety culture.

### Objective 2: Human Capital

#### *Strategies:*

1. Design and implement a 5-year development plan to train all staff to proficiency and that ensures every job function has multiple employees capable of performing the critical tasks associated with each function.
2. Develop a Succession Plan for all Directors/Managers with a three-year target for identification and development of potential successors.
3. Develop and implement formal Performance Evaluation tools and procedures that include objective performance measures that have associated rewards/incentives.
4. Review and revise all job descriptions for accuracy, clarity, and completeness. Align job descriptions with performance development, performance evaluation, and succession plans.
5. Develop formal and/or informal methods and programs for evaluating employee happiness and satisfaction, implementing the benefits, conditions and programs identified through evaluation methods, and continuously refining the benefits, conditions and programs based on regular feedback from employees.

### Objective 3: Sustainability/Existence Planning

#### *Strategies:*

1. Create a baseline service plan based on new BRT data collection tools and use this to optimize service with existing resources.
2. Develop a long-term Capital Maintenance/Replacement program to properly maintain RFTA assets using new Asset Management software.
3. Develop a Capital Project Plan that identifies, prioritizes and primes capital projects to best use available funds.
4. Create a plan to reduce operating expenditures and/or recommend the use of fund balance in response to volatile financial conditions.

### Objective 4: Customer Service

#### *Strategies:*

1. Conduct a survey to determine customer's perceptions and expectations of a safe, reliable, cost-efficient and comfortable transportation.
2. Develop performance measures and service standards for safety, reliability, cost-efficiency, and comfort based on financial feasibility, customer expectations, industry standards and RFTA best practices; Develop procedures to meet or exceed these standards.
3. Continue to improve and/or expand our method(s) for getting regular feedback from our customers about our service.



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### Organizational Strategies continued...

#### Objective 4: Customer Service (continued)

##### *Strategies:*

4. Develop a Quality Assurance program that allows Maintenance personnel to look at the buses from a customer's perspective.

#### Objective 5: Environmental Sustainability Planning

##### *Strategies:*

1. Staff will continue to seek grants and various funding opportunities that align with sustainable facility and fleet projects.
2. RFTA will maintain partnerships with regional non-profit and private sector businesses that offer sustainability expertise beyond staff skills.
3. RFTA will continue to be a national pacesetter researching and using alternative fuel technologies that are proven and make sense for operational success.

#### Objective 6: Communication

##### *Strategies:*

1. Define what community means to RFTA.
2. Improve a communication plan to better utilize technology and to continually educate and update our community.
3. Ensure communication plan encompasses all available media outlets.
4. Develop and implement a plan to improve implied communication at stops, on buses, at buildings and facilities.
5. Develop bilingual or universal symbol communication tools.
6. Create a branded SharePoint program.
7. Centralize all relevant existing information into SharePoint and make on-going communications consistent and unified.

### **Department Annual Goals:**

Departments identify issues and opportunities for improvement and create related goals on a project basis that will address the identified areas for improvement. Goal status is periodically reported to the CEO and Board.

#### CEO/ COO/Procurement/Safety & Training

- Oversee preparations of 5-year Financial/Strategic Plan (Sustainability/Existence Planning);
- Oversee refinement of regional and BRT services (Customer Service);
- Revision and adoption of RFTA Board Governing Policies (Sustainability/Existence Planning);
- Develop a Quality Assurance/Quality Control Program (Customer Service);
- Finalization of Procurement Policy Manual (Sustainability/Existence Planning);
- Procurement of long-term natural gas vendor (Sustainability/Existence Planning);
- Initiate implementation of 2011 organizational assessment recommendations for post-BRT (Sustainability/Existence Planning);
- Update internal safety and training programs (Safety).

#### Facilities/Trails Department

- Complete capital project close out for BRT project, Aspen Airport Business Center Pedestrian Underpass and BRT station project; Phase I and II of the AMF Re-commissioning project (Sustainability/Existence Planning; Safety; Customer Service; Environmental);
- Rubey Park Transit Center redesign project (Safety; Customer Service; Environmental);
- Park and ride projects: New Castle, West Glenwood (Safety, Customer Service);
- Implementation of transit asset management software (Sustainability/Existence);
- Continue development of transit facilities maintenance plans for new equipment and BRT infrastructure (Sustainability/Existence);
- Update Comprehensive Plan for transit and rail corridor (Sustainability/Existence).

#### Finance Department

- Update 5-year long-range forecast (Sustainability/Existence);
- Refine revenue service plan regarding ticket vending machines and fare boxes (Sustainability/Existence);
- Update post-issuance compliance (Sustainability/Existence);
- Enhance the collection and dissemination of financial data (Sustainability/Existence; Communication);
- Review current Operating Reserves policy and update as needed (Sustainability/Existence);
- Continue to train Assistant Director as part of succession plan (Human Capital);
- Continue to monitor annual budget and update monthly projection (Sustainability/Existence).

#### Human Resources & Risk Management

- Implement in-house employee law, safety, and management trainings (Safety, Human Capital);
- Implement progressive discipline procedures and guidelines (Human Capital);
- Initiate Employment Eligibility Verification audit (Human Capital);
- Conduct an employee satisfaction survey and benefits survey (Human Capital);
- Refine administration performance evaluation form (Human Capital).



## **Department Goals continued...**

### Information Technology and Marketing Department

- Monitor and manage the new Intelligent Transportation Software (Customer Service; Communication);
- Install Wi-Fi on Motor Coaches used in BRT service (Customer Service);
- Improve electronic information, connectivity, and web security (Sustainability/Existence);
- Complete various software training programs (Human Capital);
- Improve communication strategies with RFTA website and social media (Communication).

### Maintenance Department

- Complete implementation of Asset Management Software (Sustainability/Existence);
- Complete implementation of Automated Fluids Management System (Sustainability/Existence);
- Refine comprehensive CNG training program (Safety; Human Capital);
- Improve “Ride Around” and “Walk Thru” programs (Safety; Human Capital);
- Develop maintenance accountability reports (Safety; Human Capital).

### Operations Department

- Refine regional and BRT services (Customer Service);
- Seat and train second Operations Manager (Human Capital);
- Improve Intelligent Transportation System understanding and functionality (Customer Service; Communication);
- Strive to build based of full time year round bus operators (Human Capital; Sustainability/Existence);
- Maintain supervisory staff levels (Human Capital).

### Planning Department

- Develop and submit proposals for federal and state grants for critical transit assets (Sustainability/Existence);
- Learn to extract and report data from the new Intelligent Transportation System (Communication; Sustainability/Existence);
- Conduct biennial passenger survey in the spring and report results to the Board in the fall (Customer Service; Communication);
- Procurement related to regional bike/pedestrian study (Environmental; Sustainability/Existence);
- Implement electric vehicle charging stations at selected RFTA park and rides (Environmental);
- Determine plan to offset at least 50% of RFTA’s electric consumption with alternative energy (Environmental).

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## Financial Plan

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### Fund and fund structure

The Authority Budget and Financial Statement are reported in accordance with generally accepted accounting principles on a modified accrual basis of accounting. All Funds are appropriated.

**General Fund** reports operating activity for Valley Wide, Hogback and miscellaneous Transit, Trails and Administrative Support services. Additionally, most Capital and all Debt Service activity are reported in the General Fund, unless otherwise required by bond resolution.

**Service Contract Special Revenue Fund** reports revenue and operating activity for additional services based on contractual agreement. These services are extra services provided in certain areas within the overall Authority service area. For a more detailed description of the Transit Services provided see the service description narrative and service area map in the statistical and supplemental information section.

**Bus Stop and Park & Ride Special Revenue Fund** reports vehicle fee revenue and bus stops and park & ride expenditure activity as required by State rural transit authority enabling legislation. Additionally, by resolution, Garfield County has dedicated certain development fees to construct bus shelter and park n ride improvements in unincorporated Garfield County.

**Mid Valley Trails Special Revenue Fund** reports activity for certain trails activities within Eagle County. As a condition of becoming a member of the Authority, Eagle County dedicated an existing ½ cent sales tax to the Authority. Part of the sales tax was dedicated to trails. In June of 2002 the Authority by resolution adopted the Eagle County Mid Valley Trails Committee. The Committee administers all aspects of appropriating the funds and the Authority provides accounting of the funds and other services as requested by the Committee.

**Bus Rapid Transit Special Revenue Fund** reports operating activity for planning the Bus Rapid Transit Project. Specifically, this includes all revenues from the November 2008, voter approved, 0.4% increase in sales tax for the Bus Rapid Transit Project and for the expenditures that cannot be charged against the Series 2009A & B Capital Project Funds. With BRT service implemented in September 2013, this fund will close in 2014 after the remaining fund balance has been transferred to the General Fund as BRT service will be operational and part of RFTA's overall transit service plan for the full year.

### Capital Project Fund:

**Very Small Starts BRT Capital Projects Fund** reports all expenditure activity related to the Bus Rapid Transit Project for assets and infrastructure primarily using federal awards from the Very Small Starts grant.

**Series 2010A Capital Projects Fund** reports all expenditure activity related to the Aspen Maintenance Facility Re-commissioning Project for assets and infrastructure.



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**Series 2012A Capital Projects Fund** reports all expenditure activity related to the Compressed Natural Gas (CNG) Project as part of the Green Community Program for assets and infrastructure such as CNG fueling station and safety modifications at the Glenwood Springs Maintenance Facility and the CNG portion of buses.

**Series 2013A Capital Projects Fund** reports all expenditure activity related to the various transit capital projects, which may include the New Castle Park & Ride, West Glenwood Springs Park & Ride, and Rubey Transit Center Renovations.

**Series 2013B Capital Projects Fund** reports all expenditure activity related to the AMF Re-commissioning Project as part of the Green Community Program for assets and infrastructure.

### **Debt Service Fund:**

**Series 2009A Debt Service Fund** reports all principal and interest expenditures for the \$6.5 million bond issuance and interest earned as required by resolution. This is a tax exempt issuance.

**Series 2009B Debt Service Fund** reports all principal and interest expenditures for related to the \$21 million Build America Bond issuance and interest earned as required by resolution.

**Series 2012A Debt Service Fund** reports all principal and interest expenditures for the \$6.65 million Qualified Energy Conservation Bond (QECB) issuance and interest earned as required by resolution. As the QECB issuer, the Authority receives payment from the US Treasury for 70% of the Qualified Tax Credit Rate.

**Series 2013A Debt Service Fund** reports all principal and interest expenditures for the \$2 million bond issuance and interest earned as required by resolution to be adopted at the November 2013 board meeting. This is a tax-exempt issuance.

**Series 2013B Debt Service Fund** reports all principal and interest expenditures for the \$1.3 million QECB issuance and interest earned as required by resolution to be adopted at the November 2013 board meeting. The QECBs allow a Federal reimbursement for 70% of the Qualified Tax Credit Rate of the interest paid.

**Reserve Fund** reports all activity related to the required reserves for the Series 2009A&B, Series 2012A, and Series 2013A&B Bonds as required by resolution.



# 2014 Budget

## Consolidated Financial Overview (in thousands)

(1,000's)	General Fund	Service Contracts	Bus Stops/ PNR SRF	Mid Valley Trails SRF	Bus Rapid Transit SRF	Capital Projects Fund*	Debt Service Fund	2014 Total Budget	%
<b>Beginning fund balance (Budget)</b>	\$ 7,349	\$ -	\$ 187	\$ 76	\$ 6,240	\$ 2,501	\$ 2,518	\$ 18,871	
<b>Revenues:</b>									
Sales and use tax	\$ 17,344	\$ -	\$ -	\$ 33	\$ -	\$ -	\$ -	\$ 17,377	45%
Service contracts	\$ -	\$ 8,936	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,936	23%
Operating revenue	\$ 4,170	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,170	11%
Capital grant revenue	\$ 1,216	\$ -	\$ -	\$ -	\$ -	\$ 1,846	\$ -	\$ 3,062	8%
Operating grant revenue	\$ 985	\$ 30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,015	3%
Local gov't contributions	\$ 2,421	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,421	6%
Other income	\$ 350	\$ -	\$ 411	\$ -	\$ -	\$ -	\$ 673	\$ 1,434	4%
Investment income	\$ 16	\$ -	\$ 1	\$ 0	\$ -	\$ -	\$ -	\$ 17	0%
<b>Total revenue</b>	<b>\$ 26,501</b>	<b>\$ 8,966</b>	<b>\$ 412</b>	<b>\$ 33</b>	<b>\$ -</b>	<b>\$ 1,846</b>	<b>\$ 673</b>	<b>\$ 38,431</b>	<b>100%</b>
<b>Program expenditures:</b>									
Fuel	\$ 1,623	\$ 804	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,427	6%
Transit	\$ 16,024	\$ 8,303	\$ 680	\$ -	\$ -	\$ -	\$ -	\$ 25,007	61%
Trails & Corridor Mgmt	\$ 508	\$ -	\$ -	\$ 74	\$ -	\$ -	\$ -	\$ 581	1%
<b>Subtotal operating exp.</b>	<b>\$ 18,155</b>	<b>\$ 9,106</b>	<b>\$ 680</b>	<b>\$ 74</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 28,015</b>	<b>69%</b>
Capital	\$ 3,151	\$ -	\$ -	\$ -	\$ -	\$ 4,347	\$ -	\$ 7,498	18%
Debt Service	\$ 2,284	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,880	\$ 5,163	13%
<b>Total expenditures</b>	<b>\$ 23,590</b>	<b>\$ 9,106</b>	<b>\$ 680</b>	<b>\$ 74</b>	<b>\$ -</b>	<b>\$ 4,347</b>	<b>\$ 2,880</b>	<b>\$ 40,677</b>	<b>100%</b>
<b>Other financing sources</b>	<b>\$ 6,390</b>	<b>\$ 140</b>	<b>\$ 269</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,207</b>	<b>\$ 9,006</b>	
<b>Other financing (uses)</b>	<b>\$ (2,616)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (6,240)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (8,856)</b>	
<b>Change in Fund Balance</b>	<b>\$ 6,686</b>	<b>\$ 0</b>	<b>\$ (0)</b>	<b>\$ (40)</b>	<b>\$ (6,240)</b>	<b>\$ (2,501)</b>	<b>\$ (0)</b>	<b>\$ (2,096)</b>	
<b>Ending fund balance</b>	<b>\$ 14,035</b>	<b>\$ 0</b>	<b>\$ 187</b>	<b>\$ 36</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,518</b>	<b>\$ 16,775</b>	

\*See Supplemental Schedule for Capital Project Funds:

(1,000's)	VSS BRT CPF	AMF CPF	Series 2013A CPF	2014 Total CPF
<b>Beginning fund balance (Budget)</b>	\$ 414	\$ 340	\$ 1,747	\$ 2,501
<b>Revenues:</b>				
Capital grant revenue	\$ 486	\$ 1,360	\$ -	\$ 1,846
Investment income	\$ -	\$ -	\$ -	\$ -
<b>Total revenue</b>	<b>\$ 486</b>	<b>\$ 1,360</b>	<b>\$ -</b>	<b>\$ 1,846</b>
<b>Program expenditures:</b>				
Capital	\$ 900	\$ 1,700	\$ 1,747	\$ 4,347
<b>Total expenditures</b>	<b>\$ 900</b>	<b>\$ 1,700</b>	<b>\$ 1,747</b>	<b>\$ 4,347</b>
<b>Other financing sources</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Other financing (uses)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Change in Fund Balance</b>	<b>\$ (414)</b>	<b>\$ (340)</b>	<b>\$ (1,747)</b>	<b>\$ (2,501)</b>
<b>Ending fund balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>



