



2012 Budget



State of Colorado
Adoption date: November 10, 2011



2012 Budget

Table of Contents	GFOA Category	CLBL*	GFOA**	Page
Introduction.....				3
Message.....		4.....		4
Services to be delivered.....		4.....		-
Policy Documentation				
Overview of financial policies.....			6.....	6
Non-financial goals and objectives.....			8.....	8
Priorities and issues.....		4-5.....	4-5.....	-
Department goals and objectives.....			9.....	9
Financial Plan				
Funds and fund structure.....			12.....	12
Consolidated financial overview.....		14.....	14.....	14
Three year financial summary information.....		16.....	16.....	16
Major revenues.....		20.....	20.....	20
Changes in fund balance/ equity.....		23.....	23.....	23
Expenditures by program and type.....		26.....	26.....	26
Capital expenditures.....		30.....	30.....	30
Impact of capital improvements on operating budget.....			31.....	31
Budget line items greater than \$50,000.....				35
Debt and long term commitments.....		36.....	36.....	36
Basis of budgeting.....		4.....	4.....	-
Operations Guide				
Description of functions (departments).....			38.....	38
Organization chart.....			39.....	39
Performance measurement.....			41.....	41
Summary of position information.....			41.....	41
Budget issues.....			4-5.....	-
Other planning processes.....			42.....	42
Budget process.....			43.....	43
Amending the Budget.....			45.....	45
Charts and graphs.....			throughout document	
Budget Calendar.....			46.....	46
Relationship between departments & financial structure.....			*.....	46
Statistical and supplemental information				
History of the Authority.....				47
Board of Directors.....				50
Transit services, description of.....				51
Service Map.....				53
Service contract methodology, description of.....				54
Glossary.....			55.....	55
Index.....				58

* 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.



2012 Budget

Introduction

This Budget Document has been formatted to reflect the Governmental Finance Officers Association (GFOA) 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, 2011**. 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 2012 Roaring Fork Transportation Authority Budget formatted in accordance with the GFOA Budget Award Program categories and criteria.

Michael Yang, CPA
Budget Officer

Message

To the Roaring Fork Transportation Authority Board of Directors:

The Roaring Fork Transportation Authority (the Authority) has prepared the 2012 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 2012 year.

Services to be delivered

- The Authority provides 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). Additionally, RFTA owns a rail corridor in the Roaring Fork Valley and maintains the Rio Grande Trail for pedestrian, bike and equestrian use.
- In 2012, the Transit Program will provide public transit service to approximately 4 million passengers, covering approximately 3.7 million miles within a 70-mile region, operating and maintaining approximately 80 large transit vehicles with approximately 270 employees during peak winter season.
- The Trails Program maintains a 34-mile rail corridor and trail.

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 shelter and park n ride activity as well as certain trails activity in Eagle County in each of its own Special Revenue fund; the Series 2009A& B Bond Issuance proceeds require two capital projects funds, two debt service funds 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, the Series 2010A Bond Issuance proceeds require a 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.

2012 Budget Initiatives/ Priorities

- In the September 2011 Board meeting it was determined by the Board that the initial 2012 Budget should not use Fund balance;
- There should be a reduction of transit services, if necessary, in order to avoid the use of fund balance; and
- Authority staff should try to add to operating reserves annually.



2012 Budget

Continuing Budget issues

- The high cost of living in the Roaring Fork Valley has continually challenged the Authority's ability to hire and retain qualified transit personnel;
- Management is reviewing its compensation plan and, depending on available resources and Board authorization, some increase in employee compensation may be considered for 2012.

- Fluctuations in the price of diesel fuel continued in 2011;
- Management has obtained fixed price contracts to manage the volatility. While fixed price contracts have been executed through April 2012, a hedging strategy is also being considered for possible implementation;

- Increase in employee health insurance and corporate insurance package costs;
- Management is reviewing the insurance policies and coverage with its brokers to determine appropriate coverage at competitive prices.

New Budget issues

- Authority Sales tax and Fare revenue projection has proven to be difficult for the 2012 Budget as these revenue sources are not predictable through regression analysis or other projection methods;
- Management will continue to maintain a guarded approach regarding growth rate. Rate of job gain and consumption growth are primary factors to consider.

Dan Blankenship
Chief Executive Officer

Policy Document

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. 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.

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;
- **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.



2012 Budget

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 incidental 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. In 2009, the Authority issued debt for the first time as a stand-alone government. The Authority plans to develop a debt policy in accordance with GFOA best practices and advisories;

- Reserve or stabilization accounts: the Operating reserve requirement is calculated as fifteen percent of the annual budgeted amount of selected revenues that could fluctuate for various reasons. Currently the calculation includes sales tax and fare box revenue. 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 fare box 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.



2012 Budget

Non-financial goals and objectives

Global ends statement:

The Roaring Fork Transportation Authority's (RFTA) 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, RFTA 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 RFTA'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, RFTA Board created the following vision statement and identified the following values statements:

Vision Statement:

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

Values Statements:

- **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.
- **Safety:** Safety is RFTA's highest priority.
- **Sustainable:** RFTA will be financially, socially, and environmentally sustainable to ensure our services continue.

Organizational Goals:

In late 2011 and early 2012, the Authority's organizational goals and objectives were updated.

- RFTA will create a culture of "safety first" to provide a safe experience for the public and staff.
- RFTA will strive to exceed community expectations by providing safe, highly reliable, comfortable, and cost efficient transportation to our residents and visitors.
- RFTA will maintain and monitor its short-term and long-term (5 years) financial forecast in order to properly plan for the challenges and opportunities that lie ahead.
- RFTA will continue to recruit and retain a happy, well-trained and professional workforce.
- RFTA will research and implement innovative, environmentally sustainable practices in all areas of transit and trails management.

Department Goals:

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

CEO/ Procurement/Safety & Training

- Oversee successful implementation of substantial portions of the Bus Rapid Transit (BRT) Project;
- Oversee successful transition to Compressed Natural Gas (CNG) as a fuel for the RFTA BRT Fleet;
- Revise RFTA Board Governing Policies;
- Initiate centralization of procurement functions;
- Conduct in-house procurement workshops;
- Complete Safety and Security Emergency Preparedness Plan and Emergency Protocols;
- Update internal safety and training programs.

Bus Rapid Transit/ Facilities Department

- Maintain eligibility for \$24 million Bus Rapid Transit Very Small Starts Grant;
- Complete BRT real estate acquisition phase;
- Initiate BRT construction phase;
- Finalize CNG implementation plan;
- Continue to plan for implementation of BRT Project;
- Finalize schedule for AMF Re-commissioning Project;
- Update Comprehensive Plan for transit and rail corridor.

Finance Department

- Develop a Long-range Forecast;
- Review current financial policies and update as needed;
- Continue to train Assistant Director as part of succession plan;
- Continue to monitor annual budget and update monthly projection.

Department Goals continued...

Human Resources & Risk Management

- Implement in-house trainings regarding employee law, safety and management;
- Complete employee handbook update and develop related procedure manuals;
- Update job descriptions;
- Continue to improve wellness program;
- Recruit required administration positions;
- Develop administration performance evaluation form.

Information Technology and Marketing Department

- Rollout SharePoint software to increase internal communications;
- Intelligent Technology Software planning and implementation for BRT Project;
- Continuously improve electronic information and web security;
- Implement in-house software training programs;
- Automate data collection and reporting processes where applicable.

Maintenance Department

- Increase budgetary monitoring and reporting within the department;
- Procure four CNG buses, assist with development and installation of required CNG infrastructure, and develop comprehensive CNG training program;
- Continue to develop “Ride Around” and “Walk Thru” programs;
- Implement Asset Management Software and an Automated Fluids Management System;
- Continue to improve training program.

Operations Department

- All Supervisors are proficient with the new scheduling software and AVL/CAD technology;
- Control overtime through appropriate staffing levels;
- Continue to provide a high level of customer service to the public;
- Continue to provide relevant in-service training to personnel.

Planning Department

- Develop and submit proposals for federal and state grants for critical transit assets;
- Complete strategic planning and process;
- Complete transit service standards;
- Conduct bi-annual passenger survey and tabulate and analyze results;
- Promote transit-oriented development through regional planning and coordination efforts.



Bicyclist on the Authority-owned Rio Grande Trail.

Financial Plan

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.

The 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.

The 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 Shelter and Park n Ride Special Revenue Fund

reports vehicle fee revenue and bus shelter and park n 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.

The 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 can not be charged against the Series 2009A & B Capital Project Funds.

Series 2009A Capital Projects Fund

reports all expenditure activity related to the Bus Rapid Transit Project for assets and infrastructure such as a portion of buses, intelligent transportation system components, and a portion of transit priority. These expenditures are certain and specific in accordance with Tax law as identified by Bond Counsel.



2012 Budget

Series 2009B Capital Projects Fund

reports all expenditure activity related to the Bus Rapid Transit Project for assets and infrastructure such as portion of buses, intelligent transportation system components, and a portion of transit priority. These expenditures are certain and specific in accordance with Tax law as identified by Bond Counsel.

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

The 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.

The Series 2009B Debt Service Fund

reports all principal and interest expenditures for the \$21 million bond issuance and interest earned as required by resolution.

Approximately \$21 million of the \$27.5 million bond offering used a new U.S. Government Program called Build America Bonds, issuing a new type of Bond called Build America Bonds.

This type of issuance allowed Governments to access the taxable credit markets, these credit markets are six (6) times larger than the tax exempt markets.

By utilizing the taxable market, through the Build America Bonds Program, the Authority was able to save approximately \$4 million over the life of the bonds, or approximately \$2.9 million at present value compared to issuing all tax exempt bonds.

The Authority was the second Colorado Government to issue these types of bonds; with the City and County of Denver Water District was the first.

Series 2009A & B Reserve Fund

reports all activity related to the required reserves for the Series 2009A & B Bonds and interest earned as required by resolution.



