



Fiscal Year 2006 was characterized by great success in customer service and extraordinary

efforts to reach new heights in meeting public needs. RTA's upgraded Dial-A-Ride program improved the travel experience for its riders, customers benefited from the popular 7-Day Pass and Power Pass, and enhanced transfer points are closer to reality thanks to advancements during Fiscal Year 2006. RTA is entering a future ripe with possibilities.

RTA is making progress . . .

Step By Step

Riverside Transit Agency 2006 Annual Report

RTA FACTS

SYSTEM RIDERSHIP

Annual Boardings 6.8 million
Average Daily Boardings 18,733

VEHICLE SERVICE HOURS

Annual Revenue Hours 602,000

FISCAL YEAR 2006 BUDGET

Total Budget \$41 million

BUS MILEAGE

Annual Miles 11 million

VEHICLES

CNG Buses 114
Dial-A-Ride Vans 64
Fixed Route Vans 50
Trolleys 6

BUS ROUTES

Fixed Route Services 38
Commuter Services 5
Trolley Services 1

SERVICE AREA

2,500 square miles, second-largest in the nation.

BUS FACTS

- Compressed Natural Gas (CNG) Bus Fleet
- Low-Floor Buses
- 100% Wheelchair Accessible
- Wi-Fi Internet and satellite TV on Route 202
- Dual Bike Racks
- Automated Stop Announcing System
- Electronic Fareboxes
- Dial-A-Ride Service
- Security Cameras
- Public CNG Station in Hemet & Riverside

MISSION STATEMENT

The Riverside Transit Agency, Riverside County's multi-modal transportation provider, shall provide for a variety of transportation needs in a cost-effective and efficient manner for all residents in our member communities. The Agency is committed to providing safe, reliable, courteous, accessible and user-friendly transit services to our customers.

When the Riverside Transit Agency launched service in 1977, we pledged to deliver a reliable, enjoyable and cost-effective means of travel for Western Riverside County residents. One of our biggest priorities was to provide an escape from the stress of driving in a region quickly becoming known for its rampant development, traffic-choked roads and longer commutes.

Nearly three decades and millions of bus trips later, we have come a long way. RTA is proud to be the transit mode of choice for a growing number of people — we logged roughly 7 million boardings during fiscal year 2006 — and we remain true to our pledge to deliver a positive and satisfactory experience to every passenger, every day.

Fiscal Year 2006 was a remarkable time for RTA.

While the Agency remained firmly rooted in its core values — quality, service, efficiency and innovation — we took new steps to enhance our product. For example, we upgraded our Dial-A-Ride program to improve passenger service, jumpstarted efforts to build new transit centers and introduced the affordable 7-Day Pass. The Agency also launched an ambitious project to install computerized arrival and departure information panels at major bus stops, and began a major analysis of our bus system to identify areas for improvement and future expansion.

Success can't be reached in a single leap. That's why RTA is building success one careful step at a time. We are continually evolving to meet the needs of our customers, and adapting to the changing landscape of this fine region, which, more than ever, needs a public transportation system that not only takes us where we want to go, but does so in a way that enhances and embraces our quality of life.

We are proud of the accomplishments illustrated in this Annual Report, and we look forward to many more years of superior service.

Sincerely,

RTA Chairman Jeff Fox and CEO Larry Rubio

2 0 0 6 B O A R D
O F D I R E C T O R S

Jeff Fox, Chairman
City of Beaumont

Frank Hall, First Vice Chair
City of Norco

Frank Kessler, Second Vice Chair
City of Canyon Lake

Robert Buster
County of Riverside
District I

John F. Tavaglione
County of Riverside
District 2

Jeff Stone
County of Riverside
District 3

Marion Ashley
County of Riverside
District 5

Brenda Salas
City of Banning

John Chlebnik
City of Calimesa

Karen Spiegel
City of Corona

Roger Meadows
City of Hemet

Daryl Hickman
City of Lake Elsinore

Bonnie Flickinger
City of Moreno Valley

Doug McAllister
City of Murrieta

John Motte
City of Perris

Dom Betro
City of Riverside

Dale Stubblefield
City of San Jacinto

Jeff Comerchero
City of Temecula

RTA is committed to not only meeting, but exceeding customer expectations. That's why it improved Dial-A-Ride service, introduced a new pass to make travel more affordable and offered a new way for passengers to reap rewards at dozens of area businesses.

