2007 Annual Report

Public Transit

It's How You Get There!

Fiscal Year 2006-2007

Leadership

Phil Gordon
Mayor
City of Phoenix

Peggy Bilsten
District 3
Transportation and
Seniors Subcommittee
Chairperson

A Letter from Mayor Gordon and Councilwoman Bilsten

We are proud to present the Public Transit Department's Annual Report for fiscal year 2006-07. Inside, you will find a wealth of information about how Phoenix transit funds are spent. The residents of Phoenix, through Transit 2000, are dedicated to better and broader public transit service.

This year has been one of the busiest since the passage of Transit 2000, with new service and expansion of service across Phoenix. Public Transit prepared to launch two new neighborhood circulators in west and north Phoenix as part of an emphasis on local, free transit options. The creation of the Police Transit Bureau also began this year, helping to keep passengers safe and combat graffiti.

The process for paying bus fares and using bus passes also got easier, with the introduction of new fare boxes on many city buses. These fare boxes replace the current, 30-year-old system, with a precise, efficient process designed to provide passes on-demand -- on the bus. Additionally, new internet sales capability has made buying bus fares (including ticket books and monthly passes) just a click away!

As always, thank you to all the residents of Phoenix. You are the passengers and supporters of our public transit system. With more than 114,000 boardings daily, it is clear that demand for reliable, affordable service is growing. We will continue to work to meet that demand, and hope you will share your thoughts and suggestions.

Phoenix City Council

Vice Mayor
Dave Siebert
District 1

Peggy Neely
District 2

Tom Simplot
District 4

Claude Mattox
District 5

Greg Stanton
District 6

Doug Lingner
District 7

Michael Johnson
District 8

A Letter from Chair Win Holden and Director Debbie Cotton

Why we invest in public transit

More than seven years ago, the voters of Phoenix invested in our public transit system with passage of Transit 2000. Today, we truly appreciate the foresight those voters had, because public transit is more important now than ever.

Our riders increasingly depend on RAPID™ bus service to get to and from work — avoiding the stress of traffic in one of America's largest cities. They rely on newly created neighborhood circulators to explore their communities and meet their daily transportation needs. They make use of our various transit options for people with disabilities, and find greater independence.

Each of these services is an investment. It is an investment in buses, fuel, employees and time. But they are also investments by the residents of Phoenix in the residents of Phoenix. The Citizens Transit Commission and the Public Transit Department believe public transit improves the quality of life for all our residents. An exceptional transit system provides exceptional benefits, in work productivity, environmental quality, and individual freedom. For all those reasons, we strive to provide the best transit system possible. Public Transit is an investment that pays great dividends.

Public Transit, it's how you get there!

Win Holden
Citizens Transit Commission Chairperson

Debbie Cotton
Public Transit Director

Citizens Transit Commissioners

Winfield Holden	Chairperson, Resident of Phoenix
Thelda Williams	District 1
Judith Tunell	District 2
Barbara Rogne	District 3
Elissa Mullany	District 4
Aaron Atkinson	District 5
Glenn Evans	District 6
Isaac Serna	District 7
Phil Blair	District 8
Aaron Aylsworth	Resident of Phoenix
Gene Blue	Resident of Phoenix
Gary Corcoran	Mayor's Commission on Disability Issues
David Nance	Hospitality Industry
Katie Pushor	Business Community
Paulina Vazquez-Morris	Resident of Phoenix

Key Accomplishments

Fare Media Purchases now available online – Working with the City of Phoenix Finance and Information Technology departments and the Regional Public Transportation Authority, the Public Transit Department implemented online purchasing of monthly Local or Local/Express Passes and Ticket Books.

On-line fare media orders continue to increase each week since its first launching in May 2007. Central Station processed 197 purchase orders from August 20, 2007 through the close of business August 28, 2007 for $6,753. In comparison to last July, Central Station processed 229 on-line fare media orders for the entire month.

Many customers have praised the City of Phoenix for this new program stating it is user-friendly. Riders like the easy convenience of handling their fare media purchases when, where, and how they want it.