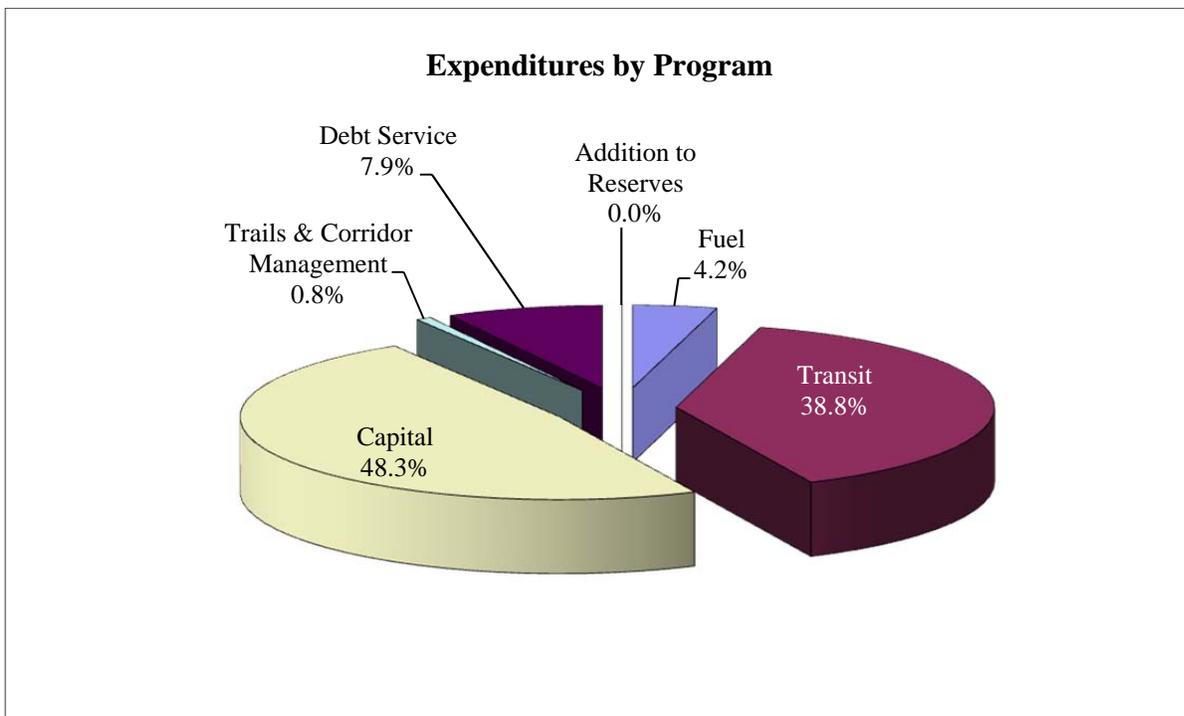
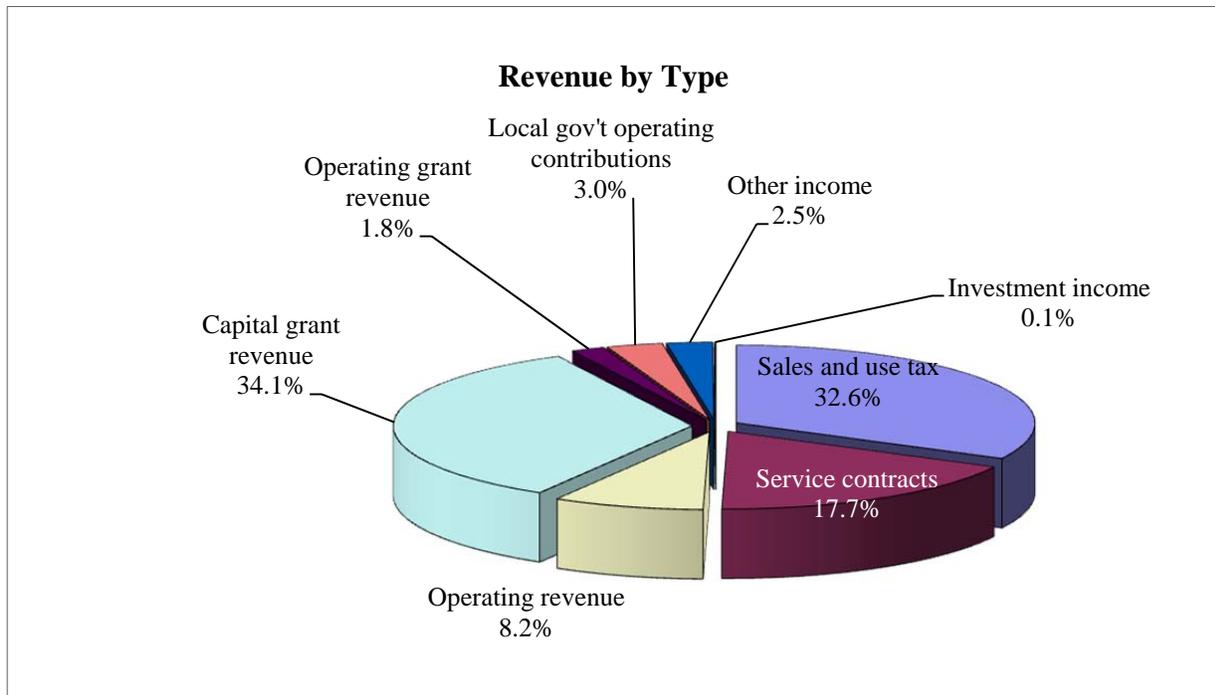
2012 Budget

Consolidated Financial Overview (in thousands)

	General Fund	Service Contracts	Bus Shelter / PNR	Mid Valley Trails	Bus Rapid Transit	Capital Projects Fund*	Debt Service Fund	2012 Total Budget
Revenues:								
Sales and use tax	\$10,125	-	-	\$41	\$5,113	-	-	\$15,279
Service contracts	-	\$8,320	-	-	-	-	-	8,320
Operating revenue	3,825	-	-	-	-	-	-	3,825
Capital grant revenue	1,590	-	-	-	-	\$14,405	-	15,995
Operating grant revenue	831	20	-	-	-	-	-	851
Local gov't operating contributions	1,421	-	-	-	-	-	-	1,421
Other income	343	-	\$324	-	-	-	500	1,167
Investment income	8	-	-	-	16	-	5	29
Total revenue	\$18,142	\$8,340	\$324	\$41	\$5,129	\$14,405	\$505	\$46,886
Program expenditures:								
Fuel	1,475	871	-	-	-	-	-	2,346
Transit	11,980	7,469	284	-	1,712	-	-	21,445
Trails & Corridor Mgmt.	354	-	-	68	-	-	-	421
Capital	2,808	-	-	-	33	23,798	-	26,639
Debt Service	2,234	-	-	-	-	-	2,122	4,356
Addition to Reserves	-	-	-	-	-	-	-	-
Total expenditures	18,852	8,340	284	68	1,745	23,798	2,122	55,208
Other financing sources	792						1,622	2,414
Other financing (uses)	-		(40)		(2,147)	(30)	-	(2,217)
Change in unassigned fund balance	\$83	-	-	\$(27)	\$1,237	\$(9,423)	\$5	\$(8,125)

*See Supplemental Schedule for Capital Project Funds

Consolidated Financial Overview





2012 Budget

Three Year Financial Summary Information

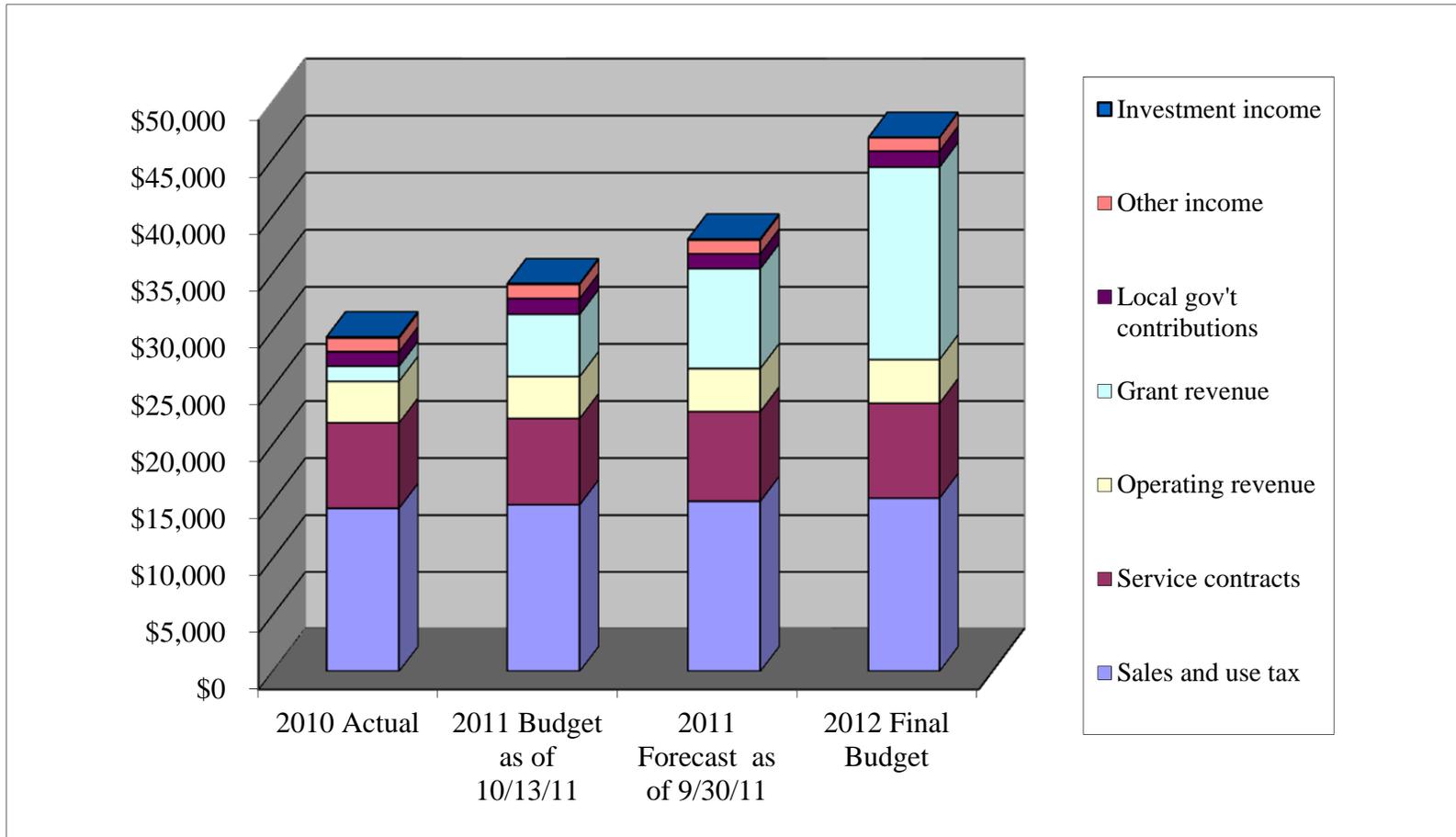
Total revenues (in thousands)	11/12 Budget Comparison					
	2010 Actual	2011 Budget as of 10/13/11	2011 Forecast as of 9/30/11	2012 Final Budget	\$ Difference	% Difference
Sales and use tax	\$14,398	\$14,711	\$15,015	\$15,278	\$567	3.9%
Service contracts	7,481	7,557	7,853	8,320	763	10.1%
Operating revenue	3,643	3,673	3,773	3,825	153	4.2%
Grant revenue	1,320	5,444	8,744	16,845	11,401	209.4%
Local gov't contributions	1,273	1,392	1,307	1,421	29	2.1%
Other income	1,187	1,232	1,195	1,167	(65)	-5.3%
Investment income	112	66	88	30	(36)	-54.9%
Total	\$29,413	\$34,075	\$37,975	\$46,886	\$12,811	37.6%

2011/ 2012 budgetary revenue trends:

- Increase in sales tax revenue due to certain jurisdictions projecting increases in sales tax for 2012;
- Increase in service contract revenue based due to a net increase in services levels provided;
- Increase in operating revenues due to a projected increase in ridership;
- Increase in capital grant revenue during 2012 due to the progression of the BRT Project and AMF Re-commissioning Project; grants are recognized as awarded and collection is certain;
- Increase in local government contributions related to a local match required for a bus grant;
- Decrease in other income primarily due to lower vehicle registration fees;
- Decrease in investment income due to the historically low interest rate environment and planned use of funds for capital projects.