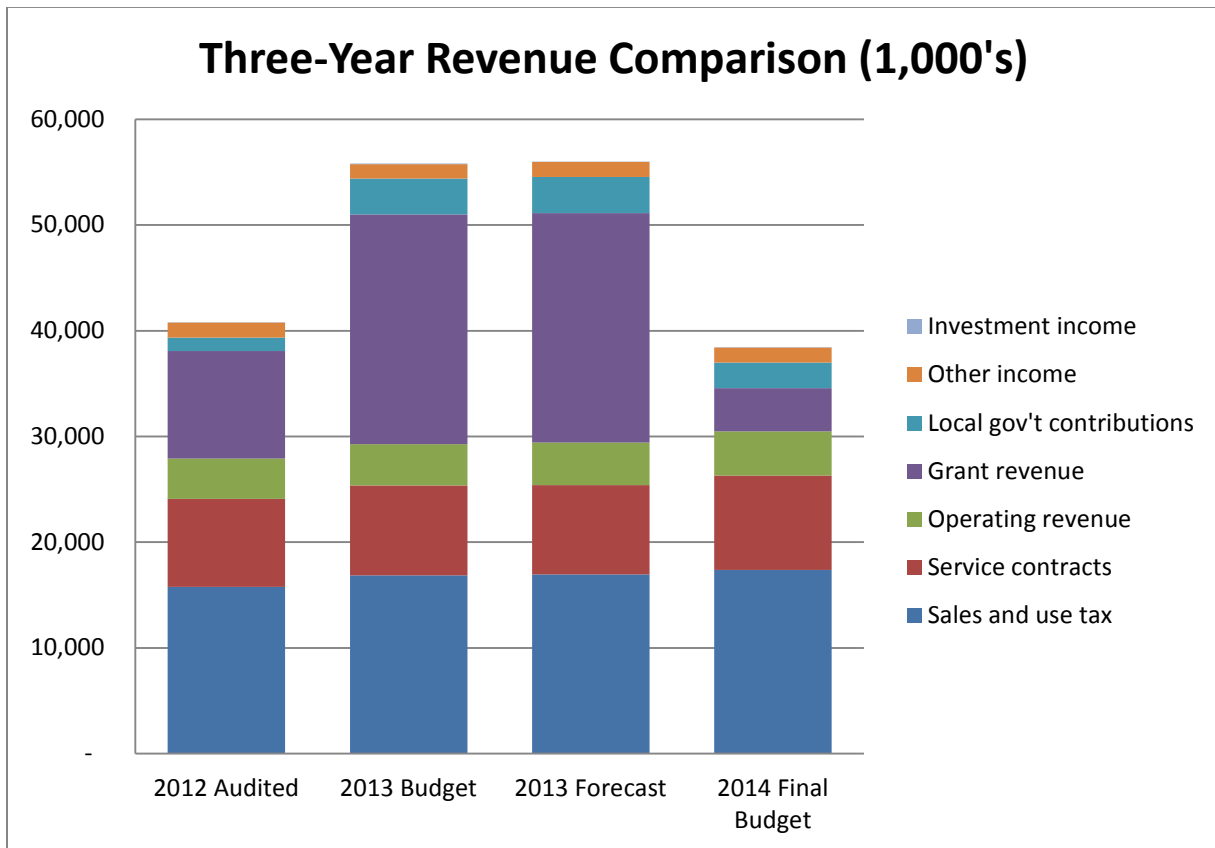
# 2014 Budget

## Three Year Financial Summary Information

Total revenues (1,000)	2012 Audited	2013 Budget as of 11/14/2013	2013 Forecast as of 9/1/2013	2014 Final Budget	Budget \$ Dif	Budget % Dif
Sales and use tax	\$ 15,767	\$ 16,860	\$ 16,964	\$ 17,377	\$ 517	3%
Service contracts	\$ 8,325	\$ 8,523	\$ 8,436	\$ 8,936	\$ 413	5%
Operating revenue	\$ 3,819	\$ 3,900	\$ 4,011	\$ 4,170	\$ 270	7%
Grant revenue	\$ 10,156	\$ 21,724	\$ 21,724	\$ 4,077	\$ (17,648)	-81%
Local gov't contributions	\$ 1,295	\$ 3,389	\$ 3,392	\$ 2,421	\$ (968)	-29%
Other income	\$ 1,401	\$ 1,370	\$ 1,438	\$ 1,434	\$ 64	5%
Investment income	\$ 49	\$ 35	\$ 27	\$ 17	\$ (18)	-52%
<b>Total</b>	<b>\$ 40,811</b>	<b>\$ 55,801</b>	<b>\$ 55,993</b>	<b>\$ 38,431</b>	<b>\$ (17,371)</b>	<b>-31%</b>

2013/ 2014 budgetary revenue trends:

- Increase in sales tax revenue as a result of an improving regional economy;
- Increase in operating revenues, which include transit fares and pass sales, due to an anticipated increase in ridership as a result of economic activity and a higher frequency of BRT service.
- Decrease in capital grant revenue primarily due to the timing of capital outlay based on project completion, particularly the end of BRT construction in 2013; grants are recognized as awarded and collection is certain;
- Increase in Other Income primarily due to a rise in estimated vehicle registration fees, yet another sign of an improving economy.
- Decrease in investment income as funds available for capital projects have mostly been expended.





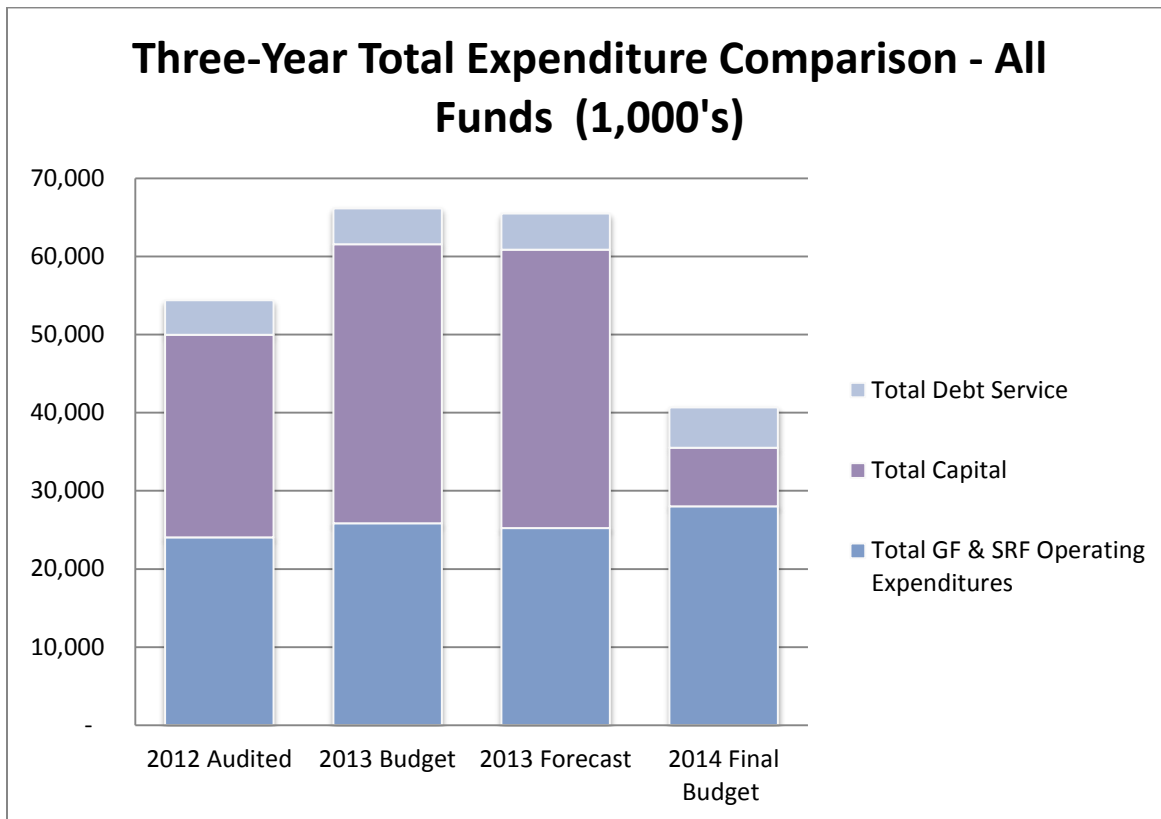
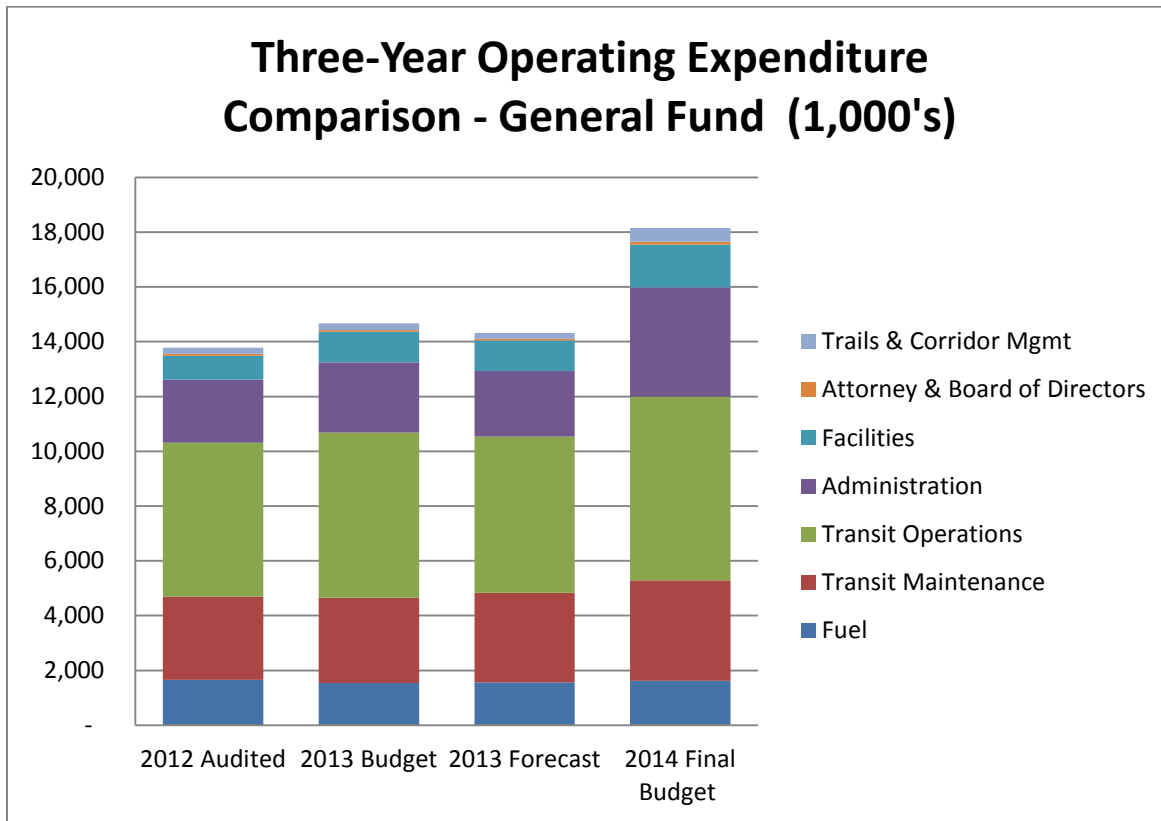
**Three Year Financial Summary Information continued...**

Expenditures (1,000's)	2012 Audited	2013 Budget as of 11/14/2013	14/13 Budget Comparison			
			2013 Forecast as of 9/1/2013	2014 Final Budget	Budget \$ Dif	Budget % Dif
Fuel	\$ 1,654	\$ 1,545	\$ 1,565	\$ 1,623	\$ 78	5%
Transit Maintenance	\$ 3,043	\$ 3,111	\$ 3,271	\$ 3,667	\$ 556	18%
Transit Operations	\$ 5,613	\$ 6,029	\$ 5,695	\$ 6,709	\$ 680	11%
Administration	\$ 2,307	\$ 2,561	\$ 2,399	\$ 3,985	\$ 1,424	56%
Facilities	\$ 868	\$ 1,123	\$ 1,124	\$ 1,560	\$ 438	39%
Attorney & Board of Directors	\$ 76	\$ 55	\$ 57	\$ 103	\$ 47	86%
Trails & Corridor Mgmt	\$ 218	\$ 242	\$ 213	\$ 508	\$ 266	110%
<b>Total GF Operating Expenditures</b>	<b>\$ 13,780</b>	<b>\$ 14,666</b>	<b>\$ 14,324</b>	<b>\$ 18,155</b>	<b>\$ 3,489</b>	<b>24%</b>
SRF - Service Contracts	\$ 8,345	\$ 8,673	\$ 8,544	\$ 9,106	\$ 433	5%
SRF - Bus Shelter / PNR	\$ 301	\$ 448	\$ 450	\$ 680	\$ 232	52%
SRF - Mid Valley Trails	\$ 19	\$ 104	\$ 75	\$ 74	\$ (31)	-29%
SRF - Bus Rapid Transit	\$ 1,575	\$ 1,931	\$ 1,812	\$ -	\$ (1,931)	-100%
<b>Total GF &amp; SRF Operating Expenditures</b>	<b>\$ 24,020</b>	<b>\$ 25,822</b>	<b>\$ 25,205</b>	<b>\$ 28,015</b>	<b>\$ 2,193</b>	<b>8%</b>
GF - Capital Outlay	\$ 2,922	\$ 7,455	\$ 7,398	\$ 3,151	\$ (4,305)	-58%
Capital Projects Fund	\$ 23,031	\$ 28,264	\$ 28,262	\$ 4,347	\$ (23,917)	-85%
<b>Total Capital Outlay</b>	<b>\$ 25,954</b>	<b>\$ 35,720</b>	<b>\$ 35,660</b>	<b>\$ 7,498</b>	<b>\$ (28,222)</b>	<b>-79%</b>
GF - Debt Service	\$ 2,222	\$ 2,271	\$ 2,271	\$ 2,284	\$ 13	1%
Debt Service Fund	\$ 2,177	\$ 2,341	\$ 2,341	\$ 2,880	\$ 538	23%
<b>Total Debt Service</b>	<b>\$ 4,399</b>	<b>\$ 4,612</b>	<b>\$ 4,612</b>	<b>\$ 5,163</b>	<b>\$ 551</b>	<b>12%</b>
<b>Total Expenditures - all funds</b>	<b>\$ 54,373</b>	<b>\$ 66,155</b>	<b>\$ 65,478</b>	<b>\$ 40,677</b>	<b>\$ (25,478)</b>	<b>-39%</b>

2013/2014 budgetary expenditure trends:

- Increase in total General Fund operating costs primarily due to \$1.4 million of total compensation attributable to administrative staff time being reallocated to the General Fund which was previously allocated to the BRT Special Revenue Fund as it related to BRT Project planning and implementation.
  - Increase in Fuel and Transit Maintenance primarily due to 694,000 additional transit miles (18% increase) primarily attributable to the first full year of the BRT service;
  - Increase in Transit Operations due to 18,000 additional transit hours (8% increase) primarily attributable to the first full year of the BRT service;
  - Increase in Administration primarily due to the reallocation discussed above with other contributing factors including: support costs related to the Intelligent Transportation System, rising healthcare costs, and planning projects related to Transit Oriented Development Assessment and a Regional Travel Patterns Study;
  - Increase in Facilities primarily due to the reallocation discussed above;
  - Increase in Attorney & Board of Directors due to the reallocation discussed above pertaining to outside legal counsel;
  - Increase in Trails and Corridor Management Program due to the update of the trail and corridor comprehensive plan.
- Increase in total General Fund and Special Revenue Funds operating costs reflects a more accurate representation of the incremental costs to support the first full year of the BRT service and BRT bus stations and Park & Rides.

Three Year Financial Summary Information continued...