Dial-A-Ride Gets Makeover, Customer Service Improves

RTA implemented a new Dial-A-Ride policy that cut the number of late cancellations and no-shows, minimized gaps in the schedule and opened opportunities for other passengers. RTA also improved the service by purchasing 27 swifter and more fuel-efficient minivans and hired Southland Transit Inc. to operate the curb-to-curb service. Since the new contractor was hired, Dial-A-Ride complaints have plunged and on-time performance has increased.

New 7-Day Pass Gets Warm Reception

RTA's customers enjoyed major savings during Fiscal Year 2006 thanks to a new fare package that made public transit more affordable. The 7-Day Pass was a hit among customers for its low \$12 price and its availability aboard RTA buses, at pass outlets across the county, through the mail or on-line at RTA's website. The pass was a further step in the Agency's commitment to make public transit convenient and affordable.



RTA Teams Up With Businesses for Power Pass

Thousands of RTA customers qualified for special offers and discounts thanks to the new Power Pass program. More than 50 businesses across Western Riverside County from cafes to pizzerias, music shops to hair salons joined the budding program. RTA customers show their valid 7- or 31-day pass at any participating business for savings ranging from 10 percent discounts on any purchase to buy-one-get-one-free special offers. The program is a great way to showcase RTA's multi-day passes and give area businesses the exposure they need to thrive.

RTA customers simply flash their valid 7- or 31-day pass at any participating business and they qualify for the savings, which range from 10 percent discounts on any purchase to buy-one-get-one-free special offers.

The new 7-Day pass was a further step in the Agency's commitment to make public transit efficient, convenient and most of all, affordable.



Use exact fare. No change or change card will be given.
Use la tarifa exacta. No se le dar  cambio ni tarjeta de cambio.



welcome Aboard
bienvenidos Abordo



The findings of the Comprehensive Operational Analysis could help RTA upgrade routes, bring buses to underserved areas, and provide passengers with smoother transfers to Metrolink stations.

Projects never cease at RTA, and some of the Agency's most ambitious projects took flight during the year. Steps were taken to expand RTA's influence with the planning of new transit centers and, thanks to a massive self-evaluation launched during the fiscal year, RTA is poised to make changes that will affect millions.

Funds Secured for Future Transit Centers

Fiscal Year 2006 was a productive period in the Agency's bid to build much-needed transit centers. In November, RTA qualified for a \$1.3 million federal grant to help build a transit center in Perris. In December, President Bush's approval of a federal appropriations bill set aside more than \$1.2

million for preliminary work on new transit centers in Corona and Riverside. That action came just a year after RTA purchased two acres of land in Corona for the project. The future transit centers will include bus bays, covered plazas, and park and ride areas.



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Study to Improve Routes, Schedules

With Riverside County's population on the rise, RTA will be tasked with meeting the needs of a growing market. That's why in Fiscal Year 2006, the Agency launched a major self-evaluation to determine where improvements are needed. The

Comprehensive Operational Analysis will cover everything from scheduling to bus stop locations to route alignments. The findings could help RTA upgrade routes, bring buses to underserved areas, and provide passengers with smoother transfers to Metrolink stations.

Cutting-edge technology has always been an integral part of RTA's operations. After all, RTA was the first in southern California to offer passengers free satellite television and wireless internet aboard CommuterLink buses. Fiscal year 2006 was no exception as the Agency unveiled a state-of-the-art CNG fueling station and set in motion an aggressive plan to install computerized arrival and departure information panels at major bus stops and transfer points.

RTA Unveils New CNG Station

In October, RTA unveiled a \$1.5 million, state-of-the-art Compressed Natural Gas (CNG) fueling station to power the Agency's buses with cleaner-burning fuel. The new facility came nearly four years after RTA became one of the first in the state to convert its entire bus fleet from diesel fuel to CNG. The station is capable of fueling a bus in about five minutes. That's a major improvement from other fueling stations, which take twice as long. The station will also provide fuel for other local government agencies that use CNG vehicles.



Information Panels to Help Passengers

Buses equipped with automatic passenger counters. Dispatch using satellites to pinpoint vehicle locations. Passengers receiving up-to-the-minute arrival and departure information from computerized panels. Sound futuristic? Perhaps, but that's exactly what's coming to RTA thanks to a new project launched in Fiscal Year 2006. The Intelligent Transportation System will bring information panels to transit centers and major transfer points. The technology, which will function the same way as airline flight and departure screens, will take the stress out of bus travel by keeping passengers informed.

Passengers will soon receive up-to-the-minute arrival and departure information from computerized panels.