Three Year Financial Summary Information continued...

Three Year Revenue Comparative (in thousands)





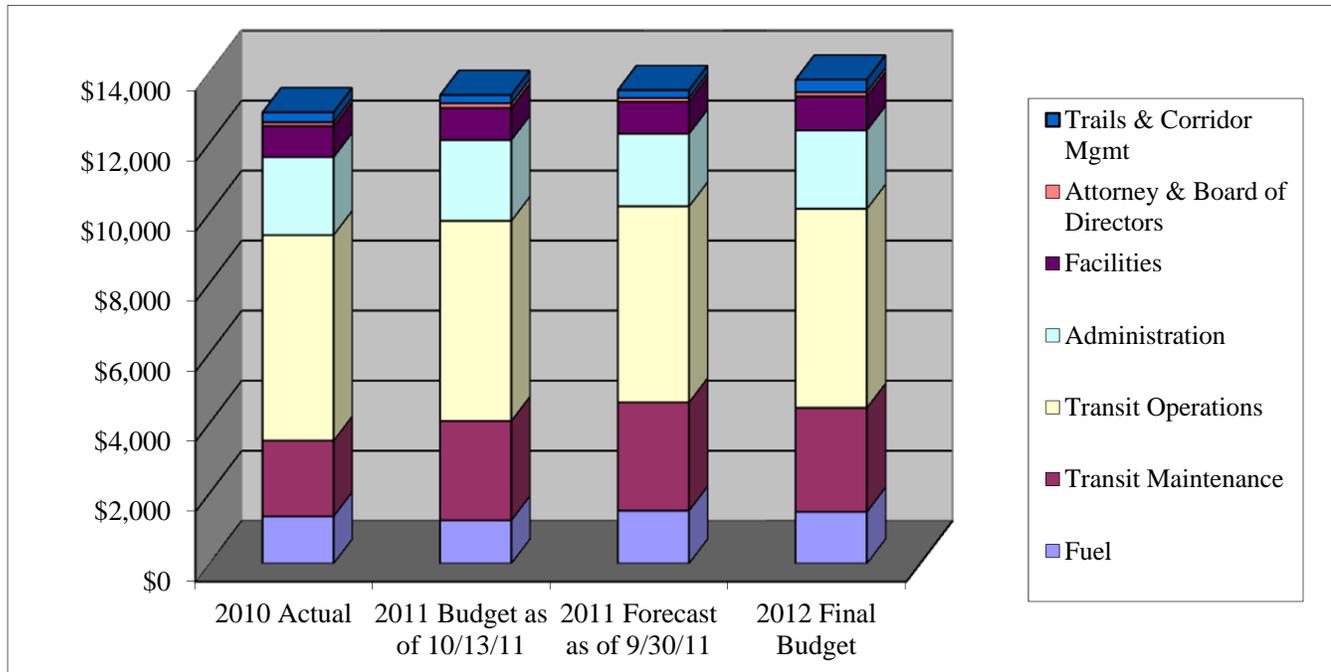
2012 Budget

Three Year Financial Summary Information continued...

General Fund Operating expenditures (in thousands)					11/12 Budget Comparison	
	2010 Actual	2011 Budget as of 10/13/11	2011 Forecast as of 9/30/11	2012 Final Budget	\$ Difference	% Difference
Fuel	1,345	1,229	1,507	1,475	246	20.0%
Transit Maintenance	2,161	2,838	3,089	2,968	131	4.6%
Transit Operations	5,869	5,711	5,598	5,683	(28)	-0.5%
Administration	2,223	2,310	2,071	2,239	(71)	-3.1%
Facilities	890	920	918	973	53	5.7%
Attorney & Board of Directors	108	127	104	117	(10)	-7.7%
Trails & Corridor Management	282	238	224	354	116	48.7%
Total	\$12,877	\$13,373	\$13,511	\$13,809	\$436	3.3%
General Fund Capital expenditures	454	3,010	1,704	2,808		
General Fund Debt service	2,658	2,347	2,347	2,234		
Special Revenue Fund Service Contracts	7,540	7,632	7,873	8,340	708	9.3%
Special Revenue Fund Bus Shelter / PNR	285	296	298	284	(12)	-4.0%
Special Revenue Fund Mid Valley Trails	59	17	17	68		
Special Revenue Fund Bus Rapid Transit	1,210	3,741	3,403	1,745	(1,996)	-53.4%
Capital Projects Funds	9,325	14,666	10,515	23,798		
Debt Service and Reserve Funds	2,119	2,119	2,119	2,122		
Total expenditures				\$55,208		

Three Year Financial Summary Information continued...

Three Year General Fund Operating Expenditure Comparison (in thousands)



2011/2012 budgetary expenditure trends:

- Increase in Fuel due to higher cost per gallon and contract services provided in 2012;
- Increase in Transit Maintenance due to departmental reorganization in preparation for BRT implementation and higher personnel costs related to benefits and merit increases;
- Increase in Transit Operations due to the higher personnel costs related to benefits and merit increases offset by the allocation charged against contracted services in 2012;
- Increase in Administration due to the higher personnel costs related to benefits and merit increases offset by the allocation charged against contracted services in 2012 and an increased allocation of time spent on the BRT Project and properly charged against the BRT Special Revenue Fund.;
- Increase in Facilities is due higher personnel costs related to benefits and merit increases and operating costs;
- Increase in Attorney & Board of Directors due to increased operating costs offset by the allocation charged against contracted services in 2012 and an increased allocation of time spent on the BRT Project and properly charged against the BRT Special Revenue Fund.;
- Increase in Trails and Corridor Management Program due to higher personnel costs related to benefits and merit increases.



2012 Budget

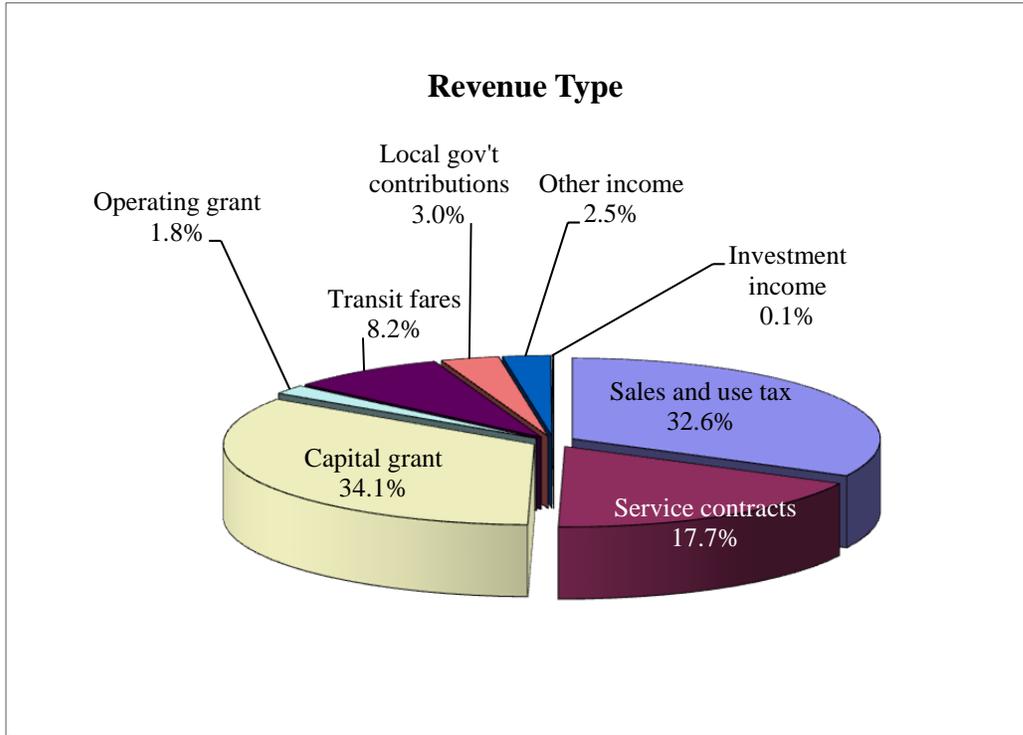
Major Revenue

Revenue Type (in thousands)	General Fund	Service Contracts	Bus Shelter/ PNR	Mid Valley Trails	Bus Rapid Transit	Capital Projects Fund	Debt Service Fund	2012 Total Budget	%
Sales and use tax	\$10,125	-	-	\$41	\$5,113	-	-	\$15,279	32.6%
Service contracts	-	\$8,320	-	-	-	-	-	8,320	17.7%
Capital grant	1,590	-	-	-	-	\$14,405	-	15,995	34.1%
Operating grant	831	20	-	-	-	-	-	851	1.8%
Transit fares	3,825	-	-	-	-	-	-	3,825	8.2%
Local gov't contributions	1,421	-	-	-	-	-	-	1,421	3.0%
Other income	343	-	\$324	-	-	-	\$500	1,167	2.5%
Investment income	8	-	-	-	16	-	5	29	0.1%
Total revenue	\$18,142	\$8,340	\$324	\$41	\$5,129	\$14,405	\$505	\$46,886	100%

Revenue composition:

- Sales and Use tax and fees 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;
- Grants are recorded when awarded and collection is certain, annually the Authority receives operating and capital contributions from the Federal Transit Administration and the State of Colorado;
- Transit fares are collected on Valley service routes, see Transit Services section for description of services;
- Local governmental contributions are recorded when awarded and collection is certain; for detail of these revenues see the line item budget;
- Other income primarily consists of employee housing rental revenue in the General Fund and a Build America Bond Program credit recorded in the Series 2009B, Debt Service Fund. This is a credit or reimbursement from the Federal Government for 35% of the semi-annual interest payments on the bonds.