27th Avenue and Baseline Road Park-and-Ride – This 2.5 acre property for a future park-and-ride was annexed into the City of Phoenix in 2006-2007. This is a key element in the future RAPID Central/South Mountain route expected to begin service in 2008.

Desert Ridge Park-and-Ride – The city acquired a 56-acre site at Deer Valley Road and Tatum Boulevard that will house a proposed park, library and park-and-ride at a considerable savings. From this large land acquisition, Public Transit purchased 14.5 acres for a future passenger facility that could also be used for joint parking for the other uses during non-transit operating hours.

Bus Shelter Installation & Bus Stop Upgrades – A total of 276 shelters were installed and 242 bus stops were upgraded to meet compliance with ADA regulations.

New Farebox

2006 Flag Bus City Veterans helped decorate

Key Accomplishments

New Neighborhood Circulator

Bus Delivery – The Public Transit Department received delivery of 96 40-foot buses (64 replacement, 32 expansion); 26 neighborhood circulators, (8 replacement, 18 expansion); and 30 new style Dial-A-Ride vehicles (25 replacement, 5 expansion). Replacement buses simply replace existing vehicles that are past their useful life. Expansion buses are buses that add to the current existing number.

Light Rail Vehicles - In December 2006, the City of Phoenix and METRO took possession of the first METRO light rail vehicle from manufacturer Kinkisharyo. The event garnered significant media and public interest, and was followed in February 2007 by the grand opening of the METRO Operations and Maintenance Center. To date, the City and METRO have taken possession of 30 of a total of 50 vehicles, with 22 vehicles assembled.

Light Rail Testing - In March 2007, METRO began testing vehicles on Washington Street in Phoenix, conducting successful low-speed and high-speed runs, and accepted the traction power substations in the area. METRO has been routinely conducting testing in the area in coordination with the Phoenix Police Department.

Affirmative Action Efforts - The Public Transit Department received a perfect score on the department Affirmative Action (AA) Plan for the fourth consecutive year. The significance of this is that the Phoenix Equal Opportunity Department is using the Public Transit Department Business Section of the Affirmative Action plan in their best practice training for **all other city departments**.

Department Diversity Training - The Public Transit Department received a score of 9.1 out of a possible 10 points on the citywide 2006-2007 Diversity Performance Achievement Indicator. A significant feature of the department diversity program was the **mandatory department-wide training** covering all of the City diversity and affirmative action programs.