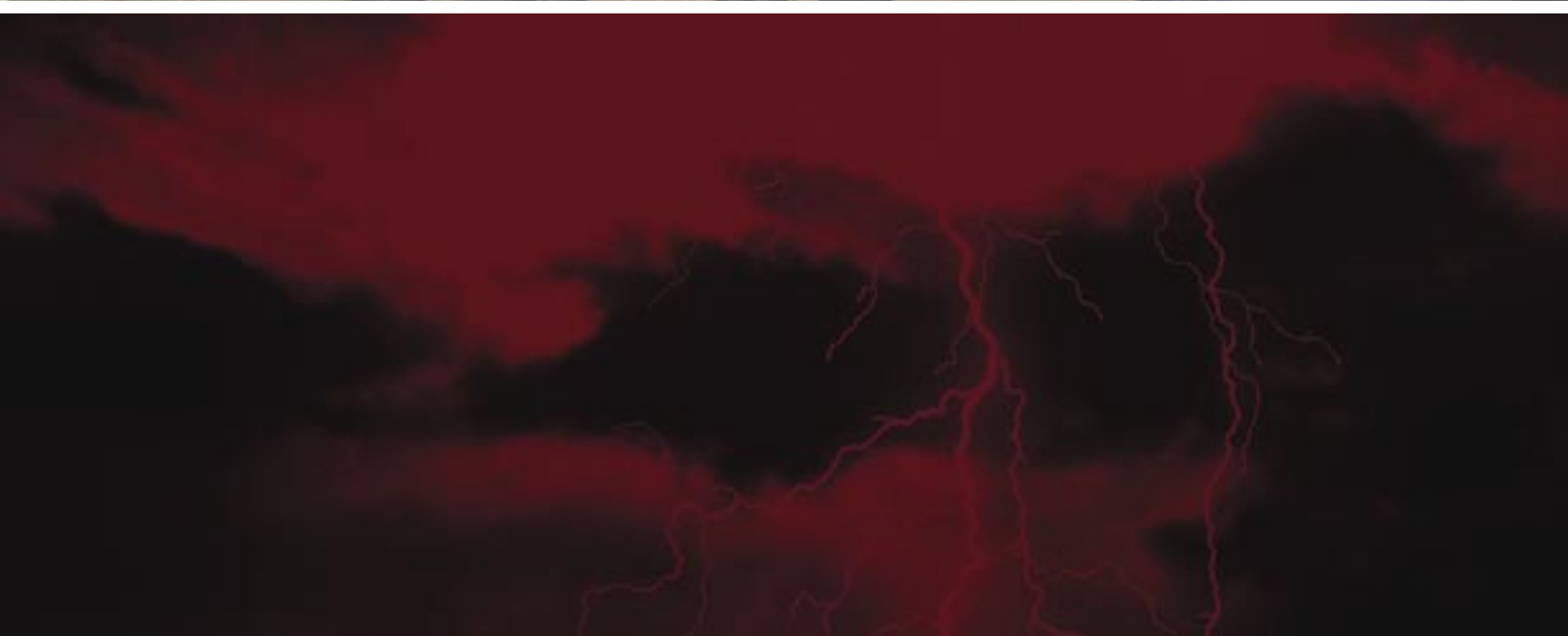
POWERED BY CLEAN NATURAL GAS

Leading Clean





When help was needed for victims of Hurricane Katrina, RTA worked with law enforcement officials to transport dozens of California Highway Patrol officers traveling to the Gulf Coast to assist in relief.



Community involvement is crucial for an agency that relies on customer service for its success. RTA routinely participates in parades and visits senior centers, schools and community groups to discuss ways to meet riders' changing needs. Advocacy groups such as Transportation NOW allow residents to work at a grassroots level to improve public transit. During FY 2006, RTA's community involvement went far beyond the region when employees helped Gulf Coast hurricane victims.

RTA Lends a Hand in Hurricane Relief

When help was needed for the displaced victims of Hurricane Katrina,



RTA didn't hesitate to lend a hand. In September, RTA worked with law enforcement officials to transport dozens of California Highway Patrol officers traveling to the Gulf Coast to assist in hurricane relief. The assistance didn't stop there. RTA employees participated in fundraisers to help hurricane victims get back on their feet. Several RTA employees helped at the Riverside County Operations Center, which assisted more than 1,650 people, linking them to employment, medical insurance, social services and transportation. RTA also offered free bus passes to displaced families relocating to the Inland area.

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RTA Raises Funds for United Way

Dozens of cookies and pies, mounds of popcorn, lines of newly washed cars, tons of tostadas and plenty of payroll donations produced a successful United Way fund-raising campaign at RTA. Through various fundraisers, the Agency raised more than \$7,000 over a two-week period. All that money went to the United Way, which in turn, earmarked the cash for various local organizations that help children and youth succeed, strengthen and support families, and help low-income folks get access to health care. The United Way recognized RTA's efforts with a plaque to commemorate the achievement.