Major revenue continued...



Revenue assumptions

Sales Tax and Fees

- Dedicated taxes collected from member governments based on intergovernmental agreement. The Authority relies on the increase or decrease of sales tax estimate prepared by each jurisdiction (the Authority relies on the member jurisdictions assumptions and trend analysis for estimate preparation); upon receipt of the estimate, the Authority may use its discretion to adjust the estimate for budgetary purposes.

Member Jurisdictions	Members' 2012 estimated change in Sales Tax from 2011 Forecast	RFTA's 2012 estimated change in Sales Tax from 2011 Forecast
Aspen	4%	4%
Basalt	0%	0%
Carbondale	0%	0%
Glenwood Springs	2%	2%
Eagle County	0%	0%
New Castle	(6)%	0%
Pitkin County	2%	2%
Snowmass Village	0%	0%



2012 Budget

Major revenue continued...

- Service contracts are billed monthly based on miles and hours by route; see description of Transit services section for description of services and Contract formula methodology budget section for billing (cost allocation) methodology; this is a cost allocation methodology based on the Authority operating expenditure budget;
- Capital and operating grants, and local government contributions are recorded when awarded and collection is certain, annually the Authority receives operating and capital grants from the Federal Transit Administration, the State of Colorado and various local governments;
- Transit fares are collected on regional bus routes; collection is in two forms, a cash fare and a pass fare. Pass fares require an upfront prepayment and receipt of a pass that will allow unlimited rides for a period in time. The 2012 regional fare revenue budget of \$3.57 million reflects a increase of 1.4%, or \$50,000 when compared to the 2011 projected actual fare revenue of \$3.52 million. There were pass fare increases in 2009, 2008, 2007 and 2005, no cash fare increases for the same period.

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

Year	Change in ridership	% change	Change in Fare collection	% change
2010/2011 YTD Sept	92,906	6.6%	\$48,833	2.0%
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	7.2%	\$295,698	11.2%



2012 Budget

Fund Balance – all Funds

(in thousands)	General Fund	Service Contracts	Bus Shelter PNR	Mid Valley Trails	Bus Rapid Transit	Capital Projects Fund*	Debt Service Fund	Total
Revenues	\$18,142	\$8,340	\$324	\$41	\$5,129	14,405	\$505	\$46,886
Expenditures	(18,852)	(8,340)	(284)	(68)	(1,745)	(23,798)	(2,122)	(55,208)
Other financing source/(use)	792	-	(40)	-	(2,147)	(30)	1,622	197
Change in net assets	83	-	0	(27)	1,237	(9,423)	5	(8,125)
Beginning fund balance (12/31/11 projected)	5,968	-	30	111	5,963	\$13,166	1,792	27,031
Fund balance:								
Non-spendable fund balance	573							573
Restricted fund balance	498		30	85	7,200			7,813
Committed fund balance:								
Operating reserves	3,513							3,513
Facilities capital reserves	105							105
Transit capital reserves	35							35
Trails capital reserves	125							125
Capital projects						3,743		3,743
Debt service							1,797	1,797
Unassigned fund balance	1,202							1,202
Ending fund balance	\$6,051	\$ -	\$30	\$85	\$7,200	\$3,743	\$1,797	\$18,906

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 an 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.

*See Supplemental Schedule for Capital Project Funds



2012 Budget

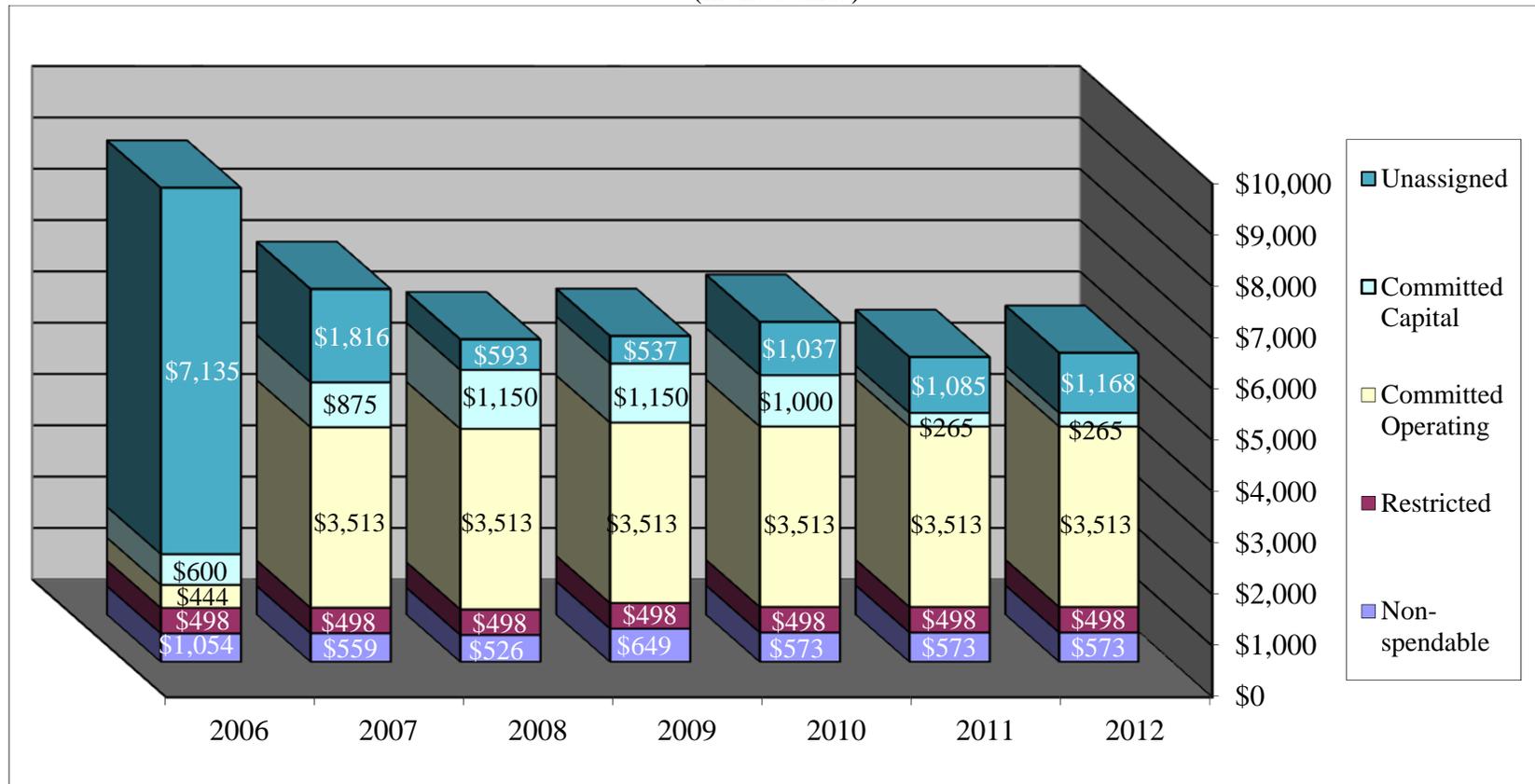
General Fund comparative Fund Balance

	2006 Final*	2007 Final*	2008 Final*	2009 Final**	2010 Final**	2011 Budget**	2012 Budget**
Beginning Fund Balance	\$7,558,447	\$ 9,376,422	\$ 7,421,437	\$ 6,279,944	\$ 6,345,832	\$6,620,000	\$5,934,000
Revenues	28,746,917	35,869,033	29,011,232	21,055,550	15,981,687	17,019,000	18,142,000
Operating Expenditures	(17,171,613)	(22,427,520)	(22,858,795)	(13,176,755)	(12,877,487)	(13,373,000)	(13,809,000)
Transit & Trails Capital	(7,659,663)	(13,580,554)	(8,064,764)	(5,426,102)	(453,898)	(3,010,000)	(2,808,000)
Debt Service	(1,667,294)	(1,540,944)	(2,622,144)	(2,657,380)	(2,730,002)	(2,347,000)	(2,234,000)
Other Financing sources/ (uses)				270,575	354,327	1,025,000	792,000
Reserves Contribution	(430,370)	(275,000)			-		
Add to/ (Subtract from)	\$1,817,977	\$(1,954,985)	\$(948,082)	\$65,888	\$ 274,627	\$(686,000)	\$83,000
Fund Balance:							
Restricted fund balance	\$497,741	\$497,741	\$497,741	\$497,741	\$497,741	\$498,000	\$498,000
Non-spendable fund balance	555,894	555,894	526,304	648,524	572,860	573,000	573,000
Committed fund balance:							
Operating reserves	444,338	4,444,338	3,513,000	3,513,000	3,513,000	3,513,000	3,513,000
Capital – Facilities	225,000	225,000	425,000	425,000	275,000	105,000	105,000
Capital – Transit	150,000	150,000	425,000	425,000	425,000	35,000	35,000
Capital – Trails	225,000	225,000	300,000	300,000	300,000	125,000	125,000
Unassigned Fund Balance	\$7,278,449	\$5,323,464	\$786,310	\$ 536,567	\$1,036,858	\$1,085,000	\$1,168,000
Ending Fund Balance	\$9,376,422	\$7,421,437	\$ 6,473,355	\$ 6,345,832	\$ 6,620,459	\$5,934,000	\$6,017,000

* Includes all funds

** Includes General Fund only (excludes special revenue funds, capital projects funds and debt service funds)

General Fund balance history
(in thousands)



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.

