

MARTA's Mission Statement

“The mission of the Metropolitan Atlanta Rapid Transit Authority (MARTA) is to strengthen communities, advance economic competitiveness and respect the environment by providing a safe and customer-focused regional transit system.”

Table of Contents

For the Year Ending June 30, 2009

MARTA Board of Directors.....	2
Message from the General Manager/CEO	3
Introduction	5
Strengthening Communities.....	7
Advancing Economic Competitiveness	9
Respecting the Environment	11
Providing a Safe Transit System.....	13
Providing 30 Years of Rail Service – Rail Car Rehabilitation	14
Providing a Customer-Focused System	17
Through Transparency and Accountability	
• Key Performance Indicators	
• Hay Study of Compensation and Benefits	
Providing a Regional Transit System	21
Financial Highlights.....	22

Board Of Directors

OFFICERS



Chairman
Michael Walls



Vice Chair
JoAnn Godfrey McClinton



Secretary
Juanita Jones Abernathy



Treasurer
Barbara Babbit Kaufman

EX-OFFICIO MEMBERS

(left to right)

Steve Stancil

Bart L. Graham

Gena L. Evans

Richard A. Anderson



DIRECTORS

Keith E. Adams
Clara H. Axam



Harold Buckley, Sr.
George E. Glaze



Walter L. Kimbrough, L.H.D.
Gloria Leonard



Bruce E. LeVell
Mukesh "Mike" Patel



Michael W. Tyler
Edmund J. Wall



Message from the General Manager/CEO



3

On June 30, 2009, MARTA officially celebrated its 30th Anniversary as a combined bus and rail system – a major milestone in our history. As MARTA's General Manager and CEO, I am filled with pride and profound humility to have been part of this organization at such an auspicious time.

As the ninth-largest public transit agency in the nation and the largest in the South, MARTA has had the privilege of providing safe, reliable and affordable transportation to millions of daily riders, tourists and conventioners who depend on us to reach their destinations. In addition, MARTA also represents a \$6.4 billion asset that is responsible for pumping an estimated \$2 billion into state and regional coffers every year.


But even as we mark three decades of providing service and economic opportunity, like every business and household in this country, MARTA also faces unprecedented financial challenges. The Authority's primary source of revenue – sales tax receipts from the City of Atlanta and DeKalb and Fulton Counties – declined significantly as a result of the global economic recession, forcing us to implement immediate cost-reduction measures and prepare for more severe budget cuts for next fiscal year.

Despite these obstacles, MARTA improved its internal operations and processes in order to enhance service delivery and customer satisfaction while also maximizing our overall efficiency and cost-effectiveness. MARTA consistently ranks at or near the top in industry-wide performance assessments compared to our peers. At the same time, MARTA and its employees have amassed an inspiring record of community giving, charitable fundraising and volunteerism; we have made a demonstrable difference in the lives of the community that we serve with pride.

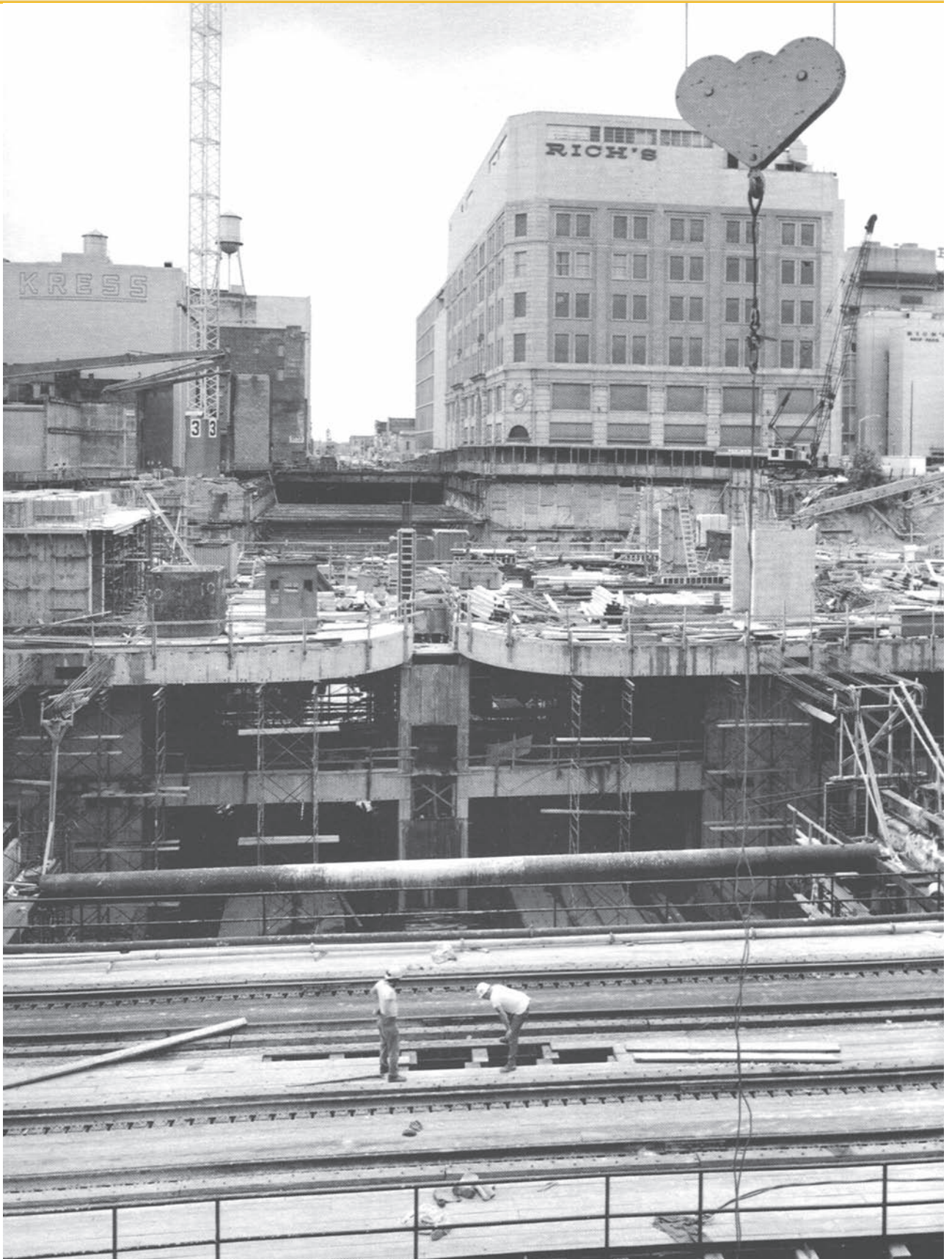
Our challenge as a region and a state is to finally “realize the vision” of creating a truly “world class” regional transit system. This will require significantly increased funding for transit from the State of Georgia and other Metro Atlanta jurisdictions. At MARTA, we recognize that new funding partners will bring changes as we all work together to build a public transit system that provides a quality travel choice to residents and visitors throughout our region. We recognize that MARTA is the backbone of transit in the greater Atlanta region; and we are committed to work with our transportation partners across Metro Atlanta and around the State of Georgia to create a public transit system befitting the southeastern United States.