## 2014 Budget

### Major Revenue

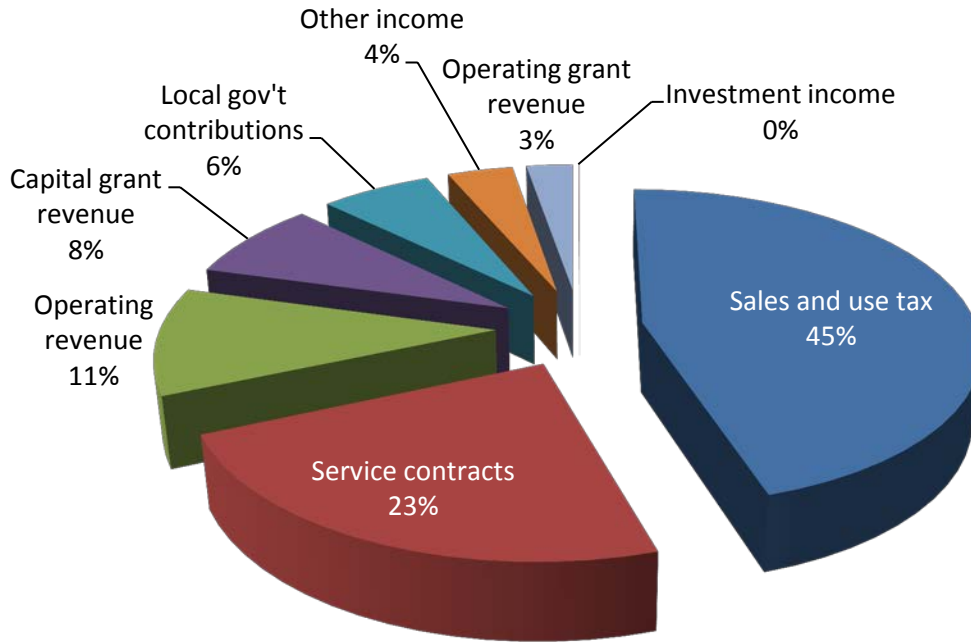
(1,000's)	General Fund	Service Contracts	Bus Stops/ PNR SRF	Mid Valley Trails SRF	Capital Projects Fund*	Debt Service Fund	2014 Total Budget	%
<b>Revenues:</b>								
Sales and use tax	\$ 17,344	\$ -	\$ -	\$ 33	\$ -	\$ -	<b>\$ 17,377</b>	45%
Service contracts	\$ -	\$ 8,936	\$ -	\$ -	\$ -	\$ -	<b>\$ 8,936</b>	23%
Operating revenue	\$ 4,170	\$ -	\$ -	\$ -	\$ -	\$ -	<b>\$ 4,170</b>	11%
Capital grant revenue	\$ 1,216	\$ -	\$ -	\$ -	\$ 1,846	\$ -	<b>\$ 3,062</b>	8%
Operating grant revenue	\$ 985	\$ 30	\$ -	\$ -	\$ -	\$ -	<b>\$ 1,015</b>	3%
Local gov't contributions	\$ 2,421	\$ -	\$ -	\$ -	\$ -	\$ -	<b>\$ 2,421</b>	6%
Other income	\$ 350	\$ -	\$ 411	\$ -	\$ -	\$ 673	<b>\$ 1,434</b>	4%
Investment income	\$ 16	\$ -	\$ 1	\$ 0	\$ -	\$ -	<b>\$ 17</b>	0%
<b>Total revenue</b>	<b>\$ 26,501</b>	<b>\$ 8,966</b>	<b>\$ 412</b>	<b>\$ 33</b>	<b>\$ 1,846</b>	<b>\$ 673</b>	<b>\$ 38,431</b>	<b>100%</b>

#### Revenue composition:

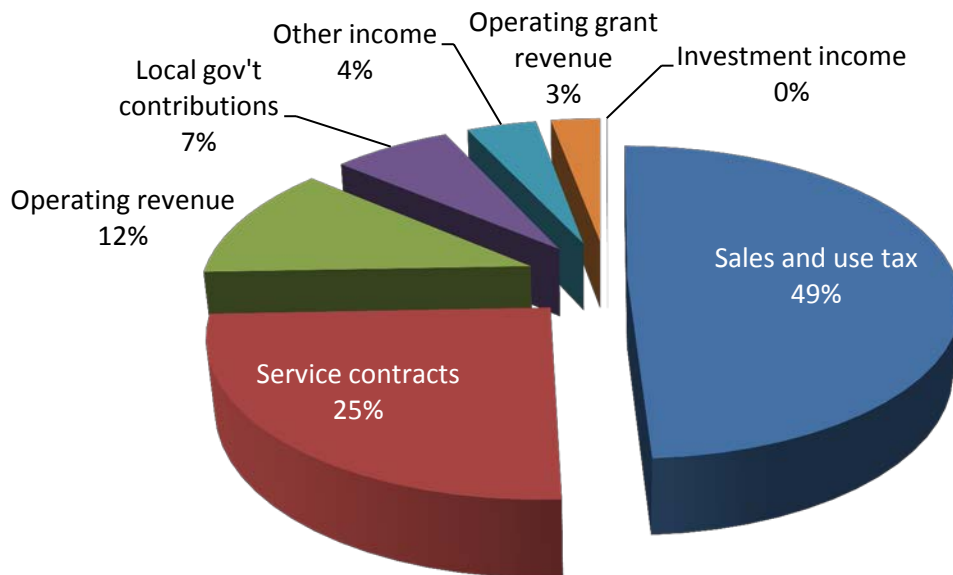
- Sales and Use tax revenues are dedicated taxes collected from member governments based on intergovernmental agreements, see the Authority history section, member governments;
- Service contracts are for contracted services, billed monthly based on miles and hours by route; see Transit Services section for description of services and Contract formula methodology section for billing (cost allocation) methodology. The Authority has service contracts with the Aspen Skiing Company, City of Aspen, City of Glenwood Springs and Garfield County (Travelers Program);
- The Authority primarily receives operating and capital grants from the Federal Transit Administration and the Colorado Department of Transportation;
- Operating revenues reflect transit fares collected primarily on regional service routes in the Roaring Fork Valley and on the I-70 Corridor as well as fares collected on the Maroon Bells service; see Transit Services section for description of services;
- Local governmental contributions are received to primarily help fund transit programs; for detail of these revenues see the line item budget;
- Other income primarily consists of employee housing rental revenue in the General Fund, vehicle registration fees in the Bus Stop/Park & Ride Special Revenue Fund, and credits from the Federal Government representing a reimbursement on a portion of the interest paid on the Series 2009B Build America Bonds and Series 2012A and 2013B Qualified Energy Conservation Bonds in the Debt Service Fund.

Major revenue continued...

### 2014 Estimated Revenue Composition



### 2014 Estimated Revenue Composition (Excludes Capital Grant Revenues)



**Revenue assumptions**

Sales Tax Revenues

- The Authority consulted with member jurisdictions’ Finance Departments to obtain their sales tax estimate for 2014. The Authority relies on each member jurisdictions’ assumptions and trend analysis for estimate preparation. The Authority estimated a 3% increase in its sales tax revenue based on the information provided:

<b>Member Jurisdictions</b>	<b>Members’ 2014 estimated change in Sales Tax from 2013 Forecast</b>
Aspen	4.40%
Basalt	-6%
Carbondale	2%
Glenwood Springs	2%
Eagle County	3%
New Castle	3.60%
Pitkin County	3.50%
Snowmass Village	4%

Service contract revenues

- The Authority estimated hours and miles by route for each service contract agreement and calculated costs in accordance with each service contract agreement.

Grant revenues

- \$985,000 from the FTA Section 5311 operating grant (reflecting a 11% increase from 2013);
- \$87,500 of planning grants which have been awarded that relate to the Transit Oriented Development Assessment and the Regional Travel Patterns Study;
- \$161,000 FTA Section 5339 Capital Grant and \$81,000 CDOT FASTER Capital Grant to fund a portion of the West Glenwood Park & Ride Project;
- \$200,000 FMLD Grant to fund a portion of the New Castle Park & Ride Project;
- \$300,000 CDOT FASTER Construction Grant to fund the remaining portion of the Aspen Airport Business Center Underpass Project with Pitkin County;
- \$386,000 of a combination of FTA Section 5311 Capital Grant and CDOT FASTER Grant for replacement cutaway vehicles and equipment.

Operating revenues

- 4% increase in transit fares collected primarily as a result of anticipated increased ridership due to the BRT service running more frequently. There is no upward fare adjustment planned for 2014.



Below is a table of the change in ridership and fare collection comparison for a nine year period:

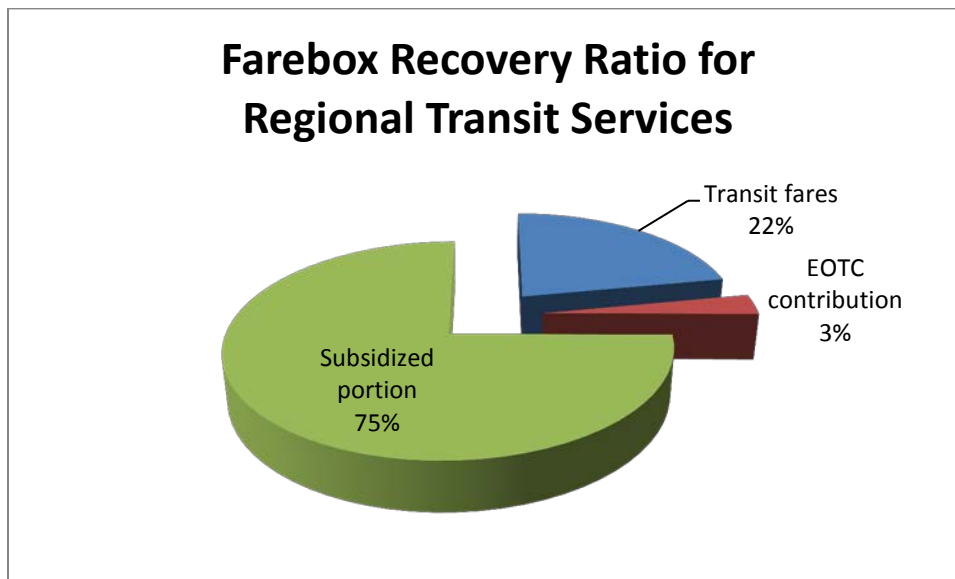
Year	Change in Ridership	% change	Change in Fare Collection	% change
2012/2013 YTD Sept	123,292	8.1%	\$ 98,084	3.9%
2011/2012	52,045	2.7%	\$ (17,224)	-0.5%
2010/2011	137,952	7.7%	\$ 148,202	4.3%
2009/2010	(229,951)	-11.3%	\$ 18,452	0.5%
2008/2009	(316,973)	-13.5%	\$ (784,892)	-18.7%
2007/2008	259,865	12.4%	\$ 410,196	10.8%
2006/2007	291,695	7.1%	\$ 380,780	11.2%
2005/2006	133,147	9.4%	\$ 427,388	14.5%
2004/2005	94,789	7.20%	\$ 295,698	11.20%

**Local governmental contributions**

- Garfield County’s support for the Grand Hogback bus service will remain the same at \$650,000.
- The Elected Official Transportation Committee (EOTC) will provide funding of approximately \$551,900 for the no-fare bus service between Aspen and Snowmass Village.

**Other income**

- Assumes employee housing rental revenue will remain the same. However, it is anticipated that there may be more seasonal hires compared to one year ago which may help increase occupancy rates and, in turn, revenue.
- Credits related to Build America Bonds and Qualified Energy Conservation Bonds assume a sequestration reduction rate of 7.2%.



*Farebox Recovery Ratio* is the percentage of total operating revenues that passengers pay through fares. The Authority’s farebox recovery ratio for regional transit services is estimated to be 25% and takes into consideration the EOTC’s fare subsidy for the transit service between Aspen and Snowmass Village. If this subsidy did not occur, then the Authority’s farebox recovery ratio would increase due to additional fares collected on the transit service between Aspen and Snowmass Village.

## 2014 Budget

### Fund Balance – all Funds

	General	Service	Bus	Mid	Bus	Capital	Debt	
(1,000's)	Fund	Contracts	Stops/ PNR	Valley Trails	Rapid Transit	Projects Fund*	Service Fund	Total
<b>Beginning fund balance (budget)</b>	\$ 7,349	\$ -	\$ 187	\$ 76	\$ 6,240	\$ 2,501	\$ 2,518	\$ 18,871
Revenues	\$ 26,501	\$ 8,966	\$ 412	\$ 33	\$ -	\$ 1,846	\$ 673	\$ 38,431
Expenditures	\$ (23,590)	\$ (9,106)	\$ (680)	\$ (74)	\$ -	\$ (4,347)	\$ (2,880)	\$ (40,677)
Other financing source/(use)	\$ 3,774	\$ 140	\$ 269	\$ -	\$ (6,240)	\$ -	\$ 2,207	\$ 150
Change in net assets	\$ 6,686	\$ 0	\$ -	\$ (40)	\$ (6,240)	\$ (2,501)	\$ -	\$ (2,096)
<b>Ending fund balance</b>	<b>\$ 14,035</b>	<b>\$ 0</b>	<b>\$ 187</b>	<b>\$ 36</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,518</b>	<b>\$ 16,775</b>
<b>Ending fund balance composition:</b>								
<b>Non-spendable fund balance</b>	\$ 775							\$ 775
<b>Restricted fund balance</b>	\$ 795	\$ 0	\$ 187	\$ 36		\$ -	\$ 2,518	\$ 3,535
<b>Committed fund balance:</b>								
Operating reserves	\$ 3,513							\$ 3,513
Facilities capital reserves	\$ 575							\$ 575
Transit capital reserves	\$ 335							\$ 335
Trails capital reserves	\$ 525							\$ 525
<b>Unassigned fund balance</b>	\$ 7,517							\$ 7,517
<b>Ending fund balance</b>	<b>\$ 14,035</b>	<b>\$ 0</b>	<b>\$ 187</b>	<b>\$ 36</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,518</b>	<b>\$ 16,775</b>

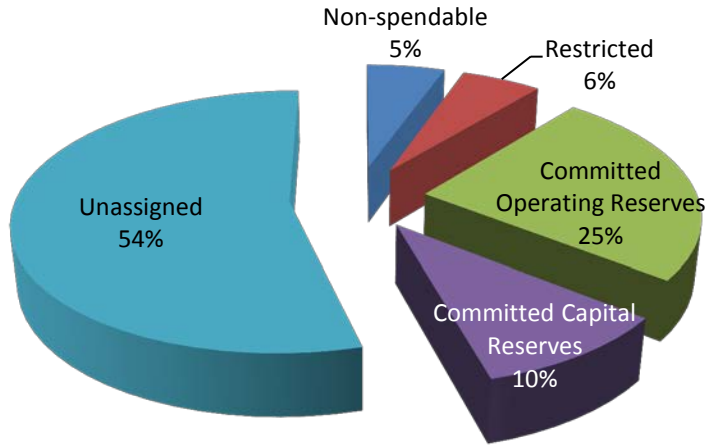
### Fund balance definition

Fund balance is the difference between assets and liabilities and is divided between Non-spendable and Spendable. Non-spendable fund balance includes amounts that cannot be spent either because it is not in spendable form or because of legal or contractual constraints. Spendable fund balance is comprised of Restricted, Committed and Unassigned fund balance. Restricted fund balance includes amounts that are constrained for specific purposes that are externally imposed by providers. Committed fund balance includes amounts that are constrained for specific purposes that are internally imposed by the Board. Unassigned fund balance includes residual amounts that have not been classified within the previously mentioned categories and is a measure of current available financial resources.