Expenditures

Operating expenditure summary by Department with Fuel (in thousands)

Department	General Fund	Service Contracts	Bus Shelter/ PNR	Mid Valley Trails	Bus Rapid Transit	2012 Total Budget	%
Fuel	\$1,475	\$862	-	-	-	\$2,337	9.7%
Transit Maintenance	2,968	1,735	-	-	\$14	4,717	19.5%
Transit Operations	5,683	3,797	-	-	77	9,557	39.5%
CEO	295	173	-	-	297	765	3.2%
Finance	724	423	-	-	35	1,182	4.9%
Planning	99	58	-	-	75	232	1.0%
Human Resources	808	472	-	-	-	1,280	5.3%
Information Technology	313	183	-	-	358	853	3.5%
Facilities	973	569	\$284	-	373	2,198	9.1%
Attorney & Board of Directors	117	69	-	-	121	307	1.3%
Trails & Corridor Mgmt.	354	-	-	\$68	-	421	1.7%
BRT	-	-	-	-	362	362	1.5%
Total	\$13,809	\$8,340	\$284	\$68	\$1,712	\$24,212	100%

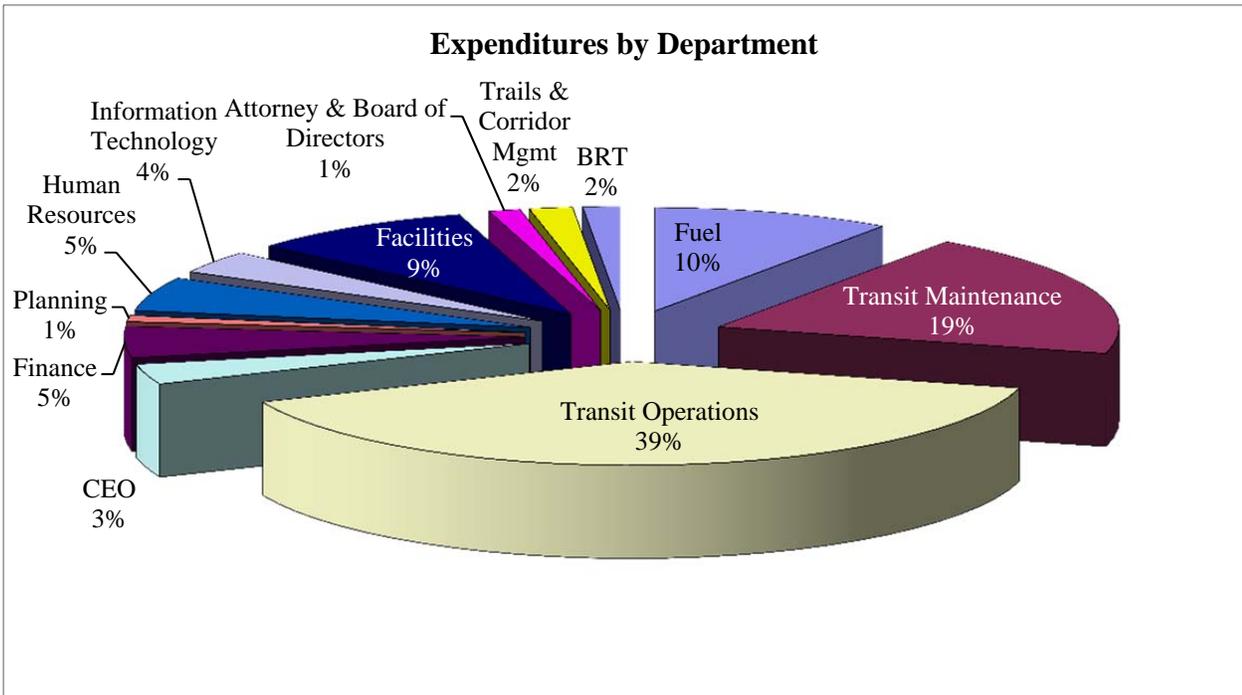
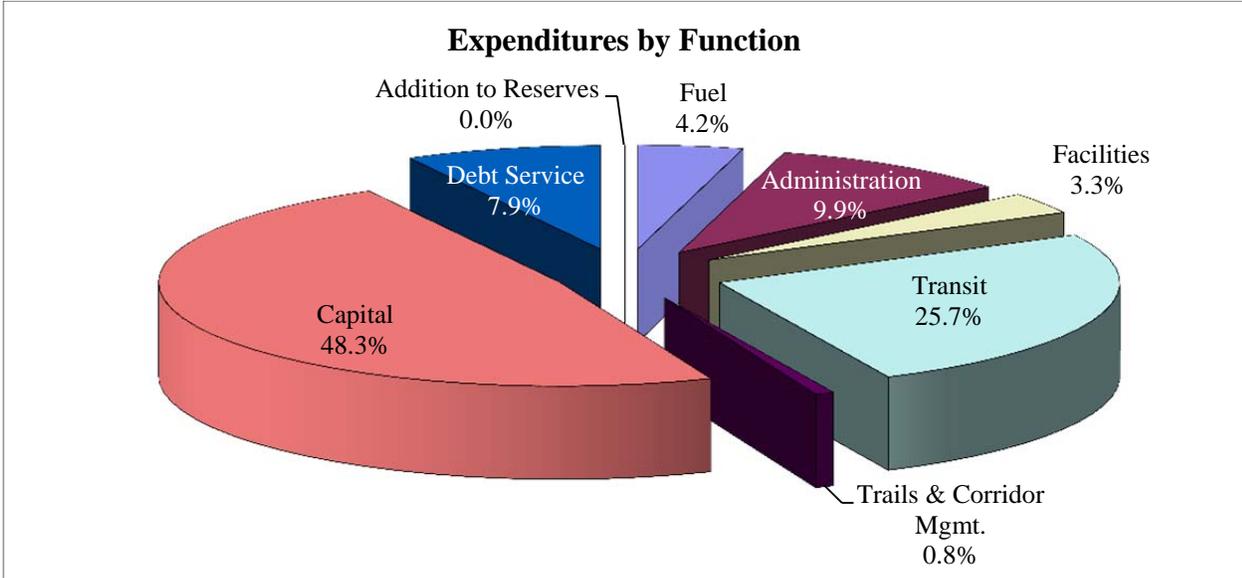
Expenditures

Assumptions used in preparing the budget are as follows:

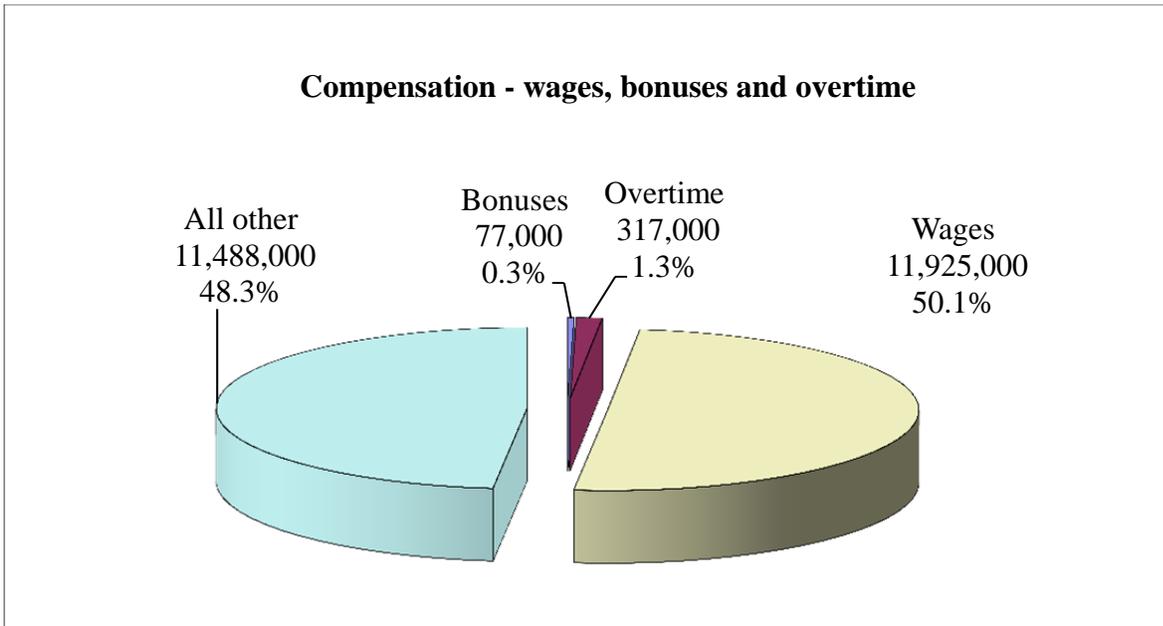
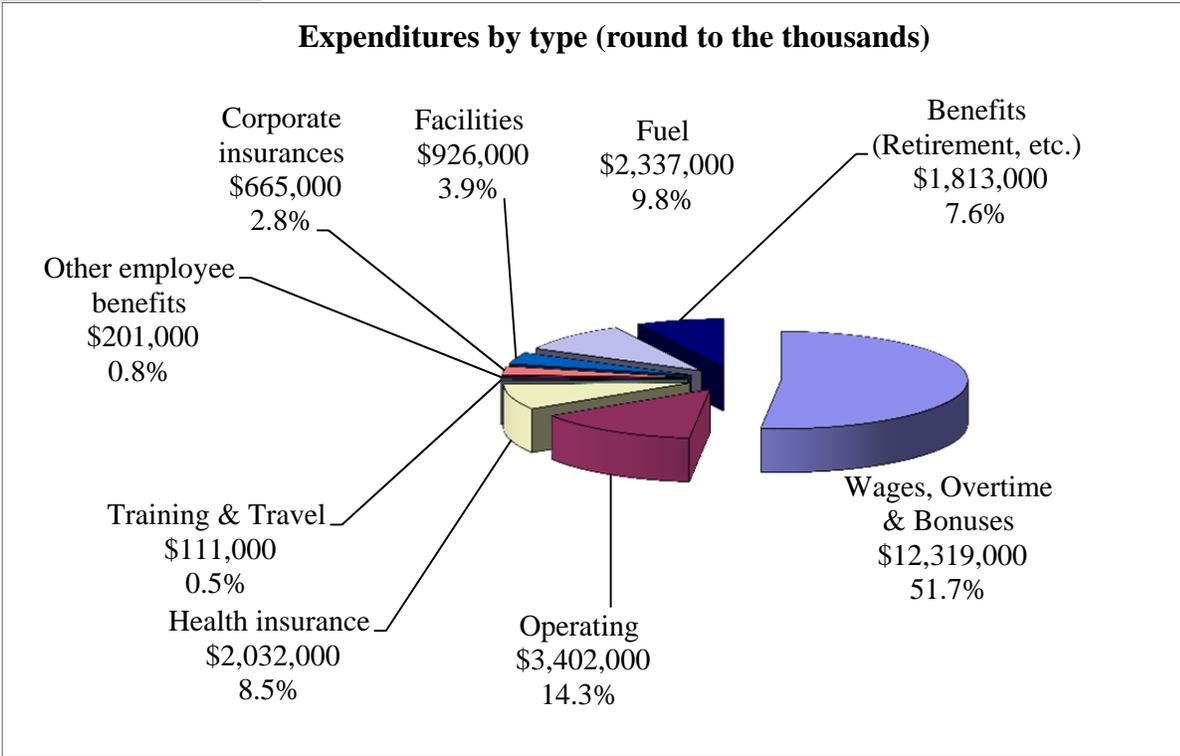
- A higher level of transit service is budgeted due to a net increase for contracted services and one extra service day in February as 2012 is a leap year;
- Diesel fuel expenditures are budgeted at 4.3%, or \$92,000, higher than the 2011 forecast;
- Three Administrative Program positions (Human Resources, Finance, and Attorney), which have been vacant for a significant portion in 2011, are included; One new Administrative Program position was added in the Information Technology Department for the BRT Project; One new Project Manager position was added in the Facilities Department to provide support for the BRT project and assist the current project team; Four Transit Maintenance personnel are anticipated to be promoted as a result of the department's reorganization in anticipation for the BRT service rollout in 2013; no extra positions required for the Transit Program based on attrition and services levels;
- Employee health insurance expenditures are budgeted at 11.8%, or \$247,000, higher than the 2011 forecast. This includes a 4% increase in premiums and coverage on additional personnel previously mentioned;
- A merit increase of up to 3%, or approximately \$191,000, for personnel effective on their anniversary date of hire;
- Certain expenditures will be added into the Budget through supplemental resolutions during 2012 when it is known that sales tax and other revenues have been collected to fund the programs.