My pledge to you, now and always, is that MARTA will provide the highest quality transit service possible within our financial means to do so. On behalf of the entire MARTA family – past and present – I submit this FY 2009 Annual Report as a heartening reminder of what we have achieved as well as the critically important work we still have left to do. Here at MARTA, we embrace the future with a renewed commitment to remain an invaluable benefit to the state and the region that we have been proud to call “home” since 1972.

Sincerely,



Beverly A. Scott, Ph.D.



Construction of Five Points Station

Introduction

“The word vision is the appropriate word. The people who were responsible for creating MARTA had a great vision of the future.”

*Elliott H. Levitas
Former U.S. Congressman, Georgia State Representative,
and Chairman of MARTA’s Oversight Committee*

MARTA marked a significant milestone in FY 2009 – its 30th year of providing combined bus and rail service to the City of Atlanta, DeKalb and Fulton Counties. Throughout its history, MARTA has contributed significantly to strengthening our communities, advancing economic competitiveness, sustaining the environment and providing a safe and customer-focused regional transit system. These are the guiding principles that comprise MARTA’s current mission statement and the framework within which we operate each day. While over the years the language used in our mission statement has changed, MARTA’s focus has remained the same: providing safe, reliable and quality transit service to our customers while contributing to making our community a better place to live, work and play. We will continue to remain focused on these guiding principles as we move forward into the next 30 years providing the critical framework for an expanded and truly integrated regional transit system.





Habitat for Humanity MARTA volunteers

“MARTA and the United Way go hand in hand. We both are working to provide services to the people of Metro Atlanta. We both are working to improve our community and to make Atlanta a place where all individuals and families thrive.”

*Renaye Waller, Director Government and Public Sector for the United Way
(The MARTA Employees’ Charity Club donates to the United Way.)*

Strengthening Communities

MARTA's reach extends far beyond the day-to-day service that we provide to the region. At MARTA, we consider ourselves citizens of this community and believe it is our privilege to actively participate in programs that improve the lives of others and make our neighborhoods better places to live. Here are just some of the ways that MARTA staff gave back in FY 2009.

Employees' Charity Club

Despite difficult economic times, MARTA employees continued to demonstrate their commitment to the community by raising more than \$730,000 for charitable causes. Through the annual giving program, charity events and fundraisers organized by the Employees' Charity Club, employees donated \$60,000 to holiday giving programs, \$40,000 to the March of Dimes, \$3,000 to First Tee of Atlanta, and more than \$627,000 to more than 400 charities.

Youth Education Programs

MARTA continued to build on its education programs with local students. This has taught young people about career opportunities in the transportation industry and helped cultivate the next generation of transit riders. In FY 2009, several of these programs achieved significant milestones.

Arts Education Program

In May 2009, MARTA installed student artwork in six rail stations throughout the system as part of an arts education program in conjunction with Creating Pride, a local nonprofit arts and education organization. During the program, students learned about the benefits of transit while creating an artwork piece titled "My Destination: Where I Can Go on MARTA."

Students from Carter G. Woodson Elementary, College Park Elementary, Morningside Elementary School, Renfroe Middle School, Sequoyah Middle School and North Springs Charter School of Arts painted pieces focused on how local commuters, metro residents and visitors can reach a variety of destinations via MARTA. The artwork is installed at Arts Center, Bankhead, College Park, Decatur, Doraville and Sandy Springs rail stations.

Future Cities Competition

MARTA was a first-time participant in the National Engineers Week Future Cities Competition, a program in which teams of seventh- and eighth-grade students design a city set 50 years in the future. MARTA staff members mentored teams on how to best incorporate transit services into their innovative city designs. Staff members also served as judges for the competition, which was held on January 23, 2009.

MARTA sponsored the first transit awards for the Georgia competition: the "Live, Work, Play — Development Around Transit" Award and the "Transit for All" Award.

Adopt-A-MARTA Bus Stop

MARTA also broke new ground in the community by teaming up with DeKalb County to create an exciting initiative called Adopt-A-MARTA Bus Stop. The program, sponsored by the DeKalb County office of Keep DeKalb Beautiful, recruits residents and organizations to help keep local bus stops litter-free and contribute to the overall beauty of their community.



“MARTA plays a significant role in supporting the Atlanta Convention and Visitors Bureau’s efforts to attract conventioners and tourists. Atlanta enjoys a public transportation system that connects visitors to major events and more than 60 percent of the employees in the hospitality industry depend on the service to get to and from work.”

*William Pate, President and CEO
Atlanta Convention and Visitors Bureau*

Advancing Economic Competitiveness

9

Having provided direct bus and rail connections to employment centers, entertainment venues and retail districts for the past 30 years, MARTA serves as an economic engine to the state and region. In addition, MARTA offers direct access to Hartsfield-Jackson Atlanta International Airport, the world's busiest airport, facilitating convenient and affordable travel through Metro Atlanta for our citizens as well as tourists, business travelers and conventioners.

MARTA is also the primary mode of travel for those who work in the hospitality industry, with 60 percent of full-time hospitality employees taking it to work. Atlanta's hospitality sector, its second-largest industry, generates more than \$11.4 billion in economic impact each year and employs 230,000 residents.

In 2009, MARTA continued its tradition of supporting Atlanta's hospitality industry as well as large-scale events, providing 2.2 million passenger trips to special events at venues including the Georgia World Congress Center, Georgia Dome, Philips Arena, CNN Center, Turner Field and AmericasMart.

MARTA proudly transported customers to Fourth of July celebrations, including the Peachtree Road Race, the largest running event in the country, and to New Year's Eve events, the Chick-fil-A College Kickoff Game and SEC Football Championship, and dozens of professional sporting events, concerts, festivals and parades throughout the year.





“With about half of Metro Atlanta’s smog coming from the tailpipes of cars and trucks, MARTA offers viable alternatives that help us all breathe easier.”

Kevin Green, Executive Director, The Clean Air Campaign

Respecting the Environment

Helping to protect and preserve the planet has been a top priority for MARTA throughout the course of its history. Each day, MARTA is directly responsible for taking hundreds of thousands of vehicles off the road, reducing harmful pollutants in the environment and improving air quality in the region and state. MARTA is committed to being a good steward of the environment by cultivating partnerships to increase transit ridership and implementing new technologies and business practices to further improve the quality of life in the region.

Clean Cities Lifetime Appreciation Award

MARTA and the City of Atlanta were recognized in FY 2009 with the Clean Cities Lifetime Appreciation Award from the United States Department of Energy (DOE) for their pioneering work on Compressed Natural Gas (CNG) technology. The award recognized MARTA for serving as an industry leader with its CNG bus program, which began in 1993, and has contributed to a significant reduction in greenhouse gas emissions. Thanks to the 441 CNG buses that MARTA currently utilizes in its fleet, the Authority displaces the equivalent of more than 7 million gallons of gasoline each year.