Vehicle Donations

As part of RTA's bus donation program, the Agency continued to provide vehicles to cities, churches, senior centers and non-profit agencies. During FY 2006, RTA gave eight buses to groups such as the Ramona Bowl Amphitheater, Life Church of God and Vista Murrieta High School. RTA donates vehicles that have surpassed their recommended service life and are no longer capable of remaining in the active fleet. However, the buses are in good condition and are equipped with amenities such as wheelchair lifts. Over the past few years, RTA has proudly donated more than 66 buses to well-deserving organizations.

Transportation NOW

Transportation NOW chapters, which are comprised of RTA officials, lawmakers and members of the public, made headway during FY 2006. Each chapter met monthly to discuss issues surrounding public transit and advocate for improvements. The chapters also planned holiday events and helped RTA administer surveys to gauge public transit needs. Nearly 100 people participate in the program's three chapters, which are located in Corona/Norco/District 2, Moreno Valley/Perris and the San Geronio Pass areas.



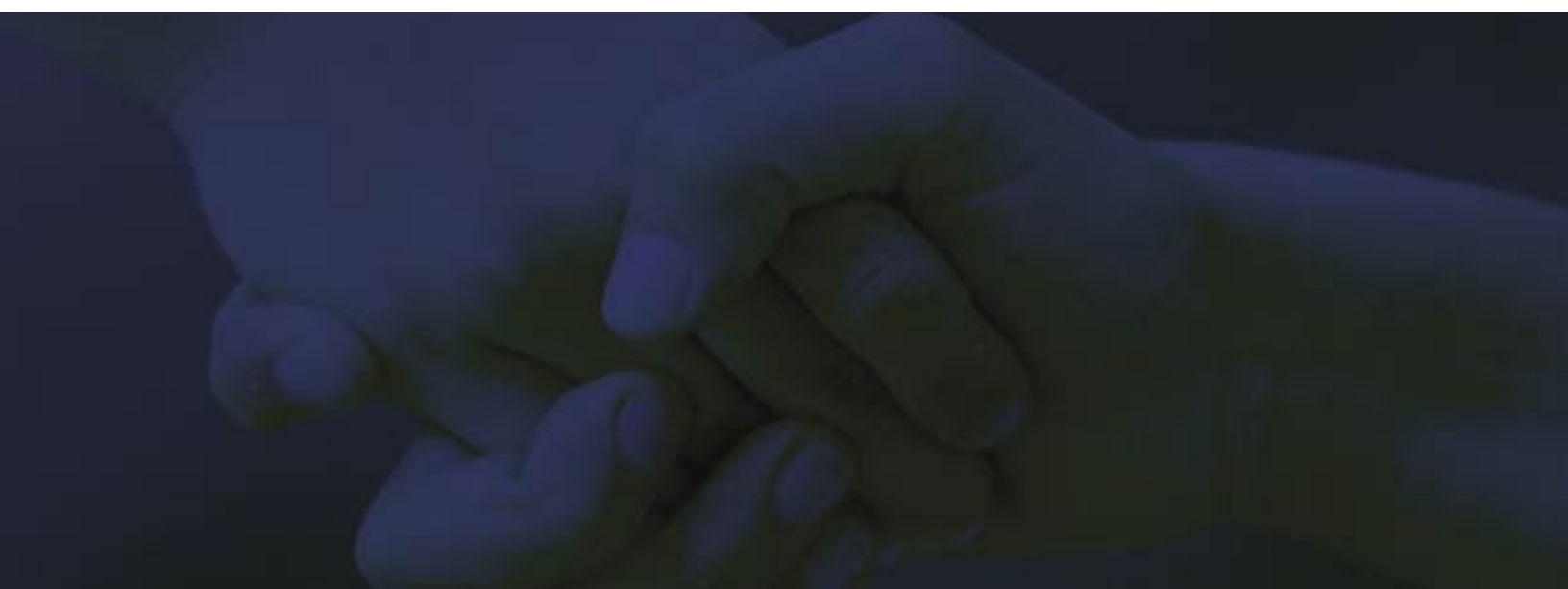
Patriotic Buses Hit the Streets

Just in time for Independence Day, RTA rolled out three vehicles wrapped in patriotic designs such as waving American flags, the Constitution, the Statue of Liberty, and our nation's emblem, the bald eagle. The super-sized images cover the exterior of the 40-foot buses, which travel to most parts of western Riverside County and appear at parades throughout the region. RTA commissioned its first bus wrap in 2001 to pay homage to our nation shortly after the September 11th terrorist attacks.