2012 Budget

Expenditures continued...



Expenditures continued...



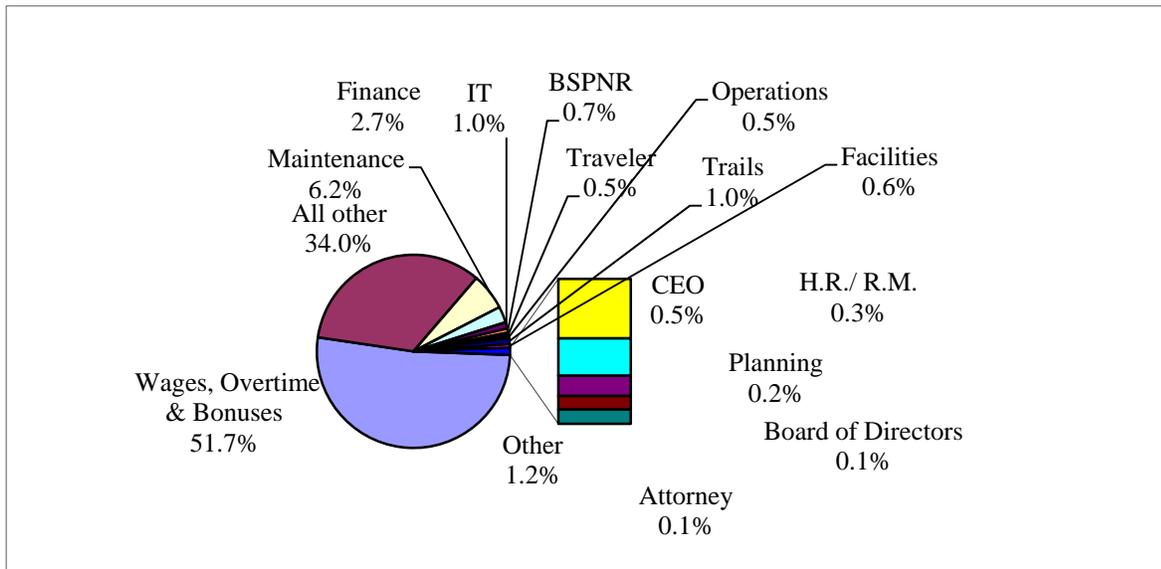


2012 Budget

Expenditures continued...

Expenditure by type (in thousands)

Wages, overtime and bonuses	\$ 12,319	51.9%
Benefits	\$1,813	7.6%
Corporate insurance	665	2.8%
Facilities	926	3.9%
Fuel	2,337	9.8%
Health insurance	2,032	8.5%
Other employee benefits	201	0.8%
Travel & training	111	0.5%
Total all other	\$8,086	34.0%
Transit maintenance	\$1,465	6.2%
Finance	640	2.7%
Information Technology	249	1.0%
Bus Shelter / PNR	171	0.7%
Operations	108	0.5%
Traveler	112	0.5%
Facilities	147	0.6%
Trails	231	1.0%
CEO	115	0.5%
Human Resources	72	0.3%
Planning	39	0.2%
Attorney	27	0.1%
Board of Directors	26	0.1%
Total operating	\$3,402	14.3%
Total expenditures	\$23,807	100.0%



Capital Expenditures

Capital Expenditure by project (in thousands)	General Fund	Special Revenue Fund Service Contracts	Special Revenue Fund BRT	Capital Project Fund Series 2009A	Capital Project Fund Series 2009B	Capital Project Fund VSS BRT	Capital Project Fund Series 2010A	Capital Projects Total
Capital contribution		\$747						\$747
Transit Bus (COA)	\$397							397
Bus engine/transmission rebuilds	125							125
Automated Fuel Dispenser	135							135
Transit Asset Maintenance Software	260							260
Retro-fit existing fleet w/ ITS	1,337							1,337
Other Transit	344							344
Total Transit	\$2,598	\$747		-				\$3,345
Total Trails	210							210
BRT Project			\$33	\$3,032	\$100	\$15,667		18,832
AMF Re-commissioning Project							\$5,000	5,000
Total	\$2,808	\$747	\$33	\$3,032	\$100	\$15,667	\$5,000	\$27,387

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.



2012 Budget

Capital Expenditures – General Fund

Capital Maintenance Program

- The Authority has engaged a consulting firm to prepare a re-commissioning plan for the Aspen Maintenance Facility. The report will identify a capital maintenance program for the Aspen Maintenance Facility for several years into the future;
- Additionally, the Glenwood Springs Maintenance Facility is a relatively new building; in the near future Staff will prepare a capital maintenance program for the facility;
- 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 capital projects and determined that there will be minimal impact on the operating budget for 2012;
- Engine and transmission rebuilds are planned reoccurring projects requiring no extra maintenance resources; all transmission rebuilds are performed by third party vendors.

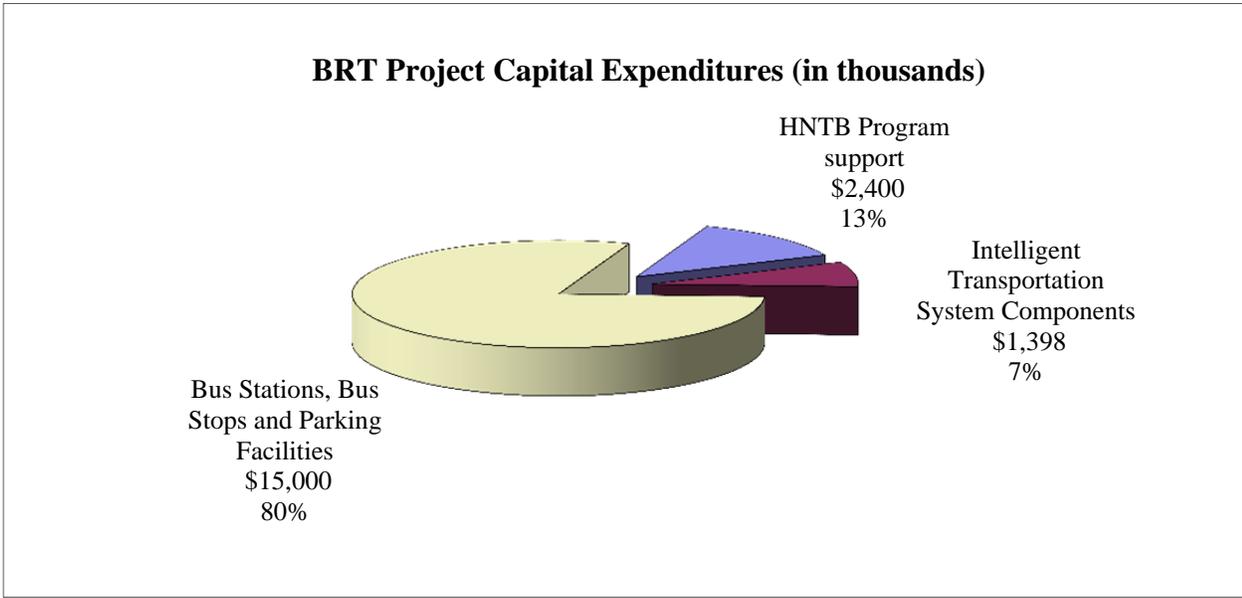
Significant Non-routine Capital Expenditures

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

Authority Management considers all significant capital expenditures routine with the exception of the Aspen Maintenance Facility Re-commissioning Project. Additionally, it is possible that the BRT Vision Project might encompass some of the improvements identified by the Project. An estimate or projection of the financial impact of the Aspen Maintenance Facility Re-commission Project cannot be determined at this time.

Capital Expenditures – Capital Project Funds

Capital Expenditure by project (in thousands)	Capital Project Fund Series 2009A	Capital Project Fund Series 2009B	Capital Project Fund VSS BRT	Capital Project Fund Series 2010A	Capital Projects Total
HNTB Program support	\$1,634	\$100	\$667		\$2,400
Intelligent Transportation System Components	1,398				1,398
Bus Stations, Bus Stops and Parking Facilities			\$15,000		15,000
AMF Re-commissioning Project				\$5,000	5,000
Total Transit	\$3,032	\$100	\$15,667	\$5,000	\$23,798



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 the flexibility and cost savings of buses with the efficiency, speed, reliability, and amenities of rail.

Bus Rapid Transit stations will be designed to include these basic components:

- A raised concrete platform that matches the low-floor bus to make boarding and alighting faster and easier;
- An unheated shelter to provide protection from sun, wind, rain, and snow;
- A location sign;
- A kiosk to display scheduling information and routes, and dispense electronic boarding passes;
- An electronic sign to show real-time "next bus" information.

Additional station components and unique identifiers for each location *could be funded by the jurisdiction where each station is located*, and/or by a public/private partnership. These components could include:

- Sheltered bike racks;
- Restrooms;
- Vending machines;
- Concessions and other retail;
- Additional parking;
- Public art.

Impact of capital improvement on the Operating Budget

- There is no impact on the fund operating budget.

Significant Non-routine Capital Expenditures

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

Capital Expenditures – Series 2010A 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 RFTA 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 is no impact on the fund operating budget.