American Public Transportation Association (APTA) Sustainability Commitment

This fiscal year, MARTA was pleased to become a founding signatory of the 2009 Pilot Phase of APTA's Sustainability Commitment. The APTA initiative offered MARTA the opportunity to enhance its existing sustainability program, which was formally established in October 2008 when the MARTA Board of Directors adopted its Policy on Sustainability.

In partnership with APTA and its fellow transit agencies nationwide, MARTA committed to becoming a "greener" agency and contributing to the overall sustainability of the entire industry.

The APTA program has provided an excellent framework for moving MARTA forward in assessing sustainable practices and implementing additional initiatives that offer environmental, social, and economic benefits.

Partnership Programs

MARTA once again teamed up with APTA and The Clean Air Campaign to encourage people in Metro Atlanta to save time, money, and the environment by taking transit. On June 18, 2009, MARTA celebrated two "take transit" initiatives – APTA's national *Dump the Pump Day* on June 18 and The Clean Air Campaign's *Give Your Car the Day Off* event held June 15-19. The events highlighted the environmental and financial benefits of leaving your car at home and temporarily forgoing fossil fuels by taking MARTA. In celebration of this effort, MARTA partnered with The Mall at Stonecrest, Simon Properties, including Lenox and Phipps Malls, Arby's, and Chili's to hand out coupons and prizes to customers thanking them for being "Environmental Heroes."

Throughout the year, MARTA continued its work with The Clean Air Campaign and Transit Management Associations (TMA), via MARTA's Partnership Program, to promote incentive programs for utilizing alternative forms of transportation. These outreach initiatives educated employers and their employees about commuter reward programs and discount passes available for taking transit as well as other environmentally friendly modes of transportation.

In conjunction with industry partners and program members, the Partnership Program continued to promote transit ridership to commuters by offering discounted transit passes through their employers or places of residence. More than 400 Metro Atlanta companies participate in the program, which is represented by TMAs, governmental agencies, corporations, small businesses, property management companies and apartment communities. The program serves 25,000 card holders and generates more than \$16 million in revenue for MARTA.



“The ATL TSA K-9 Program has benefited from the partnership between TSA and MARTA PD, particularly the MARTA K-9 Unit. MARTA’s K-9 Unit has been an excellent training partner and helped establish the ATL TSA K-9 Program during 2009. TSA-ATL looks forward to continued partnership with MARTA over the next years.”

*Beth Shockley
Assistant Federal Security Director, TSA Atlanta*

Providing a Safe Transit System

In 2009, the MARTA Police Department (MPD) continued to uphold MARTA's highest priority to provide a safe transit system for our customers and employees. MPD successfully reduced Part 1 Crimes by 7.8 percent. Part 1 Crimes are defined by the Federal Bureau of Investigation as Criminal Homicide, Forcible Rape, Robbery, Aggravated Assault, Burglary — Breaking or Entering, Motor Vehicle Theft, Arson, and Larceny — Theft (except motor vehicle theft).

MARTA is proud to have a full-service, nationally accredited police department that ensures our customers safely reach their destinations each day. The department comprises MARTA's 370 sworn officers and civilian employees and is one of only four transit police agencies in the United States to be accredited by the Commission on Accreditation for Law Enforcement Agencies (CALEA).

Protecting the State and Region through Interagency Partnerships

MPD continued its work with local, state and federal agencies to further strengthen coordination on security efforts and emergency response operations.

On November 2, 2008, MARTA conducted a Full-Scale Police Exercise at the Dome/GWCC/Philips Arena/CNN Center rail station in coordination with the Federal Bureau of Investigation, Georgia Bureau of Investigation, Georgia World Congress Center, Georgia Emergency Management Agency, and the Atlanta Police and Fire Departments. These annual training exercises provide an opportunity for MARTA police, staff and emergency responders to practice response and recovery operations during a simulated emergency.

Also during FY 2009, MPD's explosives-detection K-9 unit partnered with the Atlanta Police Department (APD) to assist the Transportation Security Administration (TSA) in training five of its new K-9 teams. The TSA K-9 teams were brought on board to enhance explosives detection capabilities at Hartsfield-Jackson Atlanta International Airport air cargo facilities. Since the initial training, the K-9 units from MARTA, APD and TSA have continued to work together to enhance enforcement efforts on the local and national levels.

Community Outreach Efforts

MARTA police also contributed their time to making our community a safer and better place to live through their support of education programs and charitable causes.

Kids-in-Transit

MPD launched its first Kids-in-Transit (KIT) Summer Camp, teaching local students about the benefits of transit while building the next generation of community leaders. The camp, funded entirely by individual donations and sponsorships, offered 29 students, ages 11 to 16, the opportunity to participate in leadership activities, recreational events, and a service project that focused on teaching critical life lessons such as teamwork, communication and tolerance for others.

Special Olympics Georgia

In 2009, MPD raised more than \$21,000 for the Law Enforcement Torch Run for Special Olympics Georgia. MARTA Police raised funds for this important cause through payroll deductions and participation in a variety of events including "Cuffed for a Cause" and "Cops on Donut Shops."

Providing 30 Years of Rail

“When people ask me – and they have over the years – when will MARTA be finished, I always answer, ‘I hope never,’ because it should just keep expanding and be a benefit to the surrounding metropolitan area. MARTA is our system. It’s not my system. It’s not Atlanta’s system. It’s the region’s system, and it’s really the state’s system.”

Sam Massell

Former Atlanta Mayor, President of the Buckhead Coalition, MARTA Proponent

There was not a more fitting way to recognize MARTA’s 30th year of providing rail service than with the completion of its rail car rehabilitation program in 2009, which welcomed all 218 of the overhauled first- and second-generation cars back into service.

Thanks to visionary leaders, dedicated employees and great support from the public, MARTA’s first rail operations began on the East Line from Avondale station to Georgia State station on June 30, 1979. Not surprisingly, after almost 30 years of service, MARTA’s oldest rail cars were in need of some sprucing up in order to continue providing the same high quality of service that had been available the past three decades.

Thanks to a generous grant of \$166.9 million from the Federal Transit Administration of the United States Department of Transportation, MARTA was able to conduct its rail car rehabilitation program. For a cost of \$246 million, MARTA contracted with New York-based ALSTOM Transportation, Inc. USA to take each vehicle down to its shell and rebuild it from the ground up using new components and designs. Rail cars traveled to ALSTOM’s headquarters in Hornell, New York via tractor trailer where they were completely rebuilt using state-of-the-art electrical and mechanical technologies and returned to Atlanta for commissioning.



Service – Rail Car Rehabilitation

By refurbishing the rail cars instead of buying new ones for \$3 million each, which was their average cost in 2005, MARTA saved an estimated \$408 million. In addition, thanks to careful management of the rehabilitation contract, MARTA completed the program approximately \$3 million under budget.