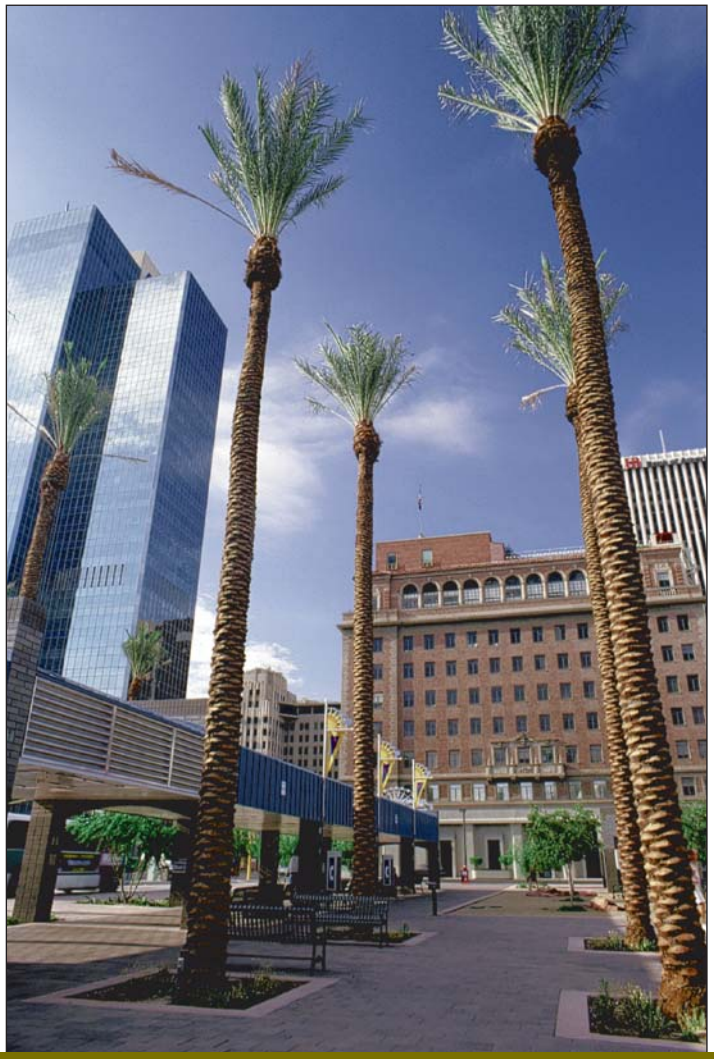
Key Accomplishments

Sunnyslope Transit Center after Rehabilitation

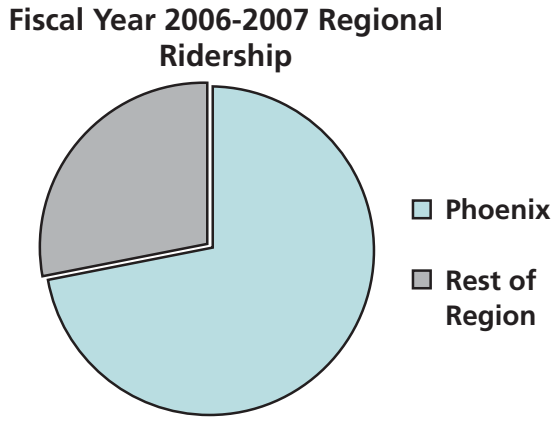
Sunnyslope Transit Center – Major refurbishments to the Sunnyslope Transit Center were completed this year. The construction costs totaled $620,000 and included enhancements to the parking area; covered lighted parking spaces and the addition of motorcycle parking and bike lockers. A new security kiosk building was added with closed circuit TV cameras. Fare media sales and information is now available on site.

City Staff Members and FTA Administrator

Frank Fairbanks	City Manager
Thomas E. Callow, P.E.	Senior Executive Assistant to City Manager
Debbie Cotton	Public Transit Director
Reed Caldwell	Deputy Director, Facilities
Jeff Dolfini	Deputy Director, Management Services
Maria Hyatt	Special Projects Administrator Director's Office
Nancy Steptoe	Deputy Director, Regional Information Technology Services
Melissa Sweinhagen	Management Assistant III, Personnel, Compliance and Civil Rights
Al Villaverde	Deputy Director, Operations
Leslie Rogers	Federal Transit Administration Regional Administrator, Region IX

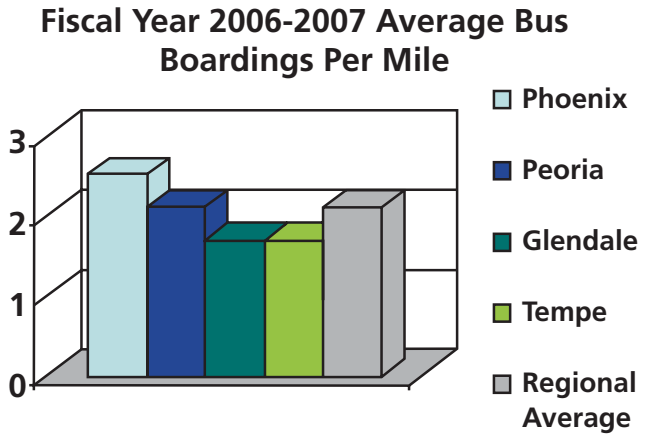


Key Accomplishments



Light Rail Progress - In fiscal year 2006-2007, light rail construction made significant progress in Phoenix Line Section 4; civil construction in this area of Washington Street will conclude in Fall 2007. As of July 2007 the project reached nearly 68 percent completion with construction progressing to over 63 percent completion.

Major progress continues to be made in all Line Sections with over 153,600 linear feet of track installed or approximately 68 percent of the total. The project continues to track to a December 2008 completion date and remains on budget.