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
(not including personnel compensation)**

Description	2012 Budget
Transit Diesel Fuel	2,247,000
Health Insurance	1,164,337
Fringe Benefits	982,580
Bus Parts	732,614
Health Insurance	397,993
Fringe Benefits	367,462
TOSV Regional Service Contract	327,107
Corporate Insurance Package	219,000
CCMSI Gen Liability Claims	200,000
Pinnacol Premiums	167,000
Alt Fica (Life Insurance, AD&D, LTD)	166,400
Bus Tire & Tubes	130,152
Oil, Lubricants, Antifreeze	130,000
Rent Expense	130,000
Bus Third Party Repairs	121,283
Janitorial Service	95,000
Janitorial Service	95,000
Materials & Supplies	90,000
GWS Travelers Program	90,000
Transit Unleaded Fuel	90,000
Repair & Maintenance	89,000
CCMSI Workers' Comp Claims	80,000
Building Repair and Maintenance	75,000
Health Insurance	70,954
Electric	68,000
Building Repair and Maintenance	67,000
Purchased Services	65,000
Security / Loss Prevention	60,000
Fringe Benefits	58,021
Natural Gas	56,000
HAZMAT Disposal	54,000
Health Insurance	51,946
Printing - Schedules / Maroon Bells Tickets	50,000
Data Processing Supplies	50,000
Natural Gas	50,000
ROW Land Schedule & GIS graphics	50,000



2012 Budget

Debt, Long term Commitments and Obligations

The Authority is not subject to legal debt limits.

- 2007 Capital lease, 4.28%, purpose – bus purchase;
- 2008 Capital leases include: 4.39%, purpose – employee housing purchase; 3.18%, purpose – bus purchase; 4.8-5.4%, purpose – automobile purchases;
- 2009 Capital lease, 5.85%, purpose – automobile 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, est. 4.5%, purpose – automobile purchases;
- 2012 Equipment, est. 4.5%, purpose - equipment

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

Issuance	Principal	Interest	Issuance Total
2005 Certificates of Participation	335,000	78,350	413,350
2007 Capital lease	521,803	127,678	649,481
2008 Employee housing	85,966	87,011	172,977
2008 Buses	139,884	20,067	159,952
2008 Automobile	35,106	1,644	36,750
2009 Automobile	9,808	368	10,176
Series 2010A Taxable Build America Bonds	-	173,032	173,032
Series 2010B Tax Exempt Bonds	305,000	176,231	481,231
2011 Office	31,730	44,646	76,376
2012 Automobiles	30,000	5,000	35,000
2012 Equipment	22,000	4,000	26,000
Total General Fund	1,516,297	718,027	2,234,324

Debt, Long term Commitments and Obligations continued...

- Series 2009A Tax-Exempt Bonds, 3.6%, purpose – BRT Project capital assets;
- Series 2009B Build America Bonds, 6.7%, purpose – BRT 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	510,000	182,775	692,775
Series 2009B Taxable Build America Bonds	-	1,429,186	1,429,186
Total Debt Service Funds	510,000	1,611,961	2,121,961

Operations Guide

Department 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, BRT Co-Project Management, grant applications and Department procurement.

Finance– Activities include maintaining the financial records of the Authority, budget, all accounting functions including payroll; primary accounting activities include general ledger, accounts payable, accounts receivable for service contracts and miscellaneous billing, cash receipting for bus pass sales, fixed assets, debt service, cash management, financial and grant reporting and Department procurement including transit fuel. Also, responsible for management of the Authority employee alternative social security retirement 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 Authority facilities and bus security systems, administrative computer hardware and software, printers, voice over internet protocol telephone system, the electronic fare box system and Department procurement. Also responsible for the marketing and communication of Authority transit services.

Planning – Activities include BRT Co-Project Management, management liaison for third party groups working on projects that will affect bus service and prepares grant applications.

The Trails and Corridor Department – Activities include maintenance and repair of the Authority owned trail, trails grant application and management.

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.



Authority Organization Chart by Program, Function and Department (unit)

2011 Organization Chart including

Public as Voters and Tax Payers

Regional Member Jurisdictions/ Board of Directors

City of Aspen	Town of Basalt	Town of Carbondale	Eagle County	City of Glenwood Springs	Town of New Castle	Town of Snowmass Village	Pitkin County
---------------	----------------	--------------------	--------------	--------------------------	--------------------	--------------------------	---------------

Programs

Trails	Transit
--------	---------

Functions

Administration	Trails	Transit
----------------	--------	---------

Departments

Attorney	CEO	Facilities	Finance	Human Resources & Risk Management	Information Technology	Planning	Trails & Corridor Management	Maintenance	Operations
----------	-----	------------	---------	-----------------------------------	------------------------	----------	------------------------------	-------------	------------

Description of programs

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

Description of functions

- Administrative Departments are responsible for all administrative activities.
- The Trails Department is responsible for maintaining the multi-purpose pedestrian, bike and equestrian trail and managing the Rio Grande Rail Corridor;
- The Transit Department provides commuter transit services, maintains the fleet of transit commuter vehicles (buses).



2012 Budget

General Counsel (2)	CEO (6)	Facilities/ BRT Co-Manager (12.4)	Finance (7)	Human Resources & Risk Management (4)	Information Technology (7)	Planning/ BRT Co-Manager (2)	Trails & Corridor Management (2)	Maintenance (47)	Operations (146.2)
Attorney	CEO	Director	Director	Director	Director	Director	Director	Director	Director (2)
Para legal	COO	Assistant Director	Assistant Director	HR Generalist	Network Manager	Assistant Director	Manager	Shop Foreman (4)	Manager (2)
	Administrative Assistant	Project Manager	Accounting Supervisor	Risk Management Coordinator	Computer Tech (3)			Lead Mechanic (10.3)	Admin. Assistant
	Procurement Manager	Buildings & Grounds Manager	Accounting Tech II	Administrative Assistant	Marketing Manager			Transit Mechanic (6.7)	Transportation Supervisor (7)
	Safety & Training Manager	Facilities Technician (5.4)	Accounting Tech I (2)		Graphic Designer			Transit Service Technician (10)	Relief Supervisor (11)
	Procurement Specialist	Business Specialist (2)	Revenue Clerk II					Buyer II	CDL Bus Op. FTR (114)
		Janitor	Revenue Clerk I					Buyer I (2)	Operations Support Specialist (4)
								CDL Service worker (11)	CDL Bus Op. PTR **
								Non-CDL Service worker	CDL Bus Op. SEA **
									Non CDL Bus Op. PTR **

** The position noted with an asterisk is not a full time position and numbers can vary from month to month.

Performance Measurement

Organization wide

In late 2009 The Authority Board identified a need to review the process for organization wide and department performance measurement. Management believes that organization wide and department objective performance measurement will be used in the near future. Upon completion of the performance measurement review project Budget staff will include the objective performance measurement results in this section of future budget documents.

Department

The Authority Board uses Policy Governance; in late 2009 The Authority Board identified a need to review and revise the current performance review process. The Board would like to implement objective performance measurement. This will be included in this section of future budget documents.

Summary Position Information

Department FTE	2006	2007	2008	2009	2010	2011	2012	
Attorney	1.5	1.5	1.5	1.5	1.0	2.0	2.0	
CEO	2	2	2	3	4.2	5.0	6.0	*
Facilities	9.8	9.8	9.8	8.5	10.1	11.5	12.4	**
Finance	6	7	7	6.8	5.8	6.8	6.8	
Human Resources	3	4	4	3	4.0	4.0	4.0	
Information Technology	3	2.5	3.5	4	4.0	6.0	7.0	***
Maintenance	33	42	48	47	44.8	46.0	47.0	****
Operations	108	139	140	144.8	142.8	138.0	152.9	*****
Planning	3	3.5	3.5	3	2.0	2.0	2.0	
Trails	1.7	1.7	2.7	2	2.7	1.5	1.6	
Grand Total	171	213	222	223.6	222.6	221.8	241.7	

* Added para legal position.

**Added project manager.

*** Added IT technician.

**** Backfilled position as part of the reorganization of department.

***** Includes 6.7 FTE provided for the Traveler Program.

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.

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. Currently the Authority is acquiring ITS equipment and real estate needed for the project, and it also is preparing to issue construction bid documents late in 2011. The Authority plans to begin constructing station improvements in 2012 and to have the project completed and operational by the fall of 2013.

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.



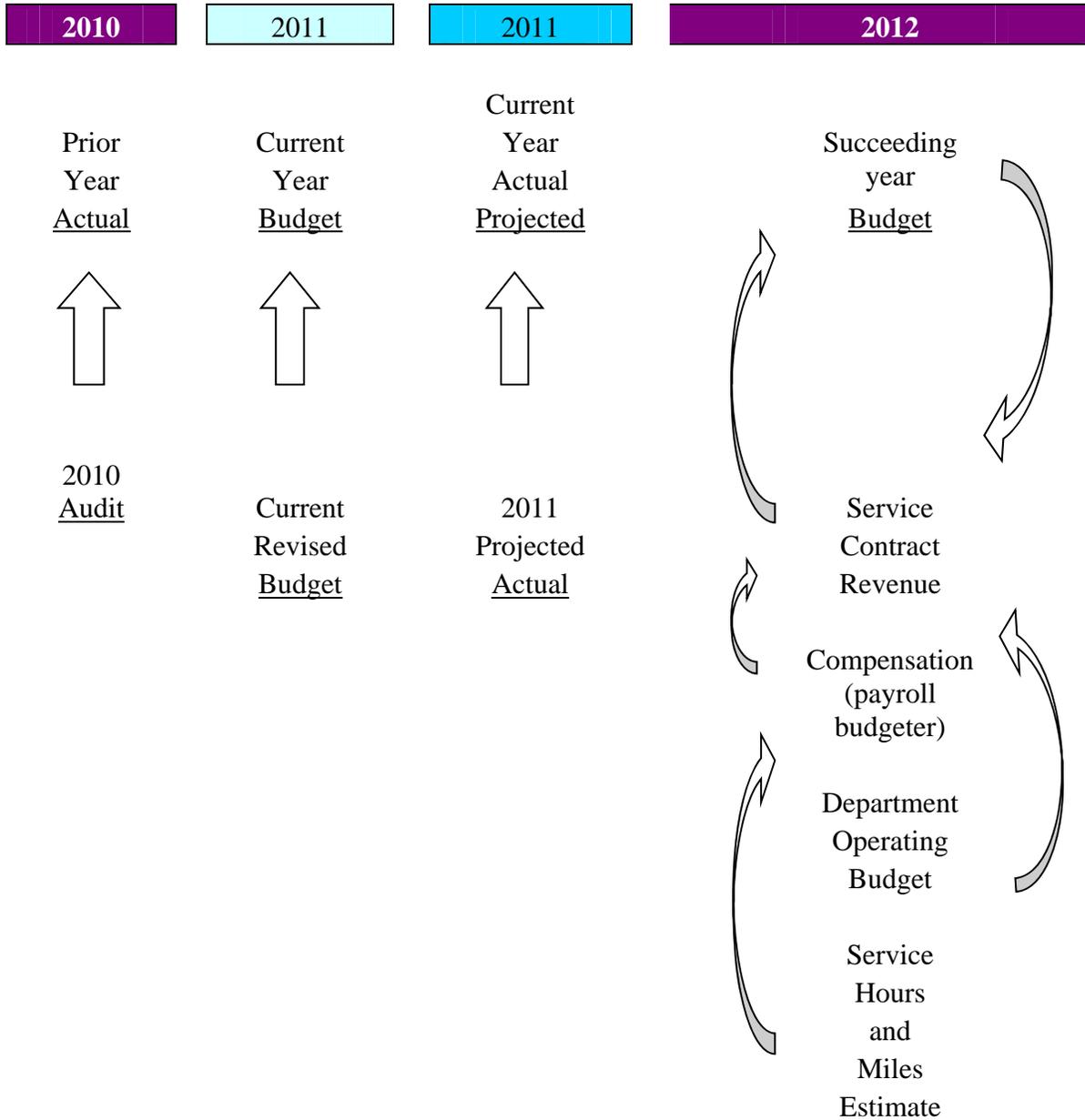
2012 Budget

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;
 - Review condition of budget;
 - 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;
- 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 process continued, a flowchart





2012 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 90 percent 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
	Finance, Facilities	Cap. Projects 2009B
	Finance, Facilities	Cap. Projects BRT
	Finance	Debt Service A
	Finance	Debt Service B
	Finance	Reserve fund
Transit	AMF Re-commissioning Project	
	Finance, Facilities	Cap. Projects 2010A
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

Statistical and Supplemental Information

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 implementation of a Bus Rapid Transit Project. Implementation is estimated to be in the fall of 2013.