### \*Supplemental Schedule for Capital Project Funds:

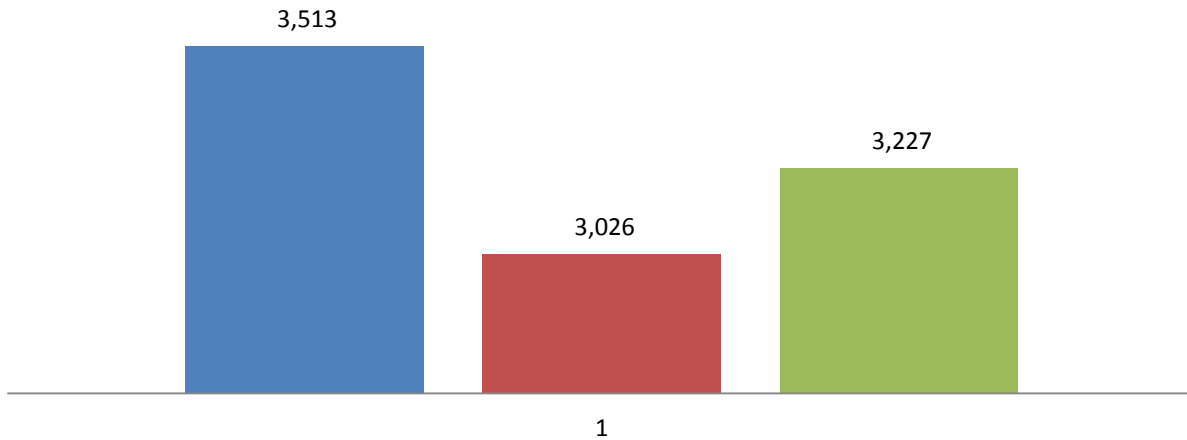
(1,000's)	VSS BRT CPF	AMF CPF	Series 2013A CPF	2014 Total CPF
<b>Beginning fund balance (budget)</b>	\$ 414	\$ 340	\$ 1,747	\$ 2,501
Revenues	\$ 486	\$ 1,360		\$ 1,846
Expenditures	\$ 900	\$ 1,700	\$ 1,747	\$ 4,347
Change in net assets	\$ (414)	\$ (340)	\$ (1,747)	\$ (2,501)
<b>Ending fund balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

### 2014 Projected General Fund Fund Balance Composition



### 2014 Operating Reserves Test - *General Fund*

- Committed Operating Reserves
- 2-Month Avg. of Budgeted Operating Expenditures
- 15% of Budgeted Operating Revenues





## 2014 Budget

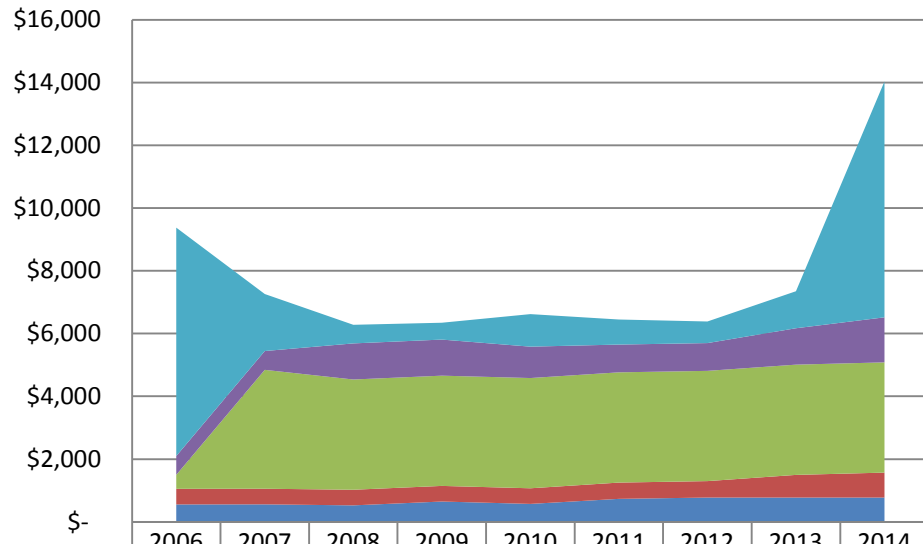
### General Fund comparative Fund Balance

	All funds			General fund only					
	2006	2007	2008	2009	2010	2011	2012	2013	2014
	Final	Final	Final	Final	Final	Final	Final	Budget	Budget
<b>Beginning fund balance</b>	\$ 7,558	\$ 9,376	\$ 7,421	\$ 6,280	\$ 6,346	\$ 6,620	\$ 6,449	\$ 6,385	\$ 7,349
Revenues	\$ 28,747	\$ 35,869	\$ 29,011	\$ 21,056	\$ 15,982	\$ 17,288	\$ 17,474	\$ 24,072	\$ 26,501
Operating expenditures	\$ (17,172)	\$ (22,428)	\$ (22,859)	\$ (13,177)	\$ (12,877)	\$ (13,623)	\$ (13,780)	\$ (14,666)	\$ (18,155)
Capital outlay	\$ (7,660)	\$ (13,581)	\$ (8,065)	\$ (5,426)	\$ (454)	\$ (1,826)	\$ (2,922)	\$ (7,455)	\$ (3,151)
Debt service	\$ (1,667)	\$ (1,541)	\$ (2,622)	\$ (2,657)	\$ (2,730)	\$ (2,347)	\$ (2,222)	\$ (2,271)	\$ (2,284)
Other financing sources/(uses)	\$ -	\$ -	\$ 3,586	\$ 271	\$ 354	\$ 336	\$ 1,387	\$ 1,285	\$ 3,774
Reserves contribution	\$ (430)	\$ (275)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Change in net assets</b>	\$ 1,818	\$ (1,955)	\$ (948)	\$ 66	\$ 275	\$ (172)	\$ (63)	\$ 964	\$ 6,685
<b>Fund Balance:</b>									
SRF - designated		\$ 161	\$ 193						
Non-spendable	\$ 556	\$ 559	\$ 526	\$ 649	\$ 573	\$ 734	\$ 775	\$ 775	\$ 775
Restricted	\$ 498	\$ 498	\$ 498	\$ 498	\$ 498	\$ 519	\$ 524	\$ 722	\$ 795
Committed for:									
Operating reserves	\$ 444	\$ 3,788	\$ 3,513	\$ 3,513	\$ 3,513	\$ 3,513	\$ 3,513	\$ 3,513	\$ 3,513
Facilities capital	\$ 225	\$ 225	\$ 425	\$ 425	\$ 275	\$ 375	\$ 375	\$ 475	\$ 575
Transit capital	\$ 150	\$ 150	\$ 425	\$ 425	\$ 425	\$ 135	\$ 135	\$ 235	\$ 335
Trails capital	\$ 225	\$ 225	\$ 300	\$ 300	\$ 300	\$ 375	\$ 375	\$ 450	\$ 525
Unassigned	\$ 7,278	\$ 1,816	\$ 593	\$ 537	\$ 1,037	\$ 798	\$ 688	\$ 1,179	\$ 7,516
<b>Ending Fund Balance</b>	\$ 9,376	\$ 7,421	\$ 6,473	\$ 6,346	\$ 6,620	\$ 6,449	\$ 6,385	\$ 7,349	\$ 14,034

Significant changes in Fund balance are as follows:

- 2006/2007 use of \$1.9 million timing difference between purchasing and financing of an employee housing property and change in operating reserve policy, \$3.2 million;
- 2007/2008 timing difference between purchasing and grant reimbursement of buses, \$1.2 million;
- 2008/2009 due to economic down turn, operating expenditures were approximately \$240,000 more than revenue;
- 2009/2010 Staff requested use of capital reserves of \$275,000 to continue multi-year capital projects that are in progress;
- 2010/2011 Staff requested use of capital reserves of \$735,000 to upgrade transit bus radios, repair trail damage, and improve facilities at the GMF and Parker House housing complex; currently, \$50,000 of unexpended trail repairs may replenish capital reserves;
- 2011/2012 no significant changes noted; and
- 2012/2013 increase in unassigned due to an increase in sales tax revenues; incremental operating costs associated with the BRT transit service are funded by a transfer from the BRT Special Revenue Fund
- 2013/2014 increase in unassigned primarily due to the remaining fund balance of \$6.2 million transferred from the BRT Special Revenue Fund.

### General Fund's Fund Balance History (1,000's)



	2006	2007	2008	2009	2010	2011	2012	2013	2014
■ Unassigned	\$7,278	\$1,816	\$593	\$537	\$1,037	\$798	\$688	\$1,179	\$7,517
■ Committed Capital Reserves	\$600	\$600	\$1,150	\$1,150	\$1,000	\$885	\$885	\$1,160	\$1,435
■ Committed Operating Reserves	\$444	\$3,788	\$3,513	\$3,513	\$3,513	\$3,513	\$3,513	\$3,513	\$3,513
■ Restricted	\$498	\$498	\$498	\$498	\$498	\$519	\$524	\$722	\$795
■ Non-spendable	\$556	\$559	\$526	\$649	\$573	\$734	\$775	\$775	\$775

### Expenditures

#### Operating expenditure summary by Department with Fuel

Department (1,000's)	General Fund	Service Contracts	Bus Stops/ PNR SRF	Mid Valley Trails SRF	2014 Total Department Budget	%
Fuel	\$ 1,623	\$ 774	\$ -	\$ -	\$ 2,397	9%
Transit Maintenance	\$ 3,667	\$ 1,766	\$ -	\$ -	\$ 5,433	19%
Transit Operations	\$ 6,709	\$ 3,873	\$ -	\$ -	\$ 10,582	38%
CEO	\$ 664	\$ 317	\$ -	\$ -	\$ 981	4%
Finance	\$ 821	\$ 391	\$ -	\$ -	\$ 1,212	4%
Planning	\$ 273	\$ 130	\$ -	\$ -	\$ 403	1%
HR & Risk Mgmt	\$ 1,224	\$ 584	\$ -	\$ -	\$ 1,808	6%
Information Technology	\$ 1,002	\$ 478	\$ -	\$ -	\$ 1,480	5%
Facilities	\$ 1,560	\$ 744	\$ 680	\$ -	\$ 2,985	11%
Attorney & BOD	\$ 103	\$ 49	\$ -	\$ -	\$ 152	1%
Trails & Corridor Mgmt	\$ 508	\$ -	\$ -	\$ 74	\$ 581	2%
<b>Total</b>	<b>\$ 18,155</b>	<b>\$ 9,106</b>	<b>\$ 680</b>	<b>\$ 74</b>	<b>\$ 28,015</b>	<b>100%</b>

Assumptions used in preparing the budget are as follows:

- First full year of the BRT service as part of the overall transit service program estimates a net increase to overall transit service hours and mileage by approximately 18,000 (8% increase) and 694,000 (18% increase), respectively.
  - \$600,000 for increased costs projected by the Maintenance and Operations Departments;
  - \$370,000 relates to incremental administrative costs associated with Intelligent Transportation System support;
  - \$200,000 for a projected increase in operating and maintenance costs for the various facilities and bus stops and park and rides.
- Diesel fuel assumes a Winter Blend between December and April and a Biodiesel Blend for the remainder of the year. The weighted average cost is approximately \$3.49 per gallon for the year based on a fixed forward pricing contract.
- CNG fuel assumes current pricing from our existing vendor; however, staff is procuring a CNG fuel provider later this year with the goal of having a contract in place starting January 1, 2014. The budgeted CNG cost is approximately \$1.79 per Diesel Gallon Equivalent. When a CNG fuel provider is under contract, then adjustments are anticipated to be made, if needed.
- With a 10% increase in healthcare costs in 2014 in order to maintain current employee premiums and coverage levels, the existing PPO B1000 plan was replaced by the less expensive PPO B2000 plan to fully absorb the price increase and a deductible reimbursable HRA was added for employees who exceed the first half of their deductibles to have their second half reimbursed by the Authority. By becoming partially self-funded, the overall cost increase would be equal to approximately 10% of the HRA utilization. The budget assumes a conservative 50% utilization rate or an additional cost of approximately \$108,000 while a 33% rate may be more likely.
- Merit increase of up to 3% effective at each employee's next performance review date with the exception for those in positions whose salary ranges were proposed to change as a result of the biennial compensation plan update provided by a third-party consultant. To avoid salary

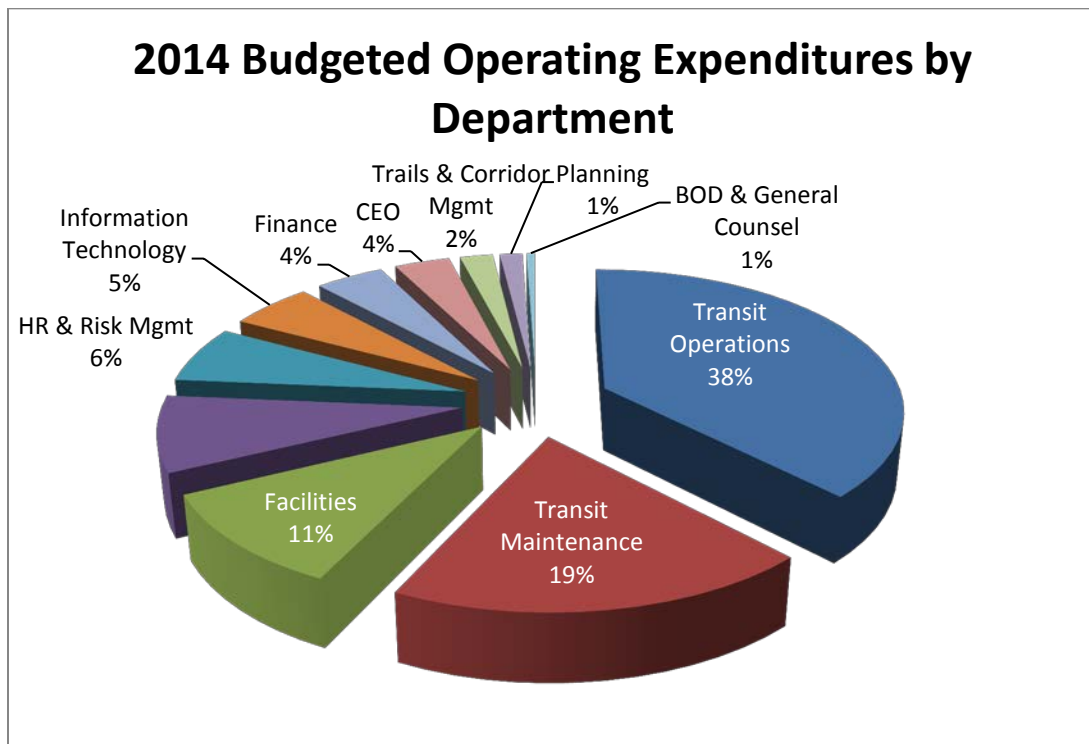
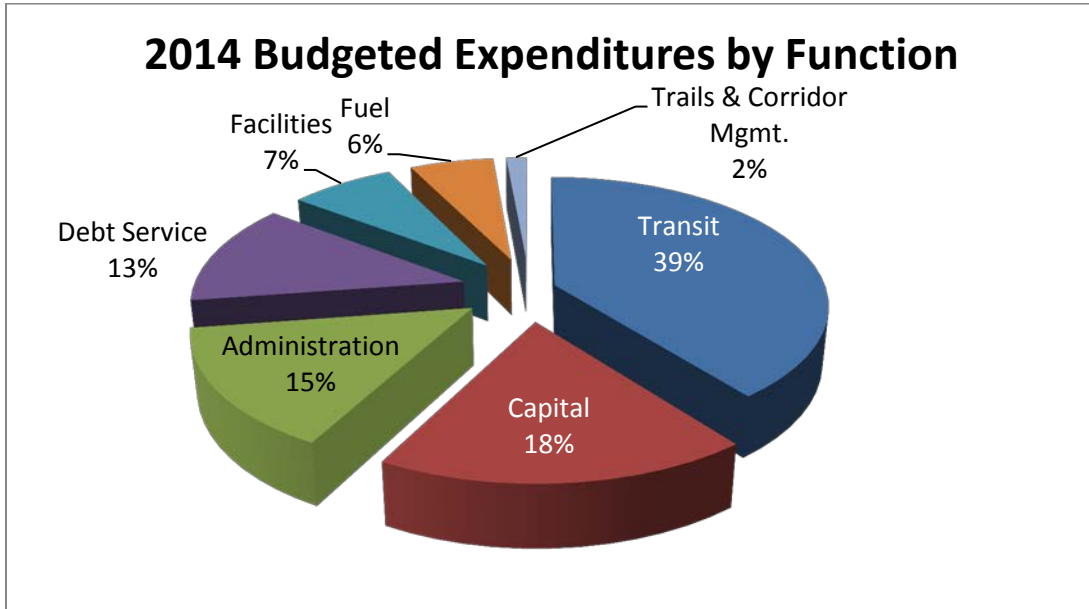


## 2014 Budget

### Expenditures (continued)

compression, an additional 1% or approximately \$70,000 was budgeted resulting in a merit increase of up to 4% for those positions identified.

- Certain expenditures will be added into the budget through supplemental budget appropriation resolutions during the budget year when funding is available.