The cost-effective program was a great success resulting in better service reliability and improved on-time performance. During the five-year program, each rail car received new brakes and propulsion systems, new communications systems, interior lighting improvements, new stainless steel hand-grabs and refurbished seats, door and climate control system upgrades, easy to clean rubberized floors, new equipment and upgrades to the auxiliary electrical system and redesigned ergonomically enhanced operator cabs.

The rehabilitation program also received significant support from the Rail Vehicle Consultant (RVC) team of LTK Engineering Services, Parsons, and S.L. King & Associates. The RVC team was responsible for the development, implementation and management of the rehabilitation effort as well as the Life Cycle Asset Reliability Enhancement (L-CARE) program, which was created to ensure a state of good repair for the rail fleet. The L-CARE program is designed to proactively monitor, maintain and replace major rail car system components prior to the end of their useful life. Replacing components prior to failure or deterioration in performance results in a cost savings to the Authority and ensures that these vehicles remain in excellent condition and perform at the highest level of reliability.

MARTA General Manager/CEO Beverly A. Scott, Ph.D., unveiled the final two rehabilitated rail cars on February 18, 2009, during a special celebration, sponsored by ALSTOM Transportation, Inc., at the Authority's Armour Rail Yard. At the celebration, MARTA recognized the outstanding work of the Avondale 9, the nine African American employees who stepped up to serve as the first Electro-Mechanical Technicians for the rail system. The contributions made by Hurbert Minor, Ike Bethea Jr., Willie Phillips Jr., Mark Thomas, Bobby J. Kenner, Walter L. Wilkins, William S. Tanks, James C. Emerson and Marion H. Parks ensured that MARTA was able to successfully implement the first heavy rail system in the South.



From left to right, MARTA General Manager/CEO Dr. Beverly A. Scott, Clayton County Commission Chairman Eldrin Bell, Regional Administrator for the Region IV Office of the Federal Transit Administration Dr. Yvette Taylor, former MARTA rail car maintenance staff member Arthur Floyd, VP and Customer Director, North America ALSTOM Transportation Keith Stentiford, MARTA Board Members George E. Glaze, Harold Buckley, Sr., and JoAnn Godfrey McClinton, MARTA Deputy General Manager/COO Dwight A. Ferrell, Buckhead Coalition President Sam Massell, and MARTA Board Member Juanita Jones Abernathy

Faces of MARTA Quotes



“MARTA is important because it decreases traffic congestion and because people can rely on it rather than having to buy cars.”

Alex



“I think MARTA is important because of the convenience and the ease of travel.”

Thomas Redmond



“I like MARTA because it can get me to the airport on time.”

Walker Carney



“MARTA is very, very important because I don’t have a way of getting around unless I ride MARTA, and MARTA’s doing a great job.”

Tarreka Daniels



“I think MARTA is important because it’s lowering our impact on global warming by having more people ride public transportation.”

John Anthony



“MARTA is important because it’s fast and basically pretty efficient to get you downtown and around the city. But as you get older, things could happen where you can’t get around. You’re not going to be able to drive anymore, so as a result you’ll still have MARTA.”

Margaret Doblin

Providing a Customer-Focused System Through Transparency and Accountability

MARTA is committed to providing a safe, reliable, clean and affordable transit system to daily customers and occasional riders. In FY 2009, MARTA continued to successfully meet the targets established in its Key Performance Indicators (KPI), which are designed to ensure that MARTA meets its goals of operating a customer-focused system.

Additionally, MARTA completed several capital projects that put more trains and paratransit vans into service and significantly improved overall service delivery to our customers. MARTA completed an extensive rail car rehabilitation program overhauling 218 of its oldest cars, which extended each car's useful service life by 15 years. This program increased rail service reliability by 22 percent and improved overall on-time performance.

The MARTA Mobility paratransit service also saw significant service improvements thanks to an entirely new fleet of 175 lift vans hitting the streets. MARTA's Mobility fleet on-time performance improved 3.6 percent and the overall reliability of the fleet improved 42 percent.

MARTA's FY 2009 Accomplishments

- Ridership Up 3.7 Percent
- Fleet Reliability Up on All Modes
- On-Time Performance Up on All Modes
- Complaints Down on All Modes
- Comprehensive Life System Safety Review Completed
- Financial Performance "Better than Budget"
- Senate Bill 89 Passed Allowing MARTA to Move Forward with a "Concessions/Vending" Program

Employee Accomplishments

In addition, MARTA staff once again confirmed their commitment to customer service by achieving a number of accomplishments throughout the year. Staff members were recognized for providing excellent service and quality performance in a number of areas.

National Customer Service Award

Robyn Jeoffroy, a 12-year employee of the Authority, proved to be the "best of the best," winning the American Public Transportation Association's (APTA) 2009 Call Center Challenge, a national competition featuring the top transportation customer service representatives from the United States and Canada. The annual competition spotlights the importance of customer service within public transportation call centers and recognizes those individuals who excel in providing top customer service.

Employee Accomplishments *(continued)*

Bus/Mobility Rodeo and Rail Rodeo Winners

In FY 2009, MARTA's rail, bus and Mobility staff again were recognized at regional and state competitions for their outstanding skills and knowledge of operations, maintenance and safety.

During the Georgia Transit Association's 2008 Georgia State Bus and Van Rodeo, which was hosted by MARTA at its Brookhaven rail station, three members of the MARTA bus team brought home top honors. The September event offered the best bus and van operators from transit agencies throughout the state an opportunity to showcase their expert skills while enjoying a day of fun and fellowship with industry peers.



David Ward



Sandra Murphy



Cindy Holt

2008 Georgia State Bus and Van Rodeo Winners

Mobility Van

- 1st Place David Ward Bus Operations
- 3rd Place Sandra Murphy Bus Operations

Bus

- 2nd Place Cindy Holt Bus Operations

2008 State Rail Rodeo Winners

- 1st Place Curtis Burton Maintenance Team, Journeyman Mechanic
- Steven Harris Maintenance Team, Journeyman Technician
- Andrew Daisley Maintenance Team, Journeyman Mechanic
- 1st Place Michael Wallace Rail Operations
- 2nd Place Donald Woolfolk Rail Operations
- 1st Place Victoria Goodman Rail Car Appearance

2008 Regional Bus and Van Rodeo Winners

Maintenance

- 1st Place Daniel Forrester Maintenance Team
- Lance Waugh Maintenance Team
- Preston Harden Maintenance Team
- 2nd Place Joey Bindraban Maintenance Team
- Christopher Regan Maintenance Team
- Samuel Baker Maintenance Team
- 3rd Place Terry Barker Maintenance Team
- Kenneth Prince Maintenance Team
- Troy Page Maintenance Team

Bus

- 1st Place Gregory Smith Bus Operations
- 2nd Place Darrell Bryant Bus Operations
- 3rd Place Cindy Holt Bus Operations