Light Rail Public Involvement - The city and METRO conducted a significant amount of public involvement activities and business outreach. As of September 2007, 274 businesses participated in the METRO MAX program, and 670 signs and 394 banners were distributed to businesses. The city's Management Technical Assistance (MTA) Program, through the Community and Economic Development Department, assisted 306 businesses and coordinated the participation of 128 businesses in the ASU Market Needs Assessment (107 Complete/21 In-Progress).

New Dial-A-Ride Vehicle Paint Scheme

Fiscal Year 2007 Revenue Budget Summary

CITY OF PHOENIX PUBLIC TRANSIT DEPARTMENT
FY 2007 REVENUE BUDGET SUMMARY
For The Period Ending June 30, 2007

	FY 2006 Actuals	FY 2007 Budget	FY 2007 Actuals	Over/(Under) Budget	Percent	
Revenues:						
Grants and Tax Funds						
Dedicated Sales Tax - T2000	$117,441,897	$129,179,000	$124,022,258	($5,156,742)	96.0%	
Federal Highway Transfer Funds	5,751,231	16,570,361	13,309,480	(3,260,881)	80.3%	
Federal Transit Funds - Section 5307	27,914,545	36,283,569	35,864,145	(419,424)	98.8%	
Federal Transit Funds - Section 5309	28,500,369	63,782,382	63,825,649	43,267	100.1%	
Streets Capital Improvement Funds	1,218,023	1,000,000	702,630	(297,370)	70.3%	
Bond Funds	113,685,516	225,304,370	166,351,286	(58,953,084)	73.8%	
General Purpose Funds	25,145,889	26,146,008	26,146,008	0	100.0%	
Local Transportation Assistance	6,928,264	6,860,000	6,860,000	0	100.0%	
State Funds - LTAF II	1,286,510	1,704,928	1,557,806	(147,122)	91.4%	
Other Federal & State Grant	0	0	0	0	0.0%	
Other Agency Funds	8,958,082	12,661,247	12,506,783	(154,464)	98.8%	
Regional Transportation Plan	13,687,640	13,122,876	12,972,677	(150,199)	98.9%	
Lease Purchase Funding	0	0	0	0	0.0%	
Program Income						
Advertising - Bus	$1,524,002	$1,800,000	$2,188,862	$388,862	121.6%	
Advertising - Bench/Shelter	819,600	649,996	696,410	46,414	107.1%	
Passenger Fares - Bus	25,382,826	24,169,000	26,013,121	1,844,121	107.6%	
Passenger Fares - DAR	609,634	359,000	640,162	281,162	178.3%	
Disposal of Assets	147,882	115,000	230,877	115,877	200.8%	(1)
Interest	6,426,246	3,351,760	8,093,391	4,741,631	241.5%	
Other	286,553	55,000	1,304,930	1,249,930	2372.6%	(2)
Subtotal Current Year	$385,714,709	$563,114,497	$503,286,474	($59,828,022)	89.4%	
Fund Balances July 1:						
Dedicated Sales Tax - T2000	$599,398,781.00	$416,976,969.72	$171,730,109.24			
Recoveries	620,157	4,525,739	4,598,774			(3)
Total Available Resources	$985,733,647	$984,617,206	$679,615,357			

(1) Includes the sale of surplus office and capital equipment including buses.
(2) Other includes sale of scrap, pay phone fees, concessionaire, and miscellaneous revenues.
(3) Recovery of Prior Year Expenses not budgeted in current year.

Fiscal Year 2007 Operating Budget Summary

CITY OF PHOENIX PUBLIC TRANSIT DEPARTMENT
FY 2007 OPERATING BUDGET SUMMARY
For The Period Ending June 30, 2007

	FY 2006 Actuals	FY 2007 Budget	FY 2007 Actuals	Over/(Under) Budget	Percent
Revenues:					
Local Transportation Assistance	$6,928,264	$6,860,000	$6,860,000	($0)	100.0%
Federal Transit Funds - Section 5307	5,754,950	5,614,720	6,074,892	460,172	108.2%
Federal Transit Funds - Section 5309	1,551,429	1,593,092	1,593,483	391	100.0%
General Purpose Funds	25,145,889	26,146,008	26,146,008	0	100.0%
Dedicated Sales Tax - T2000	80,367,161	94,947,803	93,492,027	(1,455,776)	98.5% (1)
Other Agency Funds	8,958,082	12,661,247	12,506,783	(154,464)	98.8% (2)
Total Revenues	$128,705,775	$147,822,870	$146,673,193	($1,149,677)	99.2%