Capital Expenditures

<b>Capital Expenditure by project</b>					
<b>Description (1,000's)</b>	<b>General Fund</b>	<b>VSS BRT CPF</b>	<b>AMF CPF</b>	<b>Series 2013A CPF</b>	<b>Capital Projects Total</b>
Rolling stock	\$ 374				\$ 374
Bus engine/transmission rebuilds	\$ 300				\$ 300
West Glenwood Park & Ride	\$ 242			\$ 258	\$ 500
New Castle Park & Ride	\$ 200			\$ 300	\$ 500
Other Transit	\$ 584				\$ 584
<b>Total Transit</b>	<b>\$ 1,663</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 558</b>	<b>\$ 2,221</b>
<b>Total Trails</b>	<b>\$ 213</b>				<b>\$ 213</b>
<b>BRT Project</b>		<b>\$ 900</b>			<b>\$ 900</b>
<b>AABC Pedestrian Underpass Project</b>	<b>\$ 1,275</b>				<b>\$ 1,275</b>
<b>AMF Re-commissioning Project</b>			<b>\$ 1,700</b>		<b>\$ 1,700</b>
<b>Rubey Park Transit Center Renovation</b>				<b>\$ 500</b>	<b>\$ 500</b>
<b>Project Contingency</b>				<b>\$ 689</b>	<b>\$ 689</b>
<b>Total</b>	<b>\$ 3,151</b>	<b>\$ 900</b>	<b>\$ 1,700</b>	<b>\$ 1,747</b>	<b>\$ 7,498</b>

Capital assets are defined as assets with an initial cost of \$5,000, a useful life of in excess of 3 years; funding for capital expenditures is obtained primarily through sales tax, fares and grants.

The major Authority fixed assets are as follows:

**Transit Program**

- Aspen Maintenance Facility; two Carbondale Administrative Offices; Glenwood Springs Maintenance Facility and Administrative Offices and two employee housing complexes;
- Rolling stock or buses carrying approximately 40 passengers are used to provide the majority of the public commuter transit services;
- The Authority fleet primarily consists of diesel and hybrid buses that each cost approximately \$350,000 and \$500,000, respectively;
- The Authority considers the average life of a bus to be 12 years and 500,000 miles;
- Most bus replacements are funded through various Federal, State and local grants;
- Maintenance for the fleet is provided primarily through the Authority’s Bus Maintenance Department within the Transit Program;
- Various bus stop and park n ride properties.

**Trails Program**

- Carbondale Trails Shop and Administrative Offices; the Rio Grande Trail and Corridor.

### Capital Expenditures – General Fund

#### **Capital Maintenance Program**

- The Authority is currently implementing Enterprise Asset Management (EAM) software which will serve as a tool to help maintain and manage capital assets and maximize their useful lives.
- Aspen Maintenance Facility (AMF) is currently being re-commissioned over the next few years. A capital maintenance program for the facility will be prepared using the EAM software.
- Additionally, the Glenwood Springs Maintenance Facility (GMF) is a relatively new building. A capital maintenance program for the facility will also be prepared using the EAM software.
- Finally, all other capital maintenance projects are identified on a case by case basis.

#### Impact of capital improvement on the Operating Budget

- Management reviewed the \$3.15 million of capital projects and determined that there will be minimal impact on the operating budget for 2014 primarily due to \$1.2 million of various capital grants being awarded to the Authority at the time this budget had been adopted.
- Engine and transmission rebuilds are planned reoccurring projects requiring no extra maintenance resources; all transmission rebuilds are performed by third party vendors.

#### **Significant Non-routine Capital Expenditures**

The Authority considers building and park & ride repairs and maintenance routine.

### Capital Expenditures – Series 2009A, Series 2009B and VSS BRT Capital Project Funds

The Bus Rapid Transit Project has been funded through a 2008 increase in sales tax, a Series 2009A & B bond issuance, and an FTA Very Small Starts grant. Resolution required separate accounting of the capital expenditures of the bond proceeds through capital projects, debt service and debt reserve funds.

The goal of the Bud Rapid Transit project is to improve RFTA's operations to be faster, more convenient, and more comfortable. BRT combines advanced technologies, infrastructure, and operational investments to provide a significant improvement over traditional bus service. Typical elements include:

- An operations plan to accommodate a variety of passengers with a variety of needs during peak and off-peak traffic periods with 10 to 15 minute headways between Aspen and Glenwood Springs. BRT service is in addition to existing services.
- Exclusive travel lanes and roadway enhancements – BRT will operate in mixed traffic on CO Highway 82 as well as along designated bus travel lanes. Exclusive lanes speed travel, especially during peak traffic hours. Enhancements include transit signal priority and queue bypass at congested intersections.
- Stations, park & rides and passenger amenities designed to be comfortable for waiting passengers to make it convenient for them to purchase tickets quickly and to easily see when the next bus is coming.
- Specialized vehicles with low-floor design to speed boarding, annunciators to announce stops and a paint scheme to distinguish BRT buses from other RFTA services.
- Intelligent transportation systems with satellite technology that provides automatic vehicle location and computer-aided dispatch. GPS information from the satellite provides real-time next bus information at passenger stops and online.

#### Impact of capital improvement on the Operating Budget

- There will be minimal impact to the operating budget mainly because this entire capital project is funded by proceeds from the Series 2009A&B bond issuance and a FTA Very Small Starts grant. The additional sales tax revenues from the 2008 increase has been accounted for separately in the BRT Special Revenue Fund, as directed by the Board, to fund administrative and other costs related to the planning and implementation of the project. After implementation, these additional revenues will fund the incremental operating costs related to BRT of approximately \$2 million.
- Included in the BRT project is the implementation of Intelligent Transportation System which will significantly reduce the resources needed to build and adjust seasonal shifts and is anticipated to provide scheduling scenarios to increase operating efficiency. Such activities were previously performed manually and were very time consuming.
- Utility and maintenance costs are anticipated to increase as a result of the new BRT stations with ticket vending machines and expanded park and rides.

#### **Significant Non-routine Capital Expenditures**

Staff has identified no significant non-routine capital expenditures related to this project.

### Capital Expenditures – Series 2010A and AMF Capital Project Fund

The Aspen Maintenance Facility (AMF) Re-commissioning Project has been funded through a Series 2010A bond issuance by Pitkin County on behalf of the Authority and a FTA Section 5309 State-of-Good-Repair grant.

The goal of this project is to rehabilitate and renovate the 27-year old Aspen Maintenance Facility. Upon completion of the project, the AMF will:

- Meet the current and future demand for transit by RFTA;
- Replace infrastructure at the AMF that is at the end of its useful life, unsafe, and/or functionally obsolete;
- Make the AMF more functional and energy efficient; and
- Improve safety and working conditions at the AMF.

This project will include these rehabilitation and renovations:

- Replacement of existing fire alarm and fire suppression systems, which are outdated and obsolete. The fire alarm and fire suppression systems will be completely replaced with new systems that will be linked directly to the local Fire District office;
- Upgrade original HVAC, mechanical, plumbing and electrical (both primary and back-up) systems, including installation of a geo-thermal power system and waste oil burner, to make them more reliable and energy efficient;
- Increase outdoor bus storage and employee and visitor parking capacity. The AMF was designed to maintain 42 buses, but it currently houses approximately 69 buses. Civil redesign will create safe, efficient and proper staging and circulation for vehicle maintenance, storage and deployment of approximately 72 buses.

#### Impact of capital improvement on the Operating Budget

- There will be minimal impact to the operating budget mainly because this entire capital project is funded by proceeds from the Series 2010A bond issuance by Pitkin County on behalf of the Authority and a FTA Section 5309 State of Good Repair grant.
- The costs to operate the AMF are anticipated to decrease as a result of the installation of more functional and energy efficient systems in Phases I and II of this project.
- Improved bus storage and circulation design, drainage, snowmelt will help reduce accidents on the premises.
- Covered outdoor bus storage in Phase III is anticipated to decrease idling time by transit buses resulting in less fuel consumption and further reduce maintenance costs for the transit buses due to less exposure to freezing temperatures.

#### Significant Non-routine Capital Expenditures

Staff has identified no significant non-routine capital expenditures related to this project.



## Capital Expenditures – General Fund/Series 2013A Capital Project Fund

The West Glenwood Park & Ride, New Castle Park & Ride, and Rubey Park Transit Center Renovation Projects have been funded through a Series 2013A Tax-Exempt Loan by the Authority, and various capital grants including: a FTA Section 5339 grant, a CDOT FASTER grant, and a Federal Mineral Lease District grant.

The goal of this project is to build and improve existing bus stops, stations and park & rides to promote public transit as a safe and vital part to connect communities within our regional service area.

### Impact of capital improvement on the Operating Budget

- There will be minimal impact to the operating budget as these projects are funded entirely by proceeds from the Series 2013A Loan and various capital grants.

### Significant Non-routine Capital Expenditures

Staff has identified no significant non-routine capital expenditures related to this project.



**Operating Line Item Expenditures greater than \$50,000 (excluding personnel compensation)**

<b>Description</b>	<b>2014 Budget</b>
Medical Insurance(CHP)	\$ 2,529,782
Transit Diesel Fuel	\$ 1,691,805
Bus Parts	\$ 831,530
Transit Compressed Natural Gas	\$ 348,500
Pinnacol Premiums	\$ 339,000
TOSV Regional Service Contract	\$ 328,919
Bus Tire & Tubes	\$ 252,769
CCMSI Gen Liability Claims	\$ 250,000
Corporate Insurance Package	\$ 237,000
Alt Fica (Life Insurance, AD&D, LTD)	\$ 226,675
ROW Land Schedule & GIS graphics	\$ 200,000
Trillium O&M	\$ 199,400
Health Insurance(HRA)	\$ 177,500
Purchased Services	\$ 160,000
Rent Expense	\$ 135,600
Materials & Supplies	\$ 132,000
Janitorial Service	\$ 127,000
Snow Plowing	\$ 125,000
Professional / Legal Services	\$ 120,000
Oil, Lubricants, Antifreeze	\$ 114,000
Transit Unleaded Fuel	\$ 99,000
Janitorial Service	\$ 95,000
H S A Employer Match (HDHP)	\$ 93,000
Bus Third Party Repairs	\$ 90,275
Accident Third Party Repairs	\$ 78,000
Electric	\$ 72,802
Pinnacol Claims	\$ 70,000
Building Repair and Maintenance	\$ 70,000
Natural Gas	\$ 66,810
Security / Loss Prevention	\$ 65,000
Dues, Memberships, & Subscriptions	\$ 61,980
CCMSI Workers' Comp Claims	\$ 60,000
Building Repair and Maintenance	\$ 60,000
Natural Gas	\$ 57,550
Office Equipment Rental/Repair	\$ 53,600
Legislative Contract	\$ 50,000
Printing - Schedules / Maroon Bells Tickets	\$ 50,000
Janitorial Supplies	\$ 50,000
Repair and Maintenance	\$ 50,000

**Debt, Long term Commitments and Obligations**

The Authority is not subject to legal debt limits.

The following represents the Authority’s list of debt, long term commitments and obligations reported in the General Fund:

- 2007 Capital lease, 4.28%, purpose – bus purchase;
- 2008 Capital leases include: 4.39%, purpose – employee housing purchase; 3.18%, purpose – bus purchase;
- Series 2010A Build America Bonds, 6.689-6.939%, purpose – Aspen Maintenance Facility Re-commissioning capital assets;
- Series 2010B Tax Exempt Bonds, 2.0-4.25%, purpose – Aspen Maintenance Facility, Carbondale Maintenance Facility, Carbondale Main Street Employee Housing, Glenwood Maintenance Facility and buses (refunding of 1998 & 2001 Bonds)
- 2011 Capital lease, 4.5%, purpose – office;
- 2012 Vehicles, 6.1-6.45%, purpose – automobile purchases;
- 2012 Equipment, 4.57-5.78%, purpose – equipment
- 2013 Vehicles, 5.7%, purpose – automobile purchases;
- 2013 Equipment, 7.58%, purpose – equipment;
- 2014 Vehicles, rate to be determined, purpose – automobile purchase.

Principal and interest amounts by issuance to be paid during the Budget year are as follows:

<b>Issuance</b>	<b>Principal</b>	<b>Interest</b>	<b>Issuance Total</b>
2005 Certificates of Participation	\$ 360,000	\$ 50,175	\$ 410,175
2007 Capital lease	\$ 568,350	\$ 81,131	\$ 649,481
2008 Employee housing	\$ 93,840	\$ 79,137	\$ 172,977
2008 Buses	\$ 148,995	\$ 10,956	\$ 159,951
Series 2010A Taxable Build America Bonds	-	\$ 173,032	\$ 173,032
Series 2010B Tax Exempt Bonds	\$ 320,000	\$ 163,831	\$ 483,831
2011 Office	\$ 34,756	\$ 41,620	\$ 76,376
2012 Automobiles	\$ 24,725	\$ 3,163	\$ 27,888
2012 Equipment	\$ 18,200	\$ 2,388	\$ 20,588
2013 Automobiles	\$ 34,873	\$ 6,310	\$ 41,183
2013 Equipment	\$ 19,475	\$ 3,796	\$ 23,271
2014 Automobiles	\$ 38,000	\$ 7,000	\$ 45,000
<b>Total General Fund</b>	<b>\$ 1,661,214</b>	<b>\$ 622,539</b>	<b>\$ 2,283,753</b>

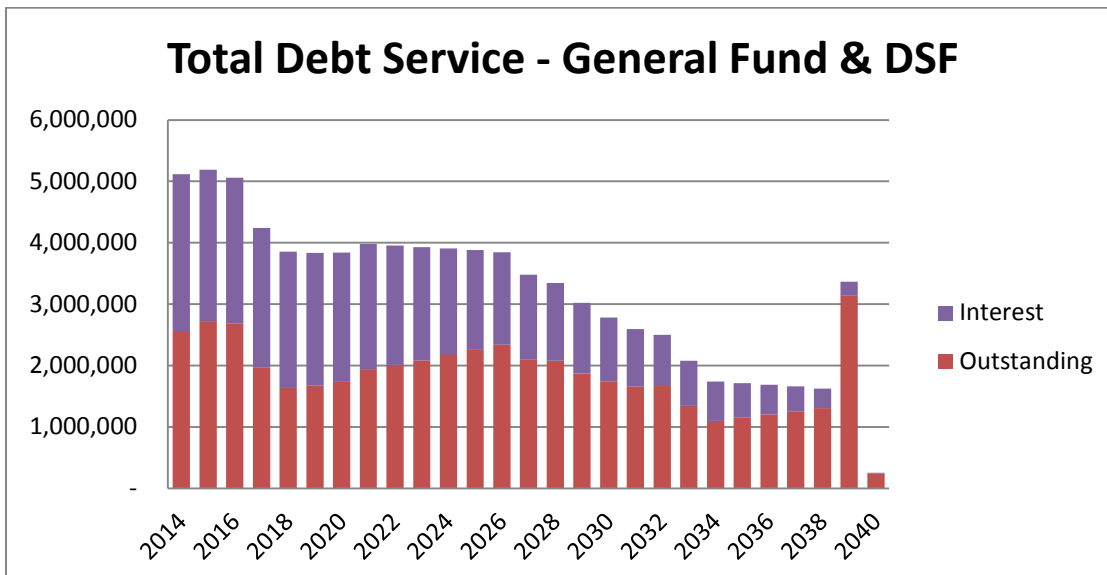
**Debt, Long term Commitments and Obligations continued...**

The following represents the Authority’s list of debt, long term commitments and obligations reported in the Debt Service Fund:

- Series 2009A Tax-Exempt Bonds, 3.6%, purpose – BRT Project capital assets;
- Series 2009B Build America Bonds, 6.7%, purpose – BRT Project capital assets;
- Series 2012A Qualified Energy Conservation Bonds, 1.07%, purpose – CNG Project capital assets
- Series 2013A Tax-Exempt Loan, 3.48% - Bus Stop/Park & Ride and facility capital assets;
- Series 2013B Qualified Energy Conservation Bonds, est. 1.8% – AMF Recommissioning Project capital assets.