Van

- 1st Place David Ward Mobility Services
- 2nd Place Sandra Murphy Mobility Services
- 3rd Place John Bridgewater Mobility Services

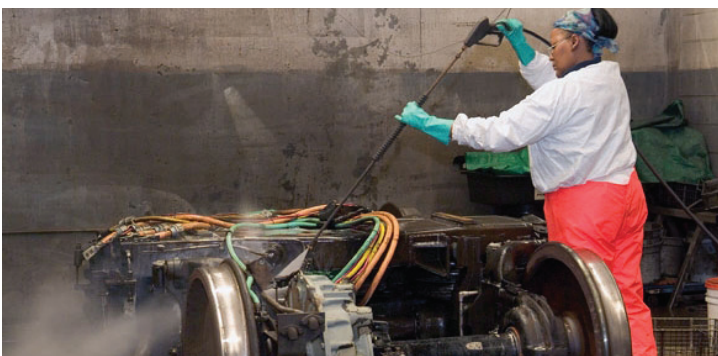
Hay Study of Compensation and Benefits

Because transit is such a labor-intensive industry, wage rates are always closely monitored. MARTA has approximately 5,000 employees, a vast majority of whom work on an hourly basis. MARTA wanted to assure the public that it operates in a cost-effective manner while at the same time attracting well-trained and highly skilled employees to provide safe, reliable and effective service to our customers.

In January 2009, MARTA retained the Hay Group, an independent industry expert, to conduct its first comprehensive Human Resources assessment, including a review of the competitiveness of MARTA's compensation and benefits programs for both represented and non-represented employees. The study reviewed the internal equity and external competitiveness of these programs.

The Hay Team found that, in general, MARTA's salary and benefits programs either met or fell below the market and transit industry standard. These findings underscore the fact that MARTA has exercised fiscal prudence in this area and is not providing excessive salary and benefits packages.

The Hay Report recommended that the future development of a compensation and benefits program be sustainable and consistent with MARTA's fiscal situation with a focus on improving competitiveness for certain hard-to-fill or mission critical positions.





“If the Atlanta region expects to be a great region, it has got to have a MARTA-type system. There’s just no question about it. As the growth demands, we need to begin to expand those trunk lines and that’s going to happen within the next 30 years. There’s no doubt in my mind.”

Morris Dillard

Civic Leader and One of MARTA’s “Original Thirteen” Employees

Providing a Regional Transit System

MARTA continued working with its regional partners to strengthen support for the implementation of an expanded and integrated regional transit system. To advance this effort, MARTA in FY 2009 worked with its jurisdictional partners – City of Atlanta and DeKalb and Fulton Counties – to pass a 13th Amendment to the Rapid Transit Contract and Assistance Agreement (RTCAA), which was originally approved by referendum on November 9, 1971, and governs the relationship between the transit system and its jurisdictions.

The Amendment was needed to align the Authority’s planning efforts with the regional vision outlined in the Transit Planning Board (TPB) Concept 3 expansion plan – which MARTA played an active role in developing as a member of the TPB, and the MARTA Board of Directors adopted. Because the plan included projects in MARTA’s service area that were not included in the RTCAA, jurisdictional approval was required to incorporate these projects.

These projects include the following:

City of Atlanta

- Urban Core including streetcar network, CBD/Peachtree/Midtown/Auburn-Edgewood (“starter line”), and future expansion (Marietta Spur, etc.)
- I-75 Transitway: Adds high capacity transit from Arts Center Station to City of Atlanta boundary towards I-75 Northwest

Fulton County

- South Fulton (Southwest Corridor): Express commuter service to College Park Station; neighborhood/community circulator system; high Capacity Transitway Study
- North Fulton (GA 400 Corridor): Fixed-guideway transit service from I-285 Perimeter to Windward Parkway
- I-285 North Corridor (Fulton and DeKalb Counties): Fixed-guideway transit service; connects Perimeter to Cumberland and Norcross activity centers (Fulton and DeKalb Counties)

DeKalb County

- I-20 East Corridor: Updates the I-20 East Project to high capacity transit (rail service)
- Clifton Corridor: Clifton Corridor project extension from Lindbergh to Decatur Station
- DeKalb (I-85 North Corridor): Extends MARTA heavy rail from Doraville Station to Norcross; includes high capacity rail extension to Gwinnett Place

All three jurisdictions approved the 13th Amendment to the RTCAA, which was critical to ensuring that these MARTA projects would be eligible for future federal funding as part of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) reauthorization legislation.

MARTA also remained actively engaged in transit planning discussions with regional leaders and transit stakeholders. On February 18-20, MARTA hosted an informative rail symposium for public officials and the transit community to learn more about the latest trolley, streetcar and light rail technologies and discuss how these systems could be used for future expansion projects included in the Concept 3 regional transit plan.

Panel discussions and technology displays showcased the latest trends in the rail car manufacturing industry. Participants evaluated how effectively these systems could be applied to Concept 3, including regional expansion projects such as the BeltLine, Peachtree Streetcar, light rail and commuter rail.

Rail car manufacturers in attendance included Alstom, United Streetcar, Stadler, Siemens, Kinki Sharyo, Breda, Bombardier, and CAF. Manufacturers collaborated with transit professionals to learn how their vehicles could be developed to best accommodate the region’s transit needs.

During working sessions, participants addressed how to design a regional transit system to maximize available funding, streamline operations and maintenance activities, and capitalize on economies of scale.

Financial Highlights

The Government Finance Officers Association of the United States and Canada (GFOA) has given MARTA the Award for Outstanding Achievement in Popular Annual Financial Reporting for its Popular Annual Financial Report for the fiscal year ended June 30, 2008. The Award for Outstanding Achievement in Popular Annual Financial Reporting is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government popular reports.

In order to receive an Award for Outstanding Achievement in Popular Annual Financial Reporting, a government unit must publish a Popular Annual Financial Report, whose contents conform to program standards of creativity, presentation, understandability, and reader appeal.

An Award for Outstanding Achievement in Popular Annual Financial Reporting is valid for a period of one year. MARTA has received a Popular Award for the last eleven consecutive years (fiscal years ended June 30, 1998 through 2008). We believe our current report continues to conform to the Popular Annual Financial Reporting requirements, and we are submitting it to the GFOA.

This Annual Report contains summarized financial information taken from MARTA's Comprehensive Financial Report (CAFR), which is published separately. The CAFR includes detailed financial information including MARTA's audited financial statements. Copies of the CAFR and Annual Report are available at MARTA's headquarters building, the public libraries of DeKalb County, Fulton County and the City of Atlanta, and on the Internet at www.itsmarta.com.

In order to measure the costs of providing mass transportation services, the revenues from those services and required subsidies, MARTA has adopted accounting principles and methods appropriate for a governmental enterprise fund. Enterprise funds are used to account for specific operating activities. Enterprise funds are financed and operated similar to a private business entity where a fee is levied for the use of the product or service.