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The holiday season wouldn't be complete without T-NOW's holiday trolley, which provides free rides to popular shopping destinations in Corona, Norco and District 2.



RTA had its share of milestones during Fiscal Year 2006. During the year, the Agency successfully minimized costs linked to workers' compensation injuries. The Agency also spent much of the year working to meet a new set of performance standards.

Agency Slashes Workers' Compensation Claims

RTA made great strides in its effort to minimize workers' compensation costs. A new report shows a 15 percent reduction of workers' compensation costs to the Agency between Fiscal Year 2005 and 2006. Over the last four fiscal years, RTA slashed workers' compensation costs by 42 percent. Thanks to an aggressive effort, no employee missed work due to an injury over a two-year period as various jobs were set aside for employees who were unable to perform their regular duties.

Agency Meeting Performance Goals

RTA spent much of Fiscal Year 2006 working to meet a new set of performance standards identified by the Riverside County Transportation Commission. The program, called the Productivity Improvement Program (PIP), requires the tracking over time of compliance with eight key performance indicators related to revenues, expenses, and passenger counts. Of the eight measures, compliance with two (Operating Cost per Revenue Service Hour and Farebox Recovery Ratio) is mandatory. The Agency must at least meet three of the remaining six criteria. On an overall systemwide basis, the Agency achieved the two mandatory measures and made five of the remaining six. The PIP program and ongoing analysis is designed to help the Agency maintain effective and efficient service by identifying areas for upgrades and modifications.

An independent accounting firm concluded that RTA's accounting practices were proper, and its financial reporting accurate.

RTA Revenue Budget and Expenses

RTA continued its fiscal stability, remained under budget and received positive feedback from an independent audit, which concluded that the Agency is making efficient use of its funds and following proper accounting procedures. With nearly 20 percent of its operating expenses coming from passenger fares, RTA not only met but exceeded the state’s required minimum farebox recovery ratio. RTA’s operating budget grew roughly 1 percent from Fiscal Year 2005, with nearly half of the Agency’s \$41 million budget going to salaries and benefits.



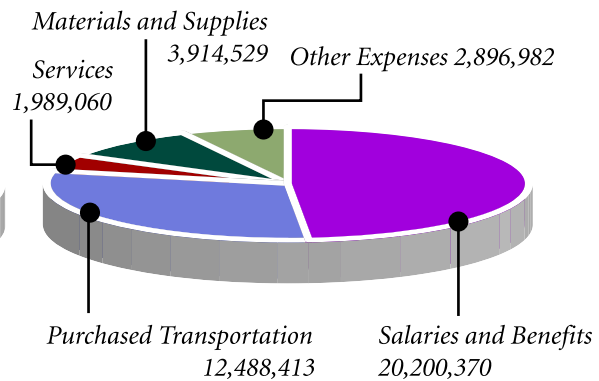
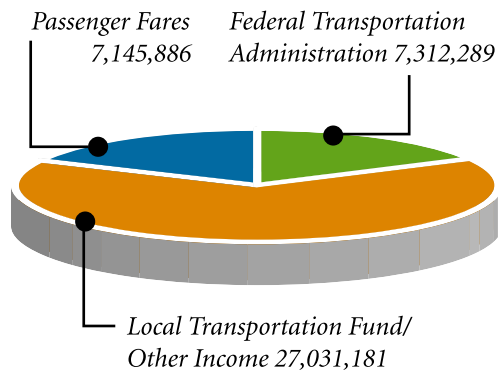
The financial audit indicated there were no disagreements with management, no material errors, no irregularities or possible illegal acts. It also determined that RTA not only met but exceeded the state’s minimum farebox recovery ratio.

REVENUE SOURCE FY 2006 AUDITED

Passenger Fares	7,145,886
Local Transportation Fund/Other Income	27,031,181
Federal Transportation Administration	7,312,289
Total Revenues:	41,489,354

OPERATING EXPENSES FY 2006 AUDITED

Salaries and Benefits	20,200,370
Purchased Transportation	12,488,413
Services	1,989,060
Materials and Supplies	3,914,529
Other Expenses	2,896,982
Subtotal Before Depreciation:	41,489,354



Revenue Source FY 2006 Audited

Operating Expenses FY 2006 Audited



How to Contact RTA

RTA Offices (951) 565-5000

Route/Schedule Info Voice: 1-800-800-7821 TTY: 1-800-800-7825

Dial-A-Ride Services Voice: 1-800-795-7887 TTY: 1-800-800-7825

Jobline (951) 565-5010

Web Site: www.RiversideTransit.com