Principal and interest amounts by issuance to be paid during the Budget year are as follows:

Issuance	Principal	Interest	Issuance Total
Series 2009A Tax Exempt Bonds	\$ 540,000	\$ 151,725	\$ 691,725
Series 2009B Taxable Build America Bonds	-	\$ 1,429,186	\$1,429,186
Series 20012A Qualified Energy Conservation Bonds	\$ 340,000	\$ 219,694	\$ 559,694
Series 2013A Tax Exempt Loan	\$ 35,000	\$ 72,113	\$ 107,113
Series 2013B Qualified Energy Conservation Bonds	\$ 25,000	\$ 66,943	\$ 91,943
<b>Total Debt Service Funds</b>	<b>\$ 940,000</b>	<b>\$ 1,939,661</b>	<b>\$2,879,661</b>



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## Operations Guide

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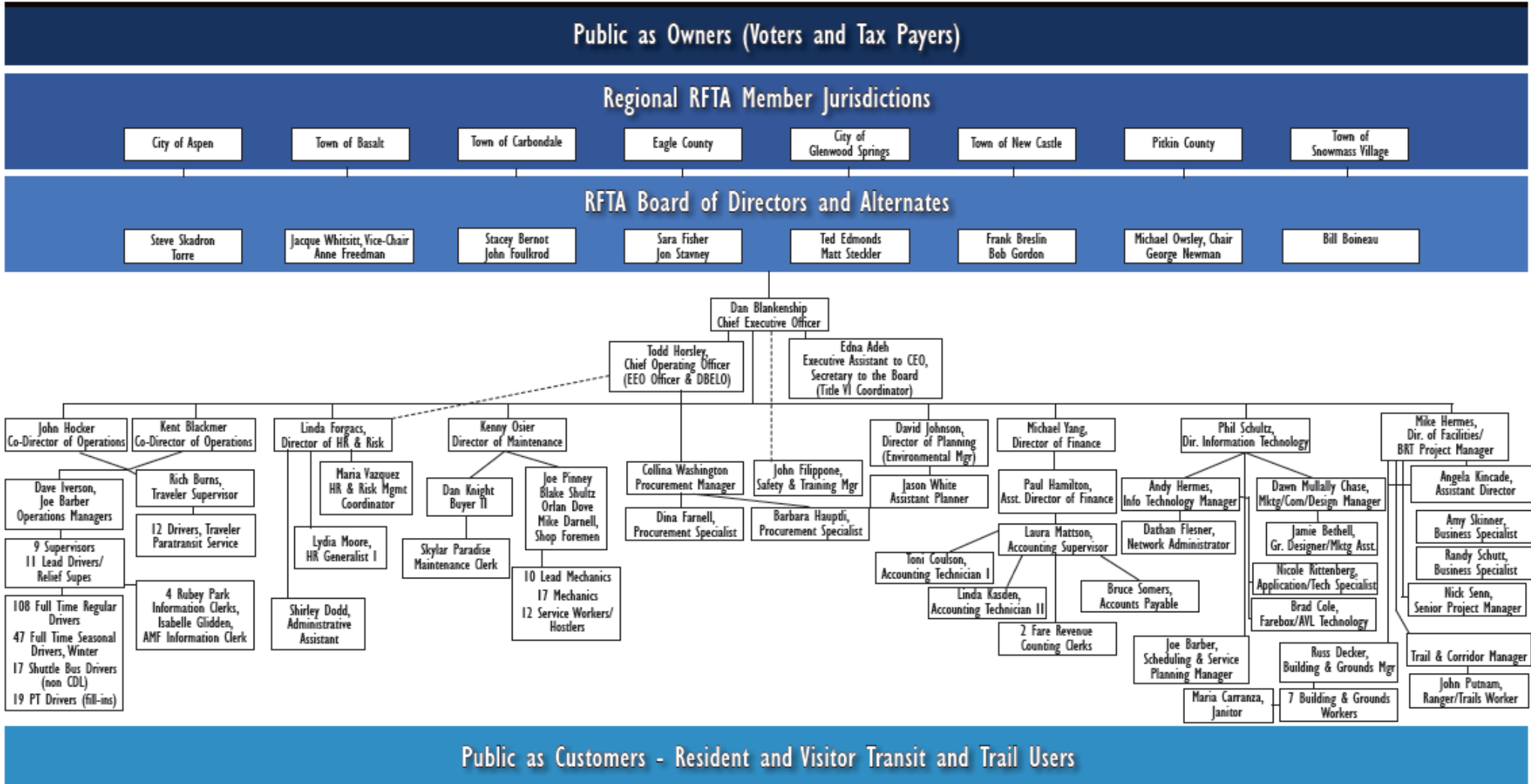
### Description of Programs

- *Transit Program* provides commuter bus service throughout the Roaring Fork Valley and into the I-70 Corridor in Colorado.
- *Trails Program* maintains a multi-purpose pedestrian, bike and equestrian trail on the Authority owned, Rio Grande Rail Corridor.

### Description of Functions and Departments

- *Transit Function* provides commuter transit services, maintains the fleet of transit commuter vehicles (buses):
  - Maintenance – Activities include maintenance, repair and cleaning of commuter buses and administrative vehicles, purchases bus parts and transit fuel, personnel recruitment and bus procurement.
  - Operations – Activities include personnel recruitment, management of the commuter bus service and customer service center for the Transit Program.
- *Trails & Corridor Function* is responsible for maintaining the multi-purpose pedestrian, bike and equestrian trail and managing the Rio Grande Rail Corridor:
  - The Trails and Corridor – Activities include maintenance and repair of the Authority owned trail, trails grant application and management.
- *Administrative Function* is responsible for all administrative activities:
  - General Counsel – Activities include Board governance policy support, contract, personnel and rail corridor legal support.
  - CEO – Activities include the overall management of the Authority, maintaining the official records of the Authority, procurement and maintenance of contracts, and safety and training.
  - Facilities - Activities include the maintenance and repairs of the buildings, grounds, bus stops and park n rides used by the Programs and management of capital projects.
  - Finance – Activities include maintaining the financial records of the Authority, budget, all accounting functions, debt service, cash management, and financial and grant reporting. Also, responsible for management of the Authority employee social security replacement 401(a) Plan.
  - Human Resources/ Risk Management – Activities include hiring of administrative personnel, procuring and maintaining employee benefits, procuring and management of all aspects of insurance.
  - Information Technology– Activities include maintaining the facilities and bus security systems, administrative computer hardware and software, printers, voice over internet protocol telephone system, the electronic fare box system and Intelligent Transportation Software. Also responsible for the marketing and communication of Authority transit and trails programs.
  - Planning – Activities include developing and submitting proposals for federal and state grants, managing strategic planning efforts, and collaborating with regional planners on transit-oriented developments.

### Authority Organization Chart by Department/Unit (as of 2013)



## Performance Measurement

### **Organization-wide**

In 2012, organization-wide objectives were identified and related strategies and measures of success were developed:

#### Objective 1: Safety

##### *Measures of Success:*

1. Maintain or lower current accident and workers compensation levels.
2. Accident and workers compensation levels compare favorably with internal and industry standards.
3. Develop and implement an annual safety training and awareness program for each department.
4. All internal and external safety complaints are reviewed and tracked in a timely manner.

#### Objective 2: Human Capital

##### *Measures of Success:*

1. Annual voluntary permanent (year-round) staff turnover rates remain less than 5%.
2. Annual return rates for preferred seasonal employees increase each year.
3. By January 2013, a formal employee performance evaluation program in place.
4. By January 2013, all employees receive a formal annual performance evaluation within 30 days of their employment anniversary date.
5. By January 2013, all job descriptions have been updated and approved.
6. By July 2013, every job function has at least two employees who are sufficiently trained and capable of performing the duties and critical tasks associated with the function.
7. By July 2013, there is a formal development and training plan for all employees.
8. By July 2013, all Directors/Managers have a succession plan.

#### Objective 3: Sustainability/Existence Planning

##### *Measures of Success:*

1. The long-term financial forecast has been updated annually and reviewed with the CEO and RFTA Board of Directors and/or subcommittee.
2. The monthly forecast has been updated and reviewed with the CEO.
3. The rate of increase of the General Fund's budgeted operating expenditures does not exceed the estimated rate of growth for operating revenues on an annual basis (post-BRT implementation).

#### Objective 4: Customer Service

##### *Measures of Success:*

1. Bi-annual customer service survey results show a steady improvement.
2. Quarterly analysis of complaint database results in a decline in the number of complaints.
3. Performance for safety, reliability, cost and comfort meets or exceeds customer expectations, RFTA standards and transportation industry standards.
4. Perception of RFTA performance as reported in the media is positive.



Performance Measurement continued...

Objective 5: Environmental Sustainability Planning

*Measures of Success:*

1. Monitor existing resources to verify optimum operational efficiency.
2. Create baseline measurements for comprehensive fleet and facility energy usage.
3. By 2017, renewable energy production projects will offset at least 50% of total annual energy usage at facilities contingent upon the cost effectiveness of secured capital and long-term financing that warrants infrastructure or operational improvements superior to existing resources.
4. By 2020, transit fleet will be powered with at least 30% alternative fuels and/or innovative renewable technologies that continue to decrease dependence on foreign, non-renewable resources contingent upon the cost effectiveness of secured capital and long-term financing that warrants infrastructure or operational improvements superior to existing resources.
5. VelociRFTA BRT will contribute to the reduction of regional greenhouse gas emissions by offering a travel time of less than one hour from Glenwood Springs to Aspen, competitive to personal automobile travel.
6. Implement a strategy to procure ecologically-friendly goods and services within federal, state and local guidelines.
7. Staff will continue to market RFTA as a viable alternative transportation choice and educate the public about transit benefits.

Objective 6: Communication

*Measures of Success:*

1. Monthly increase in social media hits.
2. Monthly increase in visitors to website.
3. Positive SharePoint user feedback.
4. Internal and external issues are clearly and completely resolved.
5. Bi-lingual communication tools.
6. Public and internal surveys result in an accurate awareness of RFTA information.

**Department**

In late 2009, the Authority Board identified a need to revise the current performance review process. The Board would like to implement objective performance measurement to be included in future budget documents.

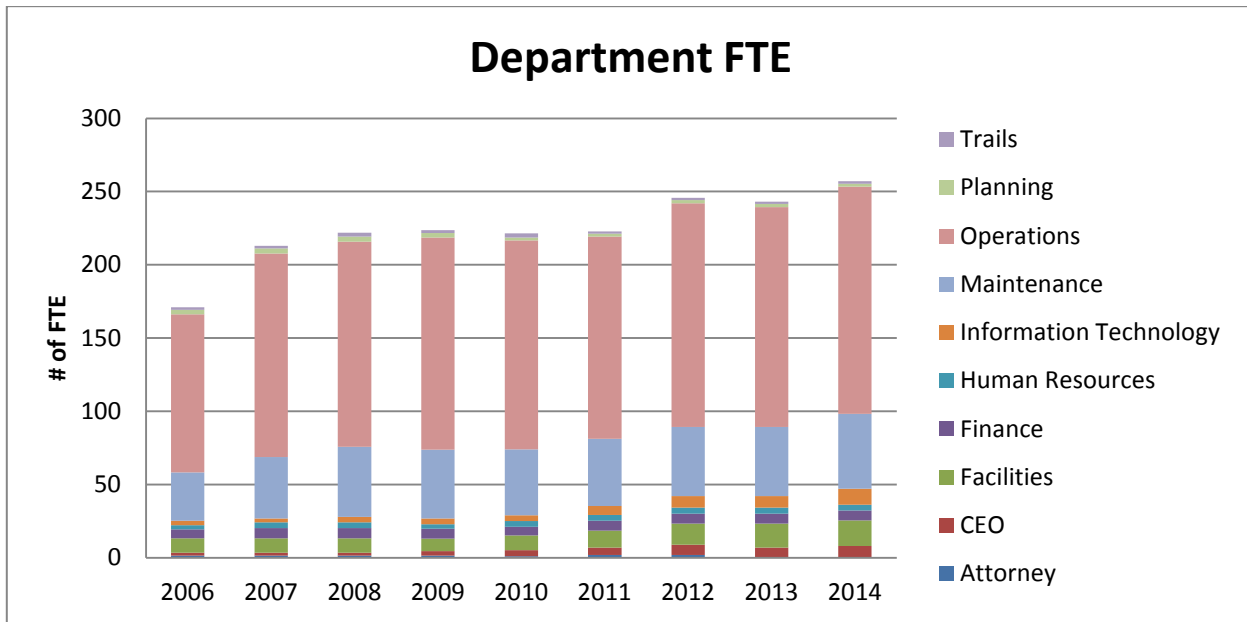
Summary Position Information

Department FTE	2006	2007	2008	2009	2010	2011	2012	2013	2014
Attorney	1.5	1.5	1.5	1.5	1	2	2	0	0
CEO	2	2	2	3	4.2	5	7	7	8 *
Facilities	9.8	9.8	9.8	8.5	10.1	11.5	14.4	16.4	17.4 *
Finance	6	7	7	6.8	5.8	6.8	6.8	6.8	6.8
Human Resources	3	4	4	3	4	4	4	4	4
Information Technology	3	2.5	3.5	4	4	6	8	8	11 **
Maintenance	33	42	48	47	44.8	46	47	47	51 ***
Operations	108	139	140	144.8	142.8	138	152.9	150.3	155.2 ***
Planning	3	3.5	3.5	3	2	2	2	2	2
Trails	1.7	1.7	2.7	2	2.7	1.5	1.6	1.6	1.6
<b>Grand Total</b>	<b>171</b>	<b>213</b>	<b>222</b>	<b>223.6</b>	<b>221.4</b>	<b>222.8</b>	<b>245.7</b>	<b>243.1</b>	<b>257</b>

*\*New administrative positions budgeted*

*\*\*New technician and administrative positions budgeted*

*\*\*Budgeted increase based on transit service plan hours and mileage*



Other Planning processes

- During the first half of each year the Authority Board conducts a retreat to review goals and objectives on an entity wide basis; currently, the Authority’s primary strategic, long term and capital financial planning project is known as the Bus Rapid Transit Vision Project.



## 2014 Budget

### Other Planning processes continued...

#### Bus Rapid Transit Vision Project

- In 2008 the Authority submitted an application for Federal Transit Administration (FTA) Very Small Starts (VSS) grant assistance for the VelociRFTA BRT project. The \$46 million capital project contained a package of transit improvements, including: A fleet of 18 low-floor buses, 11 new BRT stations, an array of Intelligent Transportation System (ITS) components, and a variety of transit priority measures. In November 2008, the Public within the Authority's member jurisdictions voted to fund the VelociRFTA BRT project by approving a 0.4% sales and use tax increase and \$44.55 million in bonding authority. In December 2008, the FTA notified the Authority that it had been approved into the Project Development phase of the VSS grant program. In 2009, 2010, and 2011, the Authority worked to obtain environmental clearances for the project and to satisfy other FTA requirements connected with the VSS grant program, including the development of detailed design and engineering plans. In 2010, the FTA awarded the Authority \$810,000 in VSS funding and in August 2011 the FTA awarded the Authority \$24.163 million for the project. In total, the Authority has been awarded \$24.973 million in FTA VSS funding. The Authority will derive its \$21.227 million local match from bond proceeds and sales tax revenue. The Authority has installed ITS equipment and has completed a majority of construction (final closeout in 2014). In September 2013, the BRT service was implemented.

#### Capital Financial Planning

- The Authority has engaged consultants to review all major facilities and determine the needed capital maintenance and provide a capital maintenance program to ensure that these facilities will continue to function in an efficient and effective capacity.