MARTA's financial statements are reported using the economic resources measurement focus and the accrual basis of accounting under which revenues are recognized when earned and measurable and expenses are recognized when incurred. The statements are presented in conformity with accounting principles generally accepted in the United States.

Fare Structure

Fares

Regular Fare

Single Trip (stored on Breeze Card or Breeze Ticket).....	\$1.75
Round Trip - including transfers (stored on Breeze Card or Breeze Ticket)	\$3.50
Ten (10) Single Trips (10 trips stored on Breeze Card or Breeze Ticket)	\$17.50

Discounted Fare

Twenty (20) Single Trips (20 trips stored on one Breeze Card or Breeze Ticket)	\$30.00
30 Day Pass (unlimited travel for 30 consecutive days, all regular service).....	\$52.50
7 Day Pass (unlimited travel for 7 consecutive days, all regular service).....	\$13.00
Day Passes (unlimited travel for consecutive days, all regular service)	1 day: \$ 8.00

MARTA Mobility and Reduced Fare Programs

Reduced Fare (for pre-qualified customers 65 and older and disabled customers using regular service)	\$0.85
Mobility Service (Demand response for certified customers)	Each Way \$3.50
Personal care attendant may ride free, if required	
Discounted Mobility Service (Unlimited travel for 30 days on Breeze Card).....	\$105.00
Mobility on Fixed Route	No Charge
(For Paratransit certified customers riding fixed route with Mobility Breeze Card)	

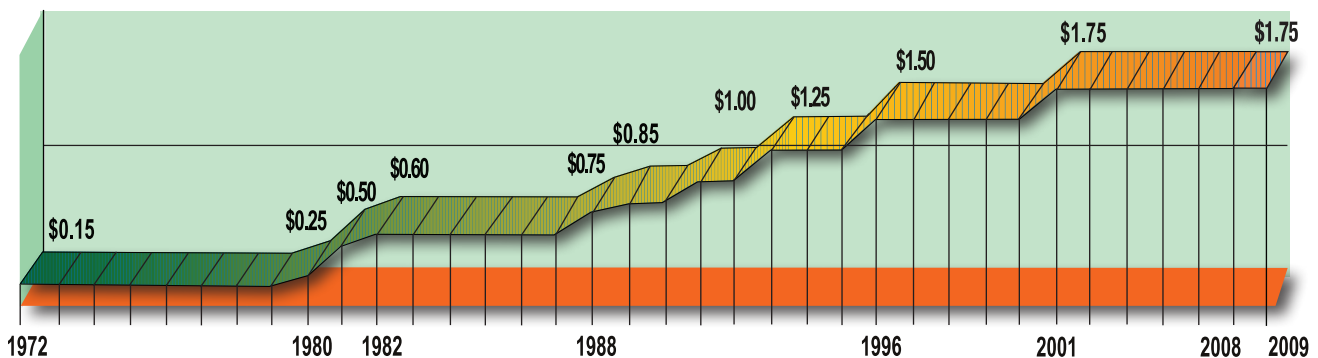
Student Programs

K-12 Program (Grade school and high school students K-12, Monday through Friday).....	\$10.00
Ten (10) Trip Pass (to and from school), all regular school	

Convention and Visitors Pass

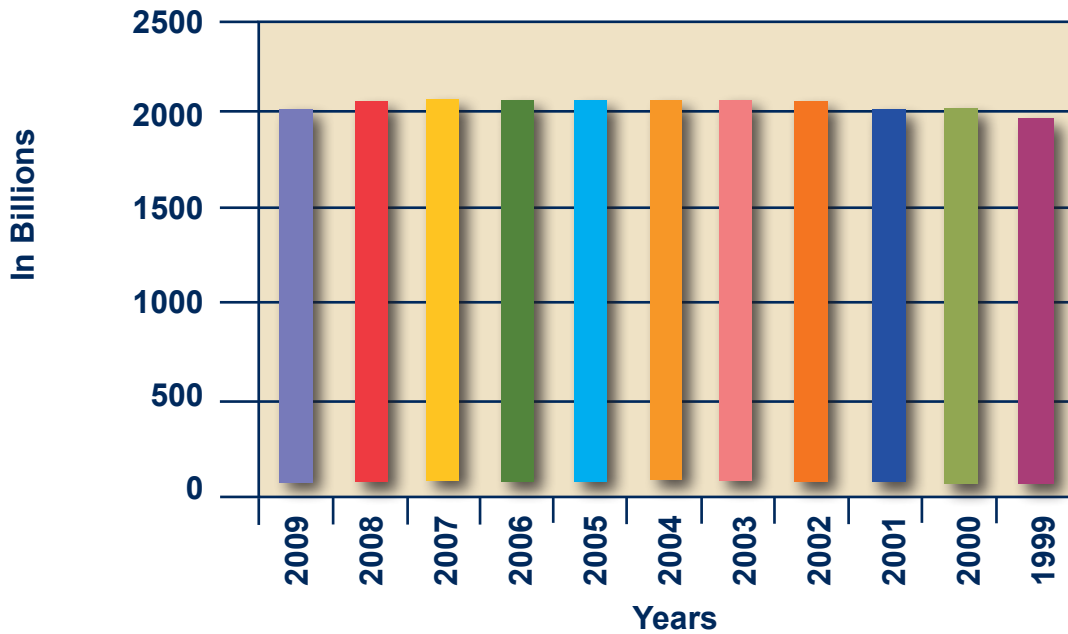
For groups of 15 or more, ordered a minimum of 20 days in advance.....	1 Day: \$ 8.00
	2 Day: \$ 9.00
	3 Day: \$11.00
	4 Day: \$12.00
	7 Day: \$13.00
	8 days: \$3.00
	per day and over

Single Cash Fare History From Inception



Net Assets

MARTA's assets exceeded liabilities by \$2.0 billion at June 30, 2009, a \$106.6 million decrease from June 30, 2008, when assets exceeded liabilities by \$2.1 billion, a \$20.3 million decrease from June 30, 2007. MARTA is able to report positive balances in all categories of net assets. The same situation held true for the prior fiscal years. More detailed information on the statement of net assets is contained in the Comprehensive Annual Financial Report.