	FY 2006 Actuals	FY 2007 Budget	FY 2007 Actuals	(Over)/Under Budget	Percent
Expenditures:					
Administration	$4,649,196	$5,177,542	$5,291,591	($114,049)	102.2%
Fixed Route Operations	93,082,470	106,265,562	105,771,545	494,017	99.5%
Dial-a-Ride Operations	13,230,358	15,055,986	14,807,292	248,694	98.3%
Regional Services	2,102,446	25,438	23,187	2,251	91.1%
Facility Planning	1,095,444	1,165,147	1,134,247	30,900	97.3%
Passenger Services	2,829,989	4,900,450	4,428,240	472,210	90.4%
Debt Service	2,634,975	2,633,106	2,632,760	346	100.0%
Small Capital Purchases	151,935	182,102	160,824	21,278	88.3%
Other Agency Reimbursable	8,928,962	12,417,537	12,423,507	(5,970)	100.0%
Contingency	0	0	0	0	0.0%
Total Expenditures	$128,705,775	$147,822,870	$146,673,193	$1,149,678	99.2%

(1) Dedicated sales tax funding includes Program Income including passenger fares, bus advertising, interest earnings, and miscellaneous fees.
(2) Other agency funds includes the purchase of fixed route bus service by the cities of Avondale, Glendale, Scottsdale, Surprise, Tempe and the RPTA.

Fiscal Year 2007 Capital Program Budget Summary

CITY OF PHOENIX PUBLIC TRANSIT DEPARTMENT
FY 2007 CIP BUDGET SUMMARY
For The Period Ending June 30, 2007

	FY 2006 Actuals	FY 2007 Budget (2)	FY 2007 Actuals	Over/(Under) Budget	Percent (1)
Revenues:					
State Funds - LTAF II	$0	$1,704,928	$1,557,806	($147,122)	91.4%
Federal Transit Funds - Section 5307	22,159,595	30,668,849	29,789,253	(879,596)	97.1%
Federal Transit Funds - Section 5309	26,948,940	3,018,693	3,061,569	42,876	101.4%
Federal Highway Transfer Funds	137,977	11,934,462	11,297,080	(637,382)	94.7%
Dedicated Sales Tax - T2000	13,686,905	7,781,784	9,341,258	1,559,474	120.0%
Regional Transportation Plan	13,687,640	13,122,876	12,972,677	(150,199)	98.9%
General Purpose Funds	0	0	0	0	0
Lease Purchase Funds	0	0	0	0	0
Other Agency Funds	0	0	0	0	0
Total Revenues	$76,621,057	$68,231,592	$68,019,643	($211,949)	99.7%

	FY 2006 Actuals	FY 2007 Budget (2)	FY 2007 Actuals	(Over)/Under Budget	Percent (1)
Expenditures:					
Bus Acquisition	$3,090,033	$55,834,114	$56,879,670	($1,045,556)	101.9%
Passenger Facilities	14,007,233	2,982,699	2,332,378	650,321	78.2%
Maintenance Facilities	47,586,385	2,409,425	2,117,043	292,382	87.9%
Technology and Communications	9,345,513	3,453,908	3,394,487	59,421	98.3%
Planning Projects	556,557	618,757	420,032	198,725	67.9%
Other Transit Projects	150,000	775,317	517,091	258,226	66.7%
Bus Bays	1,280,672	1,990,144	2,190,323	(200,179)	110.1%
Bike Lanes	566,276	119,700	121,087	(1,387)	101.2%
Support Services	38,388	47,528	47,532	(4)	100.0%
Contingency	0	0	0	0	0.0%
Total Expenditures	$76,621,057	$68,231,592	$68,019,643	$211,949	99.7%

(1) Due to the nature of CIP purchases and construction activity, CIP expenditures do not occur evenly throughout the fiscal year. Revenues are recognized only to the extent of CIP expenditures.
(2) Budget amounts represent final revised estimates.