#### Budget process

The Authority is a Special District Governmental Entity for State Budget reporting purposes and is subject to Colorado Local Government Budget Law, Section 29-1-101. The budgetary level of control is on a fund basis. Starting in July of each year the appointed Budget Officer and CEO prepare the budget in the following steps:

- Month of July
  - Revenue projections based on information obtained from participating governments;
  - Total personnel costs based on position compensation, taxes and benefit costs and additional service levels;
  - Fuel costs;
  - Obtain operating and capital appropriation requests from each department on a line item basis;
  - Obtain capital purchase requirements to maintain required service levels - bus purchases, etc;
- Month of August
  - Service contract revenue based on operating costs and capital costs obtained in July;
  - Incorporate estimated operating changes, such as increased transit services;
  - Review condition of budget;
  - Request prioritization of previously received departmental capital appropriation requests if budget adjustment is necessary;

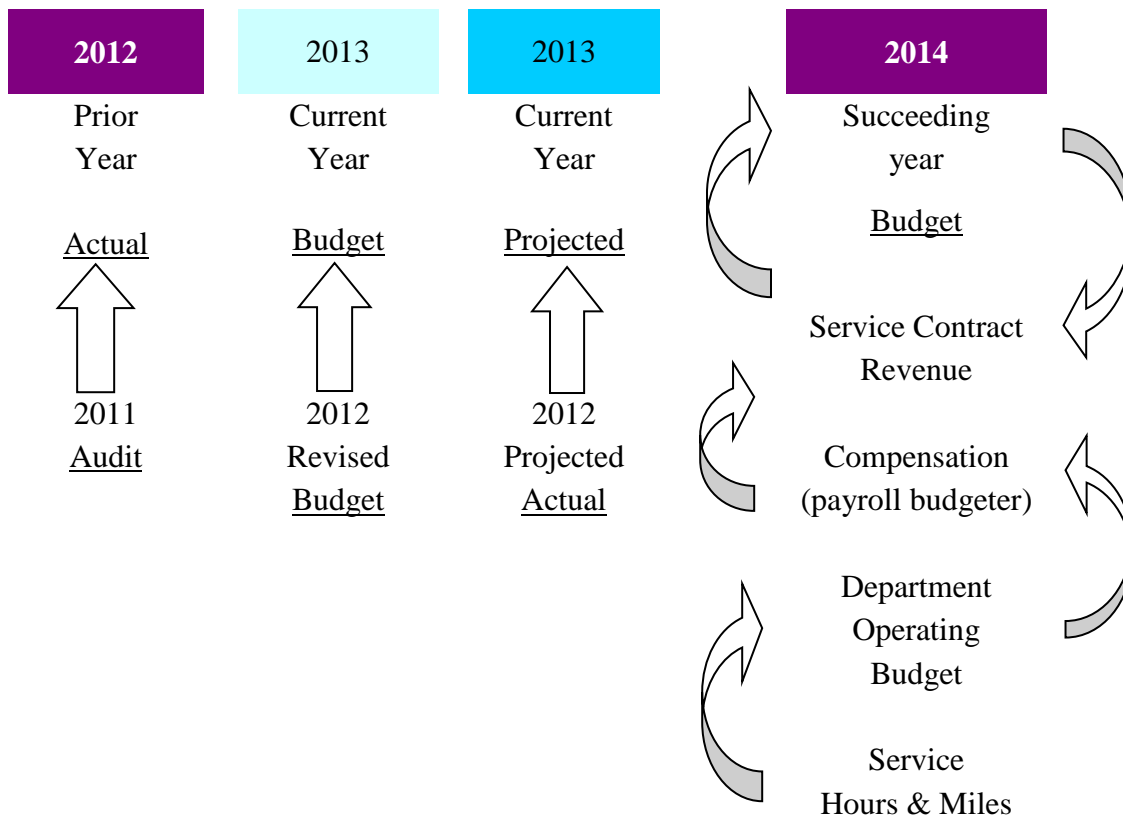


## 2014 Budget

### Budget process continued...

- Month of September
  - Review budget priorities with the Board;
  - Adjust budget as necessary based on Board approved priority revisions to prepare a balanced budget;
  
- Month of October
  - Present draft budget to Board for comment revising budget as necessary;
  - Final review of estimates such as benefits, insurance, etc. adjusting budget as necessary;
  
- Month of November
  - Presentation and Adoption of the Budget – the governing body must publish public notice of a public hearing on the budget indicating the date and time of the meeting, information about the availability for inspection of the proposed resolution, and a statement that electors may file objections to the proposed budget at any time prior to the adoption of the budget.

Budget flowchart:





## 2014 Budget

### Amending the budget

Local governments must follow statutory procedures to authorize any spending in excess of the “appropriation” or spending authority of the budget. The appropriation must be made by fund within the budget and may be made by spending agency (a department, unit, commission, etc.) and the amounts appropriated shall not exceed the expenditures specified in the budget. The appropriation determines whether the budget must be amended in the statutory manner.

**Transfer Appropriated Money:** If the appropriation is by fund, that is, for the total amount of all the listed expenditures as originally budgeted... moneys may be transferred from one line item to another.. to one spending agency to another... within the fund without having to do a statutory budgetary amendment. However, if moneys are to be transferred between appropriated funds or between appropriated spending agencies within a fund, the budget must be amended in the statutory manner.

**Supplemental Budget and Appropriation:** If the local government receives revenues unanticipated or not assured at the time of the adoption of the budget from any source other than its property tax mill levy, the expenditure of such revenues requires the adoption of a supplemental budget and appropriation to authorize spending the “new” money above the initially appropriated amount.

**Revised Appropriation:** If revenues are lower than anticipated in the adopted budget, the governing board may adopt a revised (downward) appropriation resolution and so reduce spending to less than what was originally budgeted.

**Steps to Amend the Budget:** The steps to amend the budget for a budgetary transfer or a supplemental budget and appropriation are: publish, or if permitted post, the notice of meeting to amend the budget; conduct the hearing; adopt the budget amendment by formal action; and file a copy of the adopted resolution amending the budget with the Division of Local Government. The notice of budget amendment must indicate the same information contained in the notice of budget for the adoption of the budget.

**Timing:** Spending in excess of the appropriation is not permitted. Therefore, the statutory amendment of the budget must occur before spending in excess of the original appropriation. Local governments may wish to consult with legal counsel and their auditor on this matter.

Summary of Colorado Local Government Budget Calendar

The following are excerpts from the calendar, prepared by the (Colorado) Department of Local Affairs and is a listing of the applicable deadlines for the budget process.

DATE	EVENT/ACTIVITY
October 15	Budget officer must submit proposed budget to the governing body. (C.R.S. 29-1-105) Governing body must publish “Notice of Budget” upon receiving proposed budget. (C.R.S. 29-1-106(1))
December 31	Local governments not levying a property tax must adopt the budget on or before this date; governing body must enact a resolution or ordinance to appropriate funds for the ensuing fiscal year. If the budget is not adopted by certification deadline, then <b>90 percent</b> of the amounts appropriated in the current year for operations and maintenance expenses shall be deemed re-appropriated for the budget year. (C.R.S 29-1-108(4))
January 31 (plus one year)	A certified copy of the adopted budget must be filed with the Division. (C.R.S 29-1-113(1)).

Relationship between functional units (departments) and Financial Structure

Program Type	Department	Fund
Transit	Service	
	All Departments	General
Transit	Service contracts	
	All Departments	Special Revenue
Transit	Bus shelter & Park in Ride	
	Facilities	Special Revenue
Transit	Bus Rapid Transit Project	
	All Departments	Special Revenue
	Finance, Facilities	Cap. Projects 2009A, 2009B, VSS BRT
	Finance	Debt Service 2009A, 2009B, Reserve
Transit	AMF Re-commissioning Project	
	Finance, Facilities	Cap. Projects 2010A
Transit	CNG Transition Project	
	Finance, Facilities	Cap. Projects 2012A
	Finance	Debt Service 2012A, Reserve
Trails	Trails and Corridor Management	
	Trails	General
	Trails/ Mid Valley Trails Committee	Special Revenue
Administration		
	Attorney, CEO, Finance	General
	Human Resources/ Risk Management	General
	Information Technology, Planning	General



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## Statistical and Supplemental Information

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### History

The Roaring Fork Transit Agency (RFTA) was formed by an intergovernmental agreement between the City of Aspen and Pitkin County in 1983. At that time, the City and Pitkin County services were merged to achieve economies of scale. The purpose of RFTA was to:

- Own, operate, and administer a public transportation system, both within and without the corporate limits of the City and County;
- Provide a level of service that was based on funding, ridership, convenience, and a mass transit incentive;
- Establish an organization framework through which public transportation could be provided to citizens and visitors as an alternative to the private automobile, and to assist in carrying out environmental and conservation policies.

Originally there was a 5-member board appointed by the City and County. Pitkin County was responsible for issuing the debt for RFTA and handled all the accounting functions. In addition, RFTA employees were considered employees of Pitkin County and both the City of Aspen and Pitkin County had to adopt RFTA's budget. Prior to the formation of RFTA, the City of Aspen operated city routes and skier shuttles and Pitkin County provided commuter services between Aspen and El Jebel.

In 2000, it became apparent the demand for transit services was growing much faster than could be met with the current organizational structure. At that time, approximately 50% of all trips that started down valley stayed down valley and down valley was the area of most rapid and consistent ridership growth.

In November of 2000, the voters of the Roaring Fork Valley approved the establishment of the Roaring Fork Transportation Authority (RFTA). At that time, the authority encompassed five towns and two counties that include the City of Glenwood Springs, Town of Carbondale, Town of Basalt, Town of Snowmass, City of Aspen, Pitkin County, and Eagle County. The purpose of the new RFTA was to maintain and improve the regional transit services; provide funding to build and maintain the regional trail; conduct regional transportation planning; leverage grant monies from federal, state, and local sources; provide funds to maintain the Corridor right of way; contract with local governments and private companies to provide transit services.

As part of the formation of RFTA, the existing Roaring Fork Transit Agency and the Roaring Fork Holding Authority were merged into one entity, the Roaring Fork Transportation Authority.

In November 2004, the Town of New Castle joined the Authority.

In November 2008, Authority Electorate passed a 0.4% sales tax increase for the construction and implementation of a Bus Rapid Transit (BRT) system to enhance regional service. The BRT service known as VelociRFTA was implemented in September 2013 making it the nation's first rural bus rapid transit system.



**2014 Budget**

**Economic and Demographic Information**

The following information is provided to provide general information concerning selected economic and demographic conditions existing in the area within which RFTA serves. The statistics presented below have been obtained from the referenced sources.

**Population.** The following table sets forth permanent population statistics for the City of Glenwood Springs, the Towns of Basalt and Carbondale, and Eagle, Garfield and Pitkin Counties.

Year	Population					
	Glenwood Springs	Carbondale	Basalt	Garfield County	Eagle County	Pitkin County
1970	4,106	726	416	14,821	7,498	6,185
1980	4,637	2,084	529	22,514	13,320	10,338
1990	6,375	3,004	1,128	29,974	21,928	12,661
2000	7,736	5,196	2,681	43,791	41,659	14,872
2010	9,614	6,427	3,857	56,389	52,197	17,148

Source: U.S. Department of Commerce, Bureau of the Census; State of Colorado, Division of Local Government, Demographic Section

**Major Employers.** The following table sets forth selected major employers in the area.

2012 Major Employers in the Area			
	Employer	Type of Business	Number of Employees
1	Aspen Skiing Company/Little Nell Hotel	Ski resorts	3,800
2	Valley View Hospital	Healthcare	902
3	Roaring Fork School District No. RE-1	Schools	750
4	Garfield School District No. RE-2	Schools	737
5	Colorado Mountain College	College	523
6	Garfield County	Government	481
7	Wal-Mart	Retail	423
8	City Market	Retail	348
9	Grand River Medical Center/Hospital	Medical	344
10	City of Glenwood Springs	Government	337
11	St. Regis Aspen Resort	Resort	325
12	City of Aspen	Government	313
13	Westin Snowmass Wildwood Resort	Resort	300
14	Roaring Fork Transportation Authority	Government/Transportation	295
15	Aspen Valley Hospital	Healthcare	292

Source: Pitkin County and Garfield County

**History of Retail Sales within RFTA Member Jurisdictions.** The following table sets forth taxable retail sales figures with respect to each of the current member jurisdictions of RFTA for the past five calendar years, as reported by the Colorado Department of Revenue (except as otherwise noted). RFTA did not impose the Sales and Use Tax at its present level or, in some cases, at all within such member jurisdictions during such period. Such data is provided solely for the purpose of demonstrating retail sales trends in such areas.

<b>Historical Taxable Retail Sales</b>					
<b>Year</b>	<b>Carbondale</b>	<b>Glenwood Springs</b>	<b>New Castle</b>	<b>Basalt</b>	<b>Aspen</b>
2007	\$124,849,934	\$571,432,704	\$32,472,106	\$128,321,419	\$471,542,391
2008	133,400,429	554,745,242	41,724,651	122,584,681	471,217,397
2009	89,172,813	429,046,343	31,886,683	93,151,138	396,028,040
2010	82,524,183	416,944,767	30,483,665	91,872,499	398,101,811
2011	80,665,678	419,179,376	35,735,067	93,206,803	441,912,946
2012	85,356,096	442,612,871	29,264,750	93,548,212	468,136,317

<b>Year</b>	<b>Snowmass Village</b>	<b>Unincorporated Pitkin County</b>	<b>Unincorporated Eagle County<sup>1</sup></b>
2007	\$100,691,258	\$99,408,299	\$17,104,500
2008	99,043,140	98,709,978	19,351,000
2009	87,958,026	68,360,489	11,629,000
2010	89,099,917	82,982,617	12,608,000
2011	98,539,322	98,611,309	13,244,000
2012	93,027,416	94,509,112	14,471,500

<sup>1</sup> Taxable retail sales data for Unincorporated Eagle County (including election precincts 7, 8, 24 and 25 only) was derived by RFTA based upon amounts received in connection with RFTA's imposition of a Sales and Use Tax in such areas, which was first imposed effective January 1, 2005. Such amounts are unaudited.

Source: State of Colorado, Department of Revenue, Sales Tax Statistics, 2007-2012

**Tourism.** Year round tourism and skiing related businesses account for a significant portion of the employment and earned income of area residents. The area provides a variety of winter activities including skiing, ice fishing, camping, Nordic skiing, ice skating (indoors or out) snowmobiling, and snowshoeing. Summer activities include golfing, bicycling, boating, fishing, rafting and kayaking, horseback riding, camping, hiking, and cultural activities. Major tourist attractions within the area include: the Hot Springs Lodge and Pool located in the City of Glenwood Springs, open year round, which is one of the largest naturally heated outdoor mineral pools in the world; the Colorado and Roaring Fork Rivers, which provide for white water rafting and fishing; and the two million acre White River National Forest which offers hiking, camping, hunting, snowmobiling, and downhill and cross country skiing.



**2014 Budget**

*Pitkin County Ski Industry.* The ski industry in Pitkin County has expanded from a one-mountain operation in 1946 to four mountains today. The ski area operator is the Aspen Skiing Company. Its operation includes Aspen Mountain, Buttermilk, Snowmass and Aspen Highlands. The following table summarizes skier visits to the four ski areas in Pitkin County for the 2007-2008 through the 2012-2013 ski seasons.

**Annual Pitkin County Skier Visits 2007-2008 Through 2012-2013<sup>1</sup>**

<b>Ski Season</b>	<b>Aspen Highlands</b>	<b>Aspen Mountain</b>	<b>Buttermilk</b>	<b>Snowmass</b>	<b>County Total</b>	<b>Percentage Change</b>
2007-2008	211,635	332,981	154,926	771,455	1,470,997	--
2008-2009	183,710	284,781	120,084	694,773	1,283,348	(12.8)%
2009-2010	174,947	294,439	143,115	725,709	1,338,210	4.3
2010-2011	199,567	291,904	131,995	737,066	1,360,532	1.7
2011-2012	161,984	295,749	146,577	731,786	1,336,096	(1.8)
2012-2013 <sup>2</sup>	N/A	N/A	N/A	N/A	1,375,513	3.0

<sup>1</sup> A skier day is a lift ticket issued to a child or adult for a full or half day of skiing.

<sup>2</sup> Skier days per mountain were not available.

Source: Pitkin County

## **Communities served**

The Roaring Fork Transportation Authority connects the Roaring Fork Valley and U.S. Interstate 70 communities as well as Aspen, Snowmass, Aspen Highlands and Buttermilk ski areas and the Maroon Bells Peak hiking area by commuter transit services. Additionally, the Authority owns and maintains a multi-purpose pedestrian, equestrian and bike trail located in the Roaring Fork Valley.