Selected economic and demographic information.

Population

Year	Glenwood Springs	Carbondale	Basalt	Garfield County	Eagle County	Pitkin County
1960	3,637	612	213	12,017	4,677	2,381
1970	4,106	76	416	14,821	7,497	6,185
1980	6,375	2,084	529	22,514	13,320	10,338
1990	8,288	3,004	1,128	29,974	21,928	12,661
2000	8,887	6,367	3,203	41,796	41,659	14,872
2010	9,614	6,427	3,857	56,389	52,197	17,148

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

An increase in population results in an increased demand for both transit and trails programs provided by the Authority.

Retail Sales

	2004	2005	2006	2007	2008
Aspen	572,820	625,240	713,501	740,256	728,052
Basalt	160,590	189,120	208,123	394,082	433,115
Carbondale	141,617	174,583	192,368	214,202	240,244
Eagle County	1,604,352	1,817,783	2,134,863	2,367,788	2,355,829
Glenwood Springs	723,572	772,580	948,735	1,096,107	1,101,446
New Castle	48,574	55,929	57,712	73,252	94,412
Pitkin County	890,402	979,221	1,088,156	1,285,247	1,316,334
Snowmass Village	115,468	123,117	134,778	140,018	145,550

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

Retail sales have a direct impact on the Authority's sales tax collections. The national economy and local tourism can drive retail sales levels.

Selected Major Employers in the Area as of December 2008

Firm	Product/ Service	Estimated number of employees
Aspen Ski Company	Ski Area	3,116 (800)
Roaring Fork School Dist.	Public Education	891
Garfield School Dist.	Public Education	499
Wal-Mart Supercenter	Grocery/ retail	460
Valley View Hospital	Hospital	405

Numbers in parenthesis indicate seasonal employees.

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

<u>Board Member</u>	<u>Member Jurisdiction</u>
Michael Owsley	Pitkin County
Steve Skadron	City of Aspen
Jacque Whitsitt	Town of Basalt
Ed Cortez	Town of Carbondale
Sara Fisher	Eagle County
Ted Edmonds	City of Glenwood Springs
Frank Breslin	Town of New Castle
John Wilkinson	Town of Snowmass Village

<u>Alternate Board Member</u>	<u>Member Jurisdiction</u>
George Newman	Pitkin County
Torre	City of Aspen
Anne Freedman	Town of Basalt
John Hoffman	Town of Carbondale
Jon Stavney	Eagle County
Matt Steckler	City of Glenwood Springs
Pamela Bunn	Town of New Castle
Bill Boineau	Town of Snowmass Village

Transit Services

Valley Services

- Highway 82 Corridor: RFTA operates a commuter bus system serving Aspen, Snowmass Village, Basalt, El Jebel, Carbondale, and Glenwood Springs. Service between Aspen, Snowmass Village, and El Jebel is available every half hour. Service between Aspen, Snowmass Village, Carbondale, and Glenwood Springs is available every 30-minutes during much of the day. After 8:15 p.m., service between El Jebel and Glenwood Springs is available every hour until 3:00 a.m.

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 5th Street and Gillespie to 4th Street, 4th 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.
- Community Charter Service: RFTA provides occasional charter service.



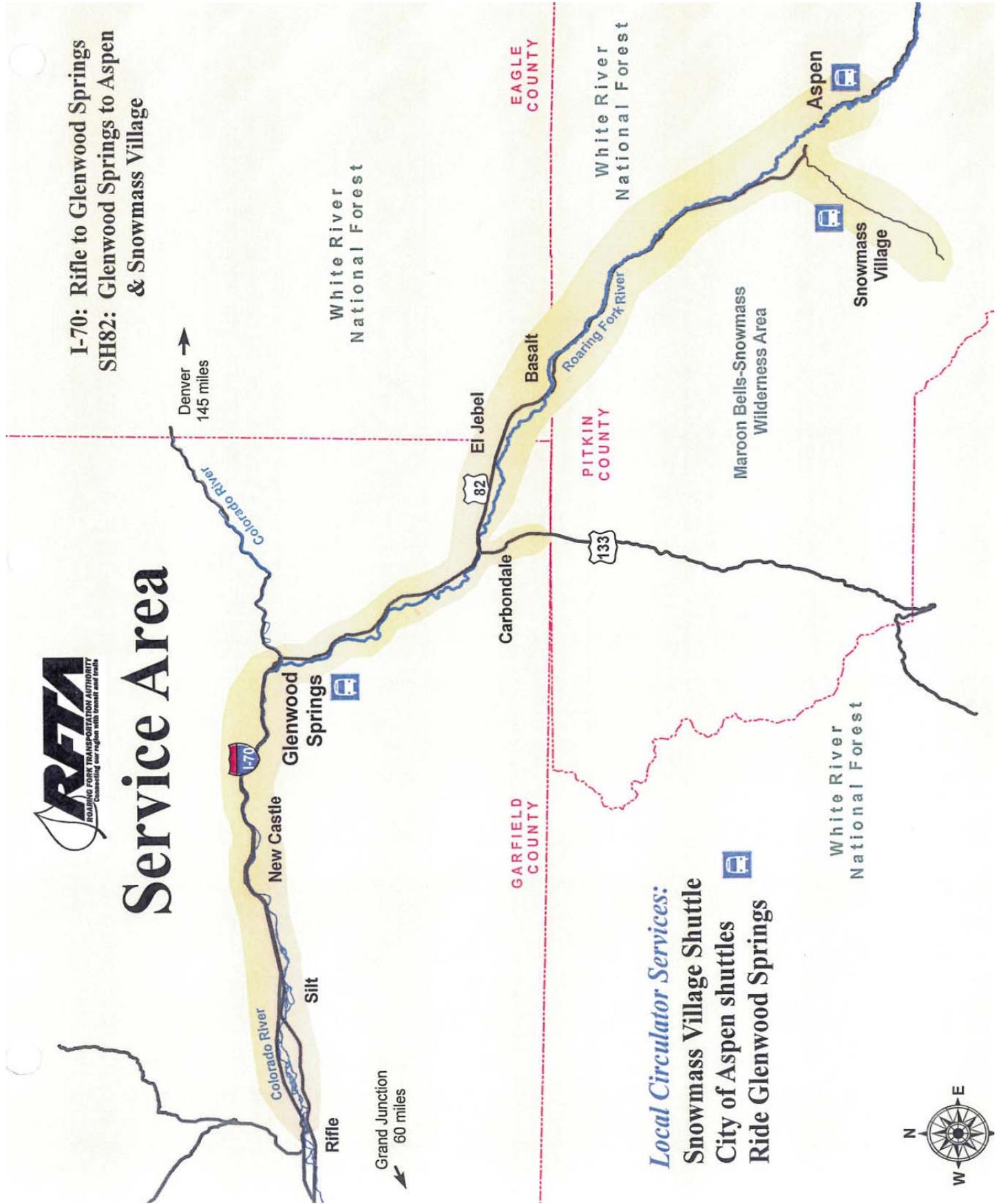
Service Area

**I-70: Rifle to Glenwood Springs
SH82: Glenwood Springs to Aspen
& Snowmass Village**

Denver
145 miles

Grand Junction
60 miles

Local Circulator Services:
Snowmass Village Shuttle
City of Aspen shuttles
Ride Glenwood Springs





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%
	Marketing	98%	2%

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	\$6,447,086	223,933	N/A	\$27.56
Total Direct Hourly Costs	\$8,109,224	223,933	N/A	\$34.66
Total Direct Mileage Costs	\$6,723,070	N/A	3,691,048	\$1.82

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 and Budget terms

Note: These definitions have been copied from various sources such as the State of Colorado Financial Management Manual.

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. The Authority's BRT system will provide reduced transit travel times, improved mobility, and reliable access throughout the Roaring Fork and Colorado River Valleys during both peak and off-peak hours. Because BRT vehicles use hybrid electric/biodiesel engines, 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
- advanced technology 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.

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.

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.



2012 Budget

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.

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.



2012 Budget

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.

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.



2012 Budget

Index	Page
Basis of budgeting.....	4
Board of Directors.....	50
Budget Calendar.....	46
Budget Line Items greater than \$50,000.....	35
Budget Issues.....	5
Budget Introduction.....	3
Budget Process, Summary of.....	43
Capital expenditures.....	30
Changes in fund balance/ equity.....	23
Consolidated financial overview.....	14
Debt and Long Term Commitments.....	36
Department Goals and Objectives.....	9
Description of Functions	39
Expenditures by Department.....	26
Expenditures by Type.....	29
Funds and fund structure.....	12
Glossary of Financial and Budget Terms.....	55
History of Authority.....	47
Impact of capital improvements on operating budget.....	31
Line item Budget.....	Appendix I
Long- term non-financial goals and objectives.....	8
Major revenues.....	20
Organization chart.....	39
Other Planning Processes.....	42
Overview of Financial Policies.....	6
Performance Measures.....	41
Priorities and issues.....	4
Relationship between functional units and financial structure.....	46
Service Contract Methodology, description of.....	54
Service Map.....	53
Summary of Position Information.....	41
Three year financial summary information.....	16
Transit Services, description of.....	51