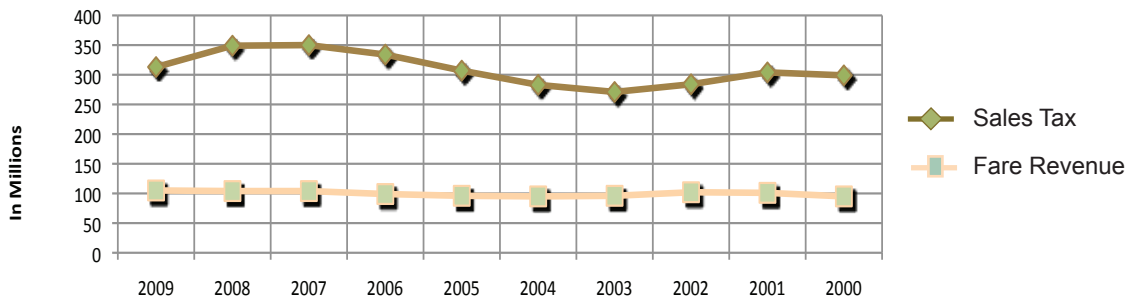
- Series 1
- Series 5
- Series 9
- Series 2
- Series 6
- Series 10
- Series 3
- Series 7
- Series 11
- Series 4
- Series 8

Primary Revenue Source Trend

This chart shows MARTA's two primary revenues trended over the past 10 fiscal years. MARTA's two largest revenue sources are sales tax and fare revenue. The two combined make up 79% or \$418 million of total revenue. Sales tax provides 59% of MARTA's total revenue and fare revenue provides 20% of the total.

MARTA's sales tax revenue comes from a 1% sales tax levied in the City of Atlanta and the counties of Fulton and DeKalb. Under the law authorizing the levy of the sales and use tax, MARTA is restricted as to its use of the tax proceeds. Fare revenue is earned through user fees; as of June 30, 2009, the full fare fee was \$1.75, which will be increased to \$2.00 in October 2009.

As indicated on the chart, sales tax revenue has trended upward for most of the past decade. There was a dip in 2002 and 2003 when sales tax revenue saw a major decline directly after the September 11, 2001, tragedies. In 2007, Georgia and most of the country entered a major economic recession. The impact of this recession can easily be seen in the sales tax revenue numbers. Sales tax revenue had an impressive 4.8% increase in 2007, declined slightly in 2008 by 2% or \$1 million, and took a nose dive in 2009 declining by 11% or \$37 million.



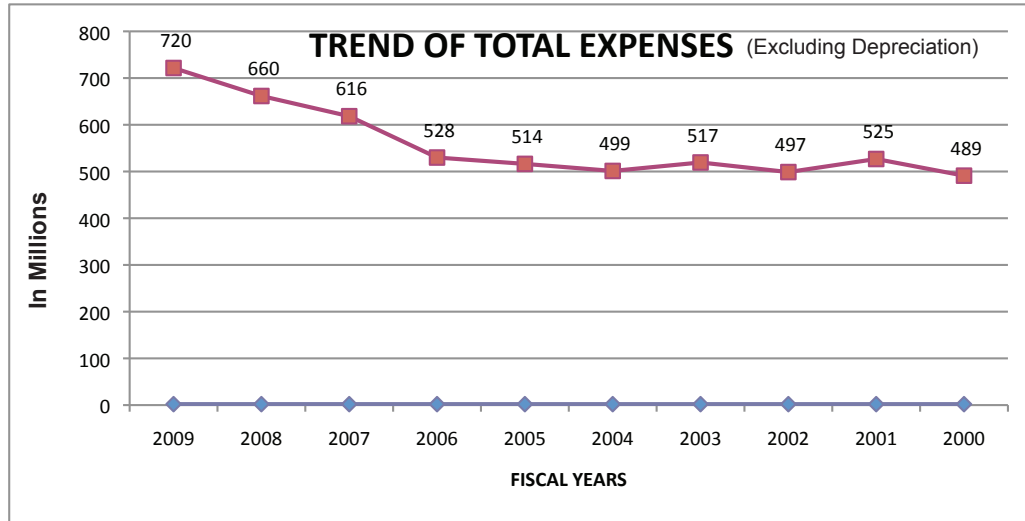
GROWTH IN RIDERSHIP AND FARE REVENUE

A January 2001 fare increase from \$1.50 to \$1.75 fueled the 7% increase in Fare Revenue for FY 2001, but MARTA experienced large passenger count declines after the terrorism episodes and the resulting economic decline. Without the unredeemed token recognition in FY 2008, MARTA actually had a 2% growth in passenger revenue from FY 2007 and a 1% growth from FY 2008. This growth is directly related to an increase in gas prices in metropolitan Atlanta and the nation which shifted commuter's perception to transit as a reliable alternative to their cars. FY 2007 Fare Revenue, which includes parking fees, showed a growth of 6%, the largest percentage increase since FY 2001. This is up from the 3% increase between FY 2006 and FY 2005. This increase can be partially attributed to the rise in gas prices and the successful completion of the rail and bus smart card fare collection system which greatly reduced revenue leakage from fare evasion. In conjunction with the new fare collection system which changed all current fare media, MARTA began to recognize as revenue amounts for sold tokens that have never been redeemed.



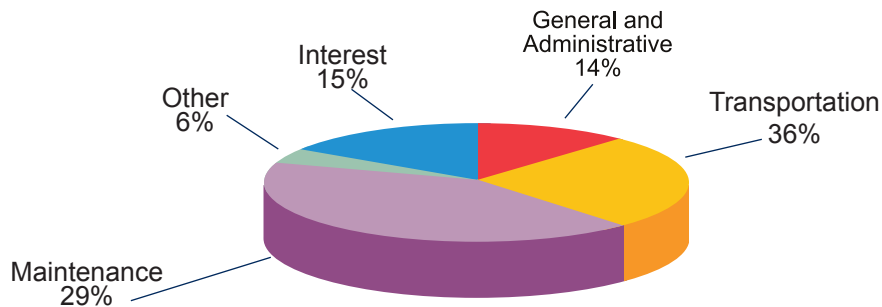
Trend Of Total Expenses

This chart shows total expenses trended over the past ten years. The chart clearly depicts that ongoing cost containment measures, first instituted in FY 2001, have flat-lined the expense growth and lowered average expense increases to just 4% per year over the first eight periods. For the last three fiscal years, total expenses increased, due to a full year's depreciation on a number of major capital programs that were placed into service at various points, which includes the implementation of the Business Transformation Program.



Total Expenses By Function

Below is a pie chart showing total expenses by function. A function is a type of activity that MARTA engages in which subsequently results in an expense. This chart shows that providing transportation and the associated maintenance represent 65%, or \$319 million, of MARTA's total expenses by function. Transportation and related maintenance include such expenses as salaries and benefits of bus and train drivers, electricity and fuel. Paying out interest, primarily on bonds, is 15% or \$72 million, of the total expenses by function. MARTA finances most of its capital equipment and rail construction with bond funds; thus, interest expense is expected to represent a significant portion of total expenses. General and administrative expenses include, but are not limited to, salaries and benefits for administrative personnel, office materials and supplies, and casualty reserves. These expenses account for 14.5% or \$71.6 million of total expenses by function, an increase of \$7.2 million over FY 2008; this increase is primarily for maintenance and improvement initiatives and for healthcare related benefits.