### **Aspen and the Maroon Bells Peak**

Downhill skiing, hiking, rafting, biking, outdoor concerts, water sports and cultural pursuits. Thanks to Aspen's modern founders, Walter and Elizabeth Paepcke, the Aspen Idea of nurturing mind, body and spirit is firmly established in the community. Local calendars are packed with music and dance performances, lectures and art exhibits, offered by some of the most celebrated names in the world as well as remarkable, homegrown talent. Every summer the Aspen Music Festival brings classical music to the concert halls and the streets of town.

### **Aspen, Snowmass, Aspen Highland and Buttermilk Ski areas**

Seasonally, the Authority provides commuter bus service to the four mountains owned by the Aspen Ski Company. These four mountains combine to provide over 5,300 acres of terrain and boundless dining and nightlife for visitors and locals.

### **Basalt**

Located at the gate of the Frying Pan Valley along the Gold Medal waters of the Roaring Fork and Frying Pan Rivers in the White River National Forest at an elevation of 6,610 feet. Outdoor enthusiasts enjoy camping, boating, fishing, hiking, golfing, biking, snow shoeing and cross-country and downhill skiing, all within a 15 mile radius and Ruedi Reservoir offers the most beautiful setting for windsurfing, sailing and skiing. Galleries showcase local and international artists, and shopping abounds with boutique shops offering great keepsakes and specialty items.

### **Carbondale**

At an altitude of 6,181 feet, and resting in the magnificent shadow of 12,953-foot Mount Sopris, the Carbondale area is characterized by an average of 295 days of sunshine, low humidity, cold but mild winters and comfortable summers. Carbondale is a great base camp for recreation enthusiasts. There is plenty to do including hiking, biking, golfing, kayaking, and world-class fly fishing. In winter, experience excellent cross-country skiing.

### **Glenwood Springs**

Home of the world's largest hot springs swimming pool, and our setting at the confluence of the Roaring Fork River and the Colorado River make us a natural fit for year-round fun. Our local ski area caters to all abilities—as do our raft guides.

### **New Castle**

The only member community located on U.S. Interstate 70, New Castle is minutes away from hiking, biking, fishing and golfing and less than an hour from world-class skiing, snowmobiling, cross-country skiing, climbing and beautiful high-mountain scenery.

**Board of Directors**

Member Jurisdiction	Board Member	Alternate Board Member
City of Aspen	Steve Skadron	Dwayne Romero
City of Glenwood Springs	Ted Edmonds	Dave Sturgis
Eagle County	Sara Fisher	Kathy Chandler-Henry
Pitkin County	Michael Owsley	George Newman
Town of Basalt	Jacque Whitsitt	Dr. Herschel Ross
Town of Carbondale	Stacey Bernot	John Foulkrod
Town of New Castle	Frank Breslin	Bob Gordon
Town of Snowmass Village	Bill Boineau	Markey Butler

**Transit service area map:**



## **Transit Services**

### Valley Services

- Highway 82 Corridor: RFTA operates a commuter bus system serving Glenwood Springs, Carbondale, El Jebel, Basalt, Snowmass Village and Aspen. Bus Rapid Transit Service between Glenwood Springs and Aspen is available every 10 minutes during normal commuting times (4:50 am - 9:00 am and 2:00 pm - 6:00 pm), every 15 minutes outside of normal commuting times, and every hour after 7:15 pm – 12:45pm. Local service between Glenwood Springs and Aspen is available every 30 minutes between 4:00 am – 2:15am.

### Grand Hogback

- RFTA operates the Grand Hogback commuter bus service in the I-70 corridor from 5:15 a.m. until 6:30 p.m., seven days per week. There are nine eastbound and seven westbound revenue service trips each day and five round trips on the weekend. This service was implemented in April of 2002.

### Service Contracts

- Aspen Skiing Company Skier Shuttles: Skier shuttles connect all four ski mountains with buses running approximately every 15 minutes between the hours of 8:00 a.m. and 4:45 p.m. from Thanksgiving to Easter. These services are paid for by the Aspen Skiing Company and are free to the public. Beginning in 2008/2009 winter season, these services were integrated into the Aspen/Snowmass Direct service.
- Ride Glenwood Springs: RFTA operates buses. The service operates on half-hour frequencies most of the day between the Roaring Fork Market Place, West Glenwood Mall, and the Meadows commercial development. Hours of operation are from 5:53 a.m. until 9:53 p.m., daily.
- City of Aspen:
  - Fixed Routes: There are three fixed routes within the City of Aspen that are: Cemetery Lane, Castle Maroon, and Hunter Creek. These routes serve residential neighborhoods adjoining downtown Aspen. These services are paid for by the City of Aspen and are free to the user. These services operate from 6:30 a.m. until 2:00 a.m. during the winter and summer and from 7:00 a.m. until midnight during the spring and fall seasons.
  - Dial-A-Ride Services: The East End Dial-A-Ride provides service two times per hour, year-round. This service is free to those users who catch the bus along the fixed route. Those who call to be picked up at their door pay \$1.00. This service operates from 6:30 a.m. until 1:45 a.m. during the winter and summer and from 7:00 a.m. until 2:00 a.m. during the spring and fall seasons.
  - Maroon Creek Road Service: This service provides direct service between Rubey Park in downtown Aspen and the Highlands Base Village. This service operates in the winter and summer only and is paid for by the City of Aspen and is free to users.
  - Galena Street Shuttle: The Galena Street Shuttle connects Aspen Mountain, on the south side of Aspen, to the Rio Grande parking garage, Post Office, Hunter Creek and the Art Museum on the north side of town. Service typically begins at 8:15 a.m. and ends at 5:15 p.m. daily during the winter. This service is free to the public.



Planned RFTA Transit Services, City of Aspen continued...

- Cross Town Shuttle: The Cross Town Shuttle connects the West End and East End of Aspen, with half-hour service by a fixed route that travels from the Music Tent via 5<sup>th</sup> Street and Gillespie to 4<sup>th</sup> Street, 4<sup>th</sup> Street to Hallam Street, Hallam Street to Monarch Street, Monarch Street to Durant Avenue, Durant Avenue to Original Street, Original Street to Ute Avenue, and Ute Avenue to the Aspen Club. This service operates in the winter and summer seasons only. The general hours of operation are 8:00 a.m. until 9:00 p.m. during the winter and 7:30 a.m. to 11:00 p.m. during the summer. This service is free to the public.
- Aspen Music Festival Service: During the summer RFTA operates shuttle service for the Aspen Music Festival. Shuttle services to and from the Music School campus, the Music Tent, are provided. This service is free to the public.
- The Burlingame/Westside service was implemented in 2007 and it operates from 6:00 a.m. until 2:00 a.m. during the winter season, with half-hour service during peak commuting hours, and hourly service during the off-peak hours. The rest of the year, the service operates on half-hour frequencies from 6:00 a.m. until 9:00 a.m., and from 3:00 p.m. until 6:00 pm.
- The Garfield County Communities Service (GCCS) Van: This service is a vital link to the GCCS Programs, Meals-on-Wheels program, Information and Referral services, outreach services, doctor appointments, shopping and social outings. The Van operates from 8:00 a.m. until 4:30 p.m., Mondays through Fridays. The service is free; however, donations are accepted.

Miscellaneous Services:

- Burlingame Service: This summer shuttle service is funded by the Music Associates of Aspen and provides transportation for music students between Burlingame housing development, the Music School campus on Castle Creek Road, and the Music Tent in the West end of Aspen.
- Maroon Bells Bus Tour: From mid-June to the end of September each year, RFTA operates the Maroon Bells Bus Tour, which is staged from the Aspen Highlands Base Village. The Bells Tour is an award winning narrated tour of the Maroon Creek Valley, which delivers passengers to the Maroon Bells mountain formation and the Maroon Bells/ Snowmass Wilderness Area. RFTA cooperates with the U.S. Forest Service to close the road to other motorized traffic throughout the summer.
- The Senior Van: This service is a vital link to the Senior Nutrition Program, Meals-on-Wheels program, Information and Referral services, outreach services, doctor appointments, shopping and social outings. The Senior Van operates from 8:00 a.m. until 5:00 p.m., Mondays, Tuesdays, Wednesdays, and Fridays. The service is free.
- Americans with Disabilities Act (ADA) Service: Federally mandated ADA service is provided to disabled passengers within the City of Aspen, to the Airport, and the Maroon Bells. To reserve service, people must call RFTA during normal business hours the day before the service is desired. RFTA will dispatch a lift-equipped vehicle to transport ADA passengers, at no charge, within the City of Aspen and to the Airport. The cost for ADA service to the Maroon Bells is twice the normal fare. ADA service is also provided in conjunction with Ride Glenwood Springs! Service and the Glenwood Traveler.



### Service Contract Formula Methodology

Contract information can be obtained in electronic format by contacting RFTA’s Finance Department at 970-384-4884.

Service contracts are progress billed monthly based on budgeted costs, actual mileage and hours. The Authority’s financial statements are audited and an adjustment billing is prepared based on audited, actual costs; no further adjustments to what previously has been billed is required unless the audited costs vary by more than 3% from the year-end adjusted costs.

Step 1: Total operating costs budgeted are categorized into a transit or trail cost.

Program Type	Department	Contract Allocation	
		Transit	Trails
Transit	Operations	100%	
	Maintenance	100%	
	Facilities	96%	4%
Trails	Trails/ Mid Valley Trails		100%
Administrative Support	Attorney	50%	50%
	Board	92%	8%
	CEO	92%	8%
	Finance	98%	2%
	Human Resources/ Risk Management	98%	2%
	Information Technology	92%	8%

Step 2: Budgeted transit costs are categorized as a fixed cost, direct hourly or direct mileage cost.  
 Note: All costs are not treated the same for all contracts and not all costs are categorized.

Step 3: Total categorized costs are divided by RFTA’s projected annual mileage or hours to determine a fixed cost per hour, direct hour and direct mileage cost factor for each service contract.

Example of a calculation of cost factors:

Cost Category	Budgeted cost	RFTA Est. Hours	RFTA Est. Miles	Direct Cost factor
Total Fixed Cost	\$10,026,202	258,996	N/A	\$38.71
Total Direct Hourly Costs	\$8,800,262	258,996	N/A	\$33.98
Total Direct Mileage Costs	\$7,504,140	N/A	4,619,947	\$1.62
<b>Total</b>	<b>\$26,330,604</b>			

Each service contract is charged based on following formula; (1) actual route mileage and route hours times the direct cost factors (miles or hours) plus (2) route hours times the fixed cost factor plus (3) training costs based on percentage of route hours to total RFTA hours and (4) capital cost based on percentage of route mileage to total RFTA mileage.

## **Glossary of Financial, Budget and Transit Terms**

**Automatic Vehicle Location (AVL)** – Is a means for automatically determining and transmitting geographic location of a vehicle using Global Positioning System (GPS) technology, cellular communications, street-level mapping, and an intuitive user interface, with the goal of improving fleet management and customer service.

**Budget** - A financial plan which estimates proposed expenditures for a given period and the proposed methods of financing them.

**Bus Rapid Transit (BRT)** - It's a significantly enhanced bus system that operates in bus lanes or mixed traffic. BRT combines the flexibility and cost savings of buses with the efficiency, speed, reliability, and amenities of rail. Because BRT vehicles use Compressed Natural Gas, the system will help reduce emissions as well as local dependence on foreign energy sources. Typical BRT elements include:

- exclusive travel lanes where possible, that help speed service during peak travel hours
- roadway enhancements to enable buses to circumvent congestion, such as signal priority and queue bypass lanes for buses at congested intersections.
- stations, park & rides, and improved bus stops
- easy-to-board, ADA-compliant vehicles
- AVL that tracks buses and provides real-time information to passengers waiting at bus stops

**Capital Assets** - Land, improvements to land, easements, buildings, building improvements, vehicles, machinery, equipment, works of art and historical treasures, infrastructure, and all other tangible or intangible assets that are used in operations and that have initial useful lives extending beyond a single reporting period.

**Colorado Department of Transportation (CDOT)** – the agency of Colorado government that administers state government transportation responsibilities in the State of Colorado.

**Computer-Aided Dispatch (CAD)** – Is a method of dispatching mass transit vehicles assisted by computer where persons in a dispatch center are able to easily view and understand the status of all units being dispatched. .

**Expenditures** - Decrease in net financial resources other than through inter fund transfers.

**Expenses** - Outflows of assets or occurrences of liabilities from delivering or producing goods or rendering services.

**Farebox Recovery Ratio** – The percentage of total operating revenues that passengers pay through fares.

**Federal Transit Administration (FTA)** – is an agency within the U.S. Department of Transportation that provides financial and technical assistance to local public transit systems.



## 2014 Budget

**Function** – a group of related activities aimed at accomplishing a major service or regulatory responsibility

**Fund** - A fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

**Fund Balance** - The difference between assets and liabilities reported in a governmental fund. Fund balance is divided into reserved and unreserved portions.

**Fund Classifications** - One of the three categories (governmental, proprietary, and fiduciary) used to classify fund types.

**Fund Type** - One of 11 classifications into which all individual funds can be categorized. Governmental fund types include the general fund, special revenue funds, debt service funds, capital projects funds, and permanent funds. Proprietary funds types include enterprise funds and internal service funds. Fiduciary fund types include pension (and other employee benefit) trust funds, investment trust funds, private-purpose trust funds, and agency funds.

**Generally accepted accounting Principles (GAAP)** – Conventions, rules, and procedures that serve as the norm for the fair presentation of financial statements.

**GFOA** – Government Finance Officers Association. The purpose of the Government Finance Officers Association is to enhance and promote the professional management of governments for the public benefit by identifying and developing financial policies and practices and promoting them through education, training and leadership.

**Governmental Fund** – Funds generally used to account for tax-supported activities. There are five different types of governmental funds: the general fund, special revenue funds, debt service funds, capital projects, and permanent funds.

**Government-Wide Financial Statements** - Financial statements that incorporate all of a government's governmental and business-type activities, as well as its non-fiduciary component units. There are two basic government-wide financial statements: the statement of net assets and the statement of activities. Both basic government-wide financial statements are presented using the economic resources measurement focus and the accrual basis of accounting.

**Infrastructure** - Long-lived capital assets that normally are stationary in nature and normally can be preserved for a significantly greater number of years than most capital assets. Examples of infrastructure assets include roads, bridges, tunnels, drainage systems, water and sewer systems, dams, and lighting systems.



## 2014 Budget

**Long-Term Budget** - A budget prepared for a period longer than a fiscal year. Long-term budgets concerned with capital outlay and capital improvement programs are referred to as capital budgets.

**Long-Term Debt** - Debt with a maturity date of more than one year after the date of issuance.

**Major Fund** - A governmental fund or enterprise fund reported as a separate column in the basic fund financial statements. The general fund is always a major fund. Otherwise, major funds are funds whose revenues, expenditures/expenses, assets, or liabilities are at least 10 percent of corresponding totals for all governmental or enterprise funds and at least 5 percent of the aggregate amount for all governmental and enterprise funds for the same item. Any other government or enterprise fund may be reported as a major fund if the government officials believe that fund is particularly important to financial statement users.

**Modified Accrual Basis** - A basis of accounting in which revenues should be recognized in the accounting period in which they become measurable and available. Expenditures should be recognized in the accounting period in which the fund liability is incurred, if measurable.

**NACSLB** – National Advisory Council on State and Local Budgeting. The NACSLB was formed in the spring of 1995. The Council was established with a three year mission to improve state and local government budgeting through identification and dissemination of good budget principles and practices. The Council subsequently prepared a document that outlined a framework for improved state and local government budgeting and recommended budget practices.

**Net Assets** - The difference between assets and liabilities accounts.

**Other Financing Source** - An increase in current financial resources that is reported separately from revenues to avoid distorting revenue trends.

**Other Financing Use** - A decrease in current financial resources that is reported separately from expenditures to avoid distorting expenditure trends.

**Park and Ride** – facilities where car parks with connections to public transportation that allow commuters and other people headed to city centers to leave their vehicles and transfer to a bus for the remainder of their journey.

**Program** – include a group of activities, operations or organizational units directed at attaining specific purposes or objectives

**Resolution** - A special or temporary order of a legislative body requiring less legal formality than an ordinance or statute; used by governing boards of counties and special districts as a means for taking formal action.

**Short-Term Debt** - Debt with a maturity of one year or less after the date of issuance.



## 2014 Budget

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