Fiscal Year 2007 Light Rail Budget Summary

CITY OF PHOENIX PUBLIC TRANSIT DEPARTMENT
FY 2007 LRT BUDGET SUMMARY
For The Period Ending June 30, 2007

	FY 2006 Actuals	FY 2007 Budget	FY 2007 Actuals	Over/(Under) Budget	Percent
Revenues:					
State Funds - LTAF II	$1,286,510	$0	$0	$0	0.0%
Federal Transit Funds - Section 5307	0	0	0	0	0.0%
Federal Transit Funds - Section 5309	95,204,643	59,170,597	59,170,597	0	100.0%
Federal Highway Transfer Funds-CMAQ	5,613,254	4,635,899	2,012,400	(2,623,499)	43.4%
Dedicated Sales Tax - T2000	757,266	6,572,916	1,403,676	(5,169,240)	21.4%
Streets Capital Improvement Funds	1,218,023	1,000,000	702,630	(297,370)	70.3%
Local Funding (Bond Funds)	113,685,516	225,304,370	166,351,286	(58,953,084)	73.8%
Proposition 400/PTF	0	11,501,537	11,502,000	463	100.0%
Interest on Cash Deposits	65,864	0	95,327	95,327	N/A (1)
Other (Misc., LTAF II)	0	0	0	0	0.0%
Total Revenues	$217,831,076	$308,185,319	$241,237,916	($66,947,403)	78.3%

	FY 2006 Actuals	FY 2007 Budget	FY 2007 Actuals	(Over)/Under Budget	Percent (2)
Expenditures:					
Right-of-way Acquisition	$44,385,119	$20,697,437	$18,347,486	$2,349,951	88.6%
Maintenance Facilities	0	0	0	0	0.0%
Planning & LRT Environmental	733,894	4,483,000	2,832,791	1,650,209	63.2%
Owners Administration	6,147,506	12,413,056	7,365,072	5,047,984	59.3%
City Management & Administration	3,535,706	2,479,646	2,464,419	15,227	99.4%
Preliminary Engineering & Final Design	8,317,759	4,029,580	5,005,314	(975,734)	124.2%
Project Management	5,026,071	6,135,513	4,302,339	1,833,174	70.1%
Construction Administration	11,507,687	10,846,673	11,519,172	(672,499)	106.2%
Art Design	520,938	1,777,191	662,966	1,114,225	37.3%
Facilities Construction	103,454,258	171,645,629	133,444,662	38,200,967	77.7%
Utilities Relocation	0	0	0	0	0.0%
Systems	7,818,481	21,065,032	13,990,189	7,074,843	66.4%
Light Rail Vehicle Design	7,993,733	24,653,156	24,299,827	353,329	98.6%
Materials Procurement	10,614,635	2,934,354	2,869,065	65,289	97.8%
Testing & Start-up	0	5,004,310	1,629,221	3,375,089	32.6%
Phoenix Administration	1,265,396	81,970	80,071	1,899	97.7%
Business Assistance Fund	311,399	546,600	502,227	44,373	91.9%
LRT Other	0	6,459,894	1,104,369	5,355,525	17.1%
Parking Lot on Jefferson	0	0	0	0	0.0%
Bond Interest	5,806,658	12,447,826	10,400,217	2,047,609	83.6%
Support Services	391,836	484,452	418,509	65,943	86.4%
Total Expenditures	217,831,076	$308,185,319	$241,237,916	$66,947,403	78.3% (3)

(1) Interest earned on funds advanced to Valley Metro Rail.
(2) Due to the nature of Capital purchases and construction activity, expenditures do not occur evenly throughout the fiscal year.
(3) In addition to total expenditures presented above, $37,409,538 was transferred from the T2000 Fund to the Debt Service Fund during FY 2006-07 for LRT bonds.

Public Transit: It's How You Get There!

City of Phoenix
PUBLIC TRANSIT DEPARTMENT

This information can be provided in an alternate format upon request.

www.phoenix.gov/publictransit
602-262-7242
For Customer Information: 602-253-5000
TTY: 602-261-8208