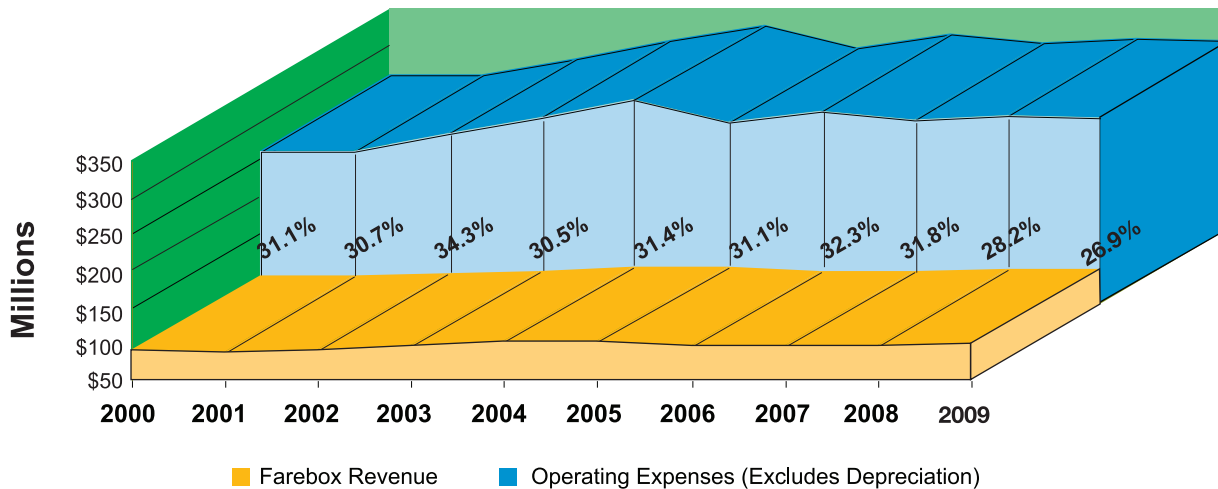


Farebox Recovery Percentage

Past 10 Fiscal Years (Dollars in Thousands)

This chart shows the percentage of MARTA's operating expenses that is paid by the revenue obtained from the passenger fare.

Fiscal Year	Farebox Revenue	Percent Change	Operating Expenses ⁽¹⁾	Percent Change	Farebox Recovery
2000	95,095	4.0	305,915	7.9	31.1
2001	101,278	6.5	330,187	7.9	30.7
2002	102,207	0.9	297,991	(9.8)	34.3
2003	96,059	(6.0)	314,789	5.6	30.5
2004	95,082	(1.0)	303,057	(3.7)	31.4
2005	96,244	1.2	309,382	2.1	31.1
2006	99,148	3.0	306,505	(0.9)	32.3
2007	104,678	5.6	328,958	7.3	31.8
2008	103,963	(0.7)	368,767	12.1	28.2
2009	105,235	1.2	390,923	6.0	26.9



⁽¹⁾ Excludes depreciation expense

Award for Outstanding Achievement in Popular Annual Financial Reporting

PRESENTED TO

**Metropolitan Atlanta
Rapid Transit Authority
Georgia**

for the Fiscal Year Ended

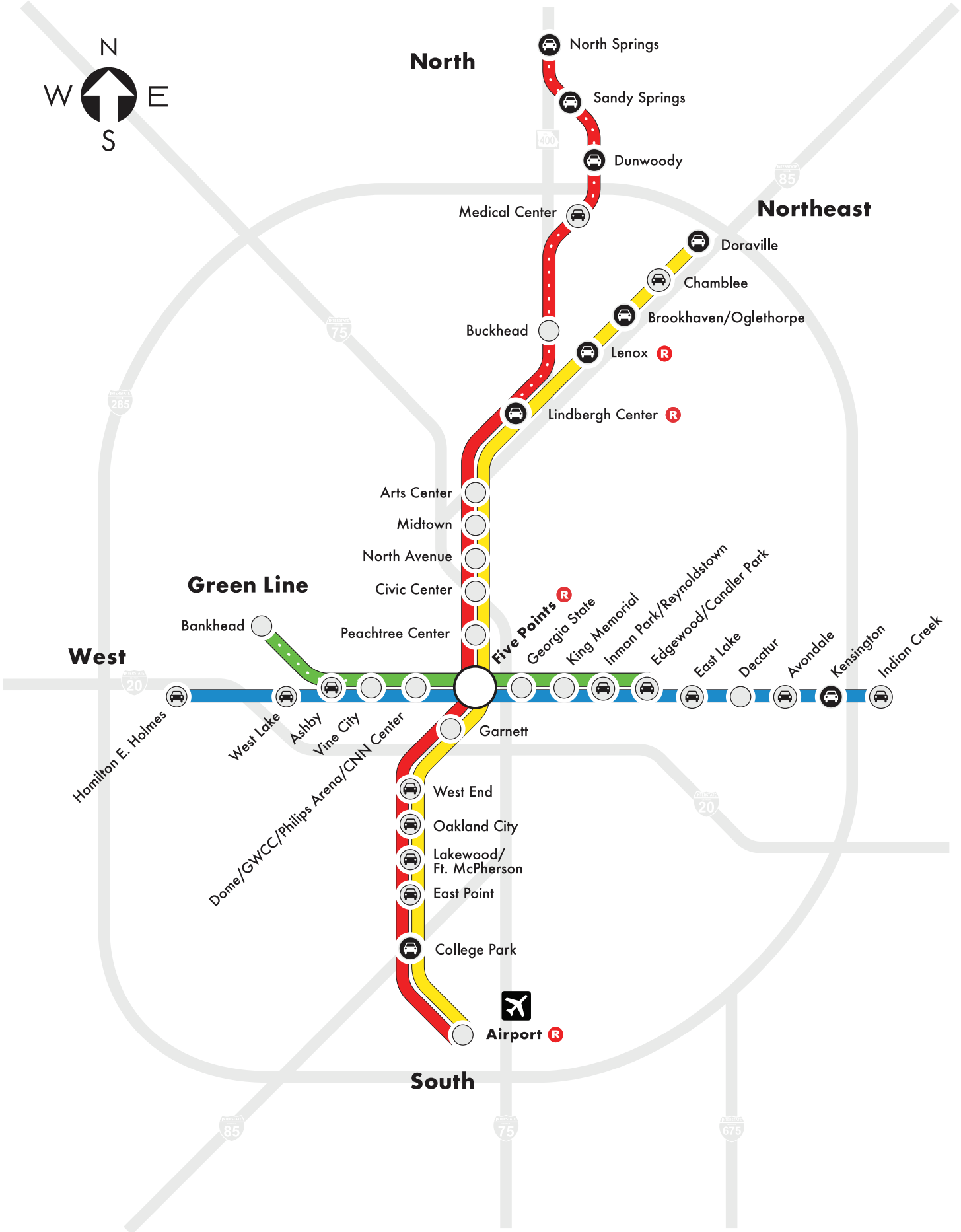
June 30, 2008



President



Executive Director





| www.itsmarta.com 404-848-5000 TTY: 404-848-5665 Accessible Format: 404-848-4037
