



GREATER CLEVELAND
REGIONAL TRANSIT AUTHORITY
**OPERATING AND
CAPITAL BUDGET**
FOR THE YEAR 2014



Greater Cleveland Regional Transit Authority

2014 Adopted Budget Plan

**President - Board of Trustees
George F. Dixon, III**

**CEO/General Manager and Secretary-Treasurer
Joseph A. Calabrese**



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**Greater Cleveland Regional Transit Authority
Ohio**

For the Fiscal Year Beginning

January 1, 2013

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented an award of Distinguished Budget Presentation to the Greater Cleveland Regional Transit Authority for its annual budget for the fiscal year beginning January 2013.

In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

The award is valid for a period of one year. 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.

DIRECTORY OF THE GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY OFFICIALS

BOARD OF TRUSTEES

George F. Dixon III, President
Hon. Dennis Clough, Vice President
Jesse O. Anderson
Hon. Bill Cervenik
Hon. Mark Elliott
Valarie J. McCall
Nick “Sonny” Nardi
Karen Gabriel Moss
Leo Serrano
Hon. Gary A. Norton, Jr.

EXECUTIVE MANAGEMENT TEAM (EMT)

Joseph A. Calabrese, CEO/General Manager/Secretary-Treasurer

Michael York, Deputy General Manager – Operations
Loretta Kirk, Deputy General Manager – Finance & Administration
Michael Schipper, Deputy General Manager – Engineering & Project Management
Sheryl King Benford, Deputy General Manager – Legal Affairs
Bruce E. Hampton, Deputy General Manager – Human Resources
Gale Fisk, Executive Director – Office of Management & Budget
Anthony Garofoli, Executive Director – Internal Audit
Stephen Bitto, Director – Marketing & Communications
Frank Polivka, Director – Procurement

DIRECTORY OF THE GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY OFFICIALS

DEPARTMENTS AND DEPARTMENT HEADS

Operations Division

Paratransit District	Oliver Draper
Rail District	Dennis Rehfuss
Transit Police	John Joyce
Service Management	Alan Erenrich
Service Quality Management	Anthony Richardson, Acting Director
Fleet Management	Ronald Baron
Pass Thrus	Michael York, DGM
Hayden District	Dr. Floun'say Caver, Acting Director
Triskett District	Catherine Eaton, Acting Director

Finance & Administration Division

Office of Business Development	Steven Sims
Accounting	Rajan Gautam
Support Services	Eddine Dalton
Procurement	Frank Polivka
Revenue	Scott Uhas

Engineering & Project Management Division

Project Support	Paul Burlij, Manager
Programming & Planning	Maribeth Feke
Engineering & Project Development	Joseph Shaffer

DIRECTORY OF THE GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY OFFICIALS

DEPARTMENTS AND DEPARTMENT HEADS (continued)

Legal Affairs Division

Safety	Robert Huyck
Legal	Sheryl King Benford, DGM
Risk Management	Judy Lincoln

Human Resources Division

Human Resources	Angela Smith
Labor & Employee Relations	Scott Ferraro
Training & Employee Development	George Fields

Executive Division

Executive	Joseph A. Calabrese, CEO/GM & Secretary -Treasurer
Secretary/Treasurer-Board of Trustees	Joseph A. Calabrese, CEO/GM & Secretary - Treasurer
Internal Audit	Anthony Garofoli, Executive Director
Marketing & Communications	Stephen Bitto
Intelligent Transportation Systems	
Office of Management & Budget	Gale Fisk, Executive Director

Acknowledgements

Office of Management & Budget

Special thanks to the following individuals for their assistance:

Executive Director Manager of Budgets

Coordinator of Financial Systems & Budgets
Energy Manager
Project Manager
Senior Budget Management Analyst
Senior Budget Management Analyst
Budget Management Analyst
Budget Management Analyst
Budget Management Analyst
Budget Management Analyst
Business Analyst, MDP
Business Analyst, MDP
Executive Secretary

Gale Fisk Michael Daugherty

Larry Ferrell
Natalie Ulrich
Ron Woodford
Dan Bobeczko
Kay Sutula
Wesley Keshtkaran
Kari Solomon
Kristyn Smith
Carolyn Young
Renee Constantino
Amy Snell
Tiffany Lively

Cover Artwork

-

Stephen Bitto & Co.

TABLE OF CONTENTS

Citizens Summary

Transmittal Letter

Executive Summary	1
A Strategic Approach to the Budget	5
General Fund	6
Revenues	6
Expenditures	11
Employment Analysis	16
Service Levels	17
Policy Compliance	19
Capital Program	21
Conclusion	22
Attachments	23

Performance Management

TransitStat	31
Energy Price Risk Management	41

Budget Guide

Organization of the Budget Plan

43

Financial Policies

Introduction	43
All Funds	45
General Fund	47
Capital Improvement Funds	49
Supplemental Pension Fund	51
Insurance Fund	51
Bond Retirement Fund	52
Debt Financing	53

Budget Management Process

Introduction	54
The Budget Cycle	54
Budget Calendar of Events	56
Management Policies	57
Budget Monitor & Control	57

Budget Guide, Continued

Service Profile

Economic Profile	58
National Transit Trends	61
Ohio Transit Trends	63

Glossary

64

Fund Budgets

All Funds

Introduction	73
All Funds Balance Analysis	74

General Fund

General Fund Balance Analysis	75
General Fund Revenue	78
Sales and Use Tax	78
Passenger Fares	80

Investment Income	81
-------------------	----

Advertising & Concessions	81
---------------------------	----

Federal Operating Assistance	81
------------------------------	----

State Operating Assistance	82
----------------------------	----

Reimbursed Expenditures & Other Revenue	82
---	----

General Fund Expenditures	83
---------------------------	----

Bond Retirement Fund

86

Insurance Fund

87

Supplemental Pension Fund

88

Law Enforcement Fund

89

Capital Improvement Fund

Fund Balance Analysis	90
-----------------------	----

Capital Improvement Fund Revenue	92
----------------------------------	----


TABLE OF CONTENTS

Department Budgets		Department Budgets (continued)	
Authority-wide Organizational Chart	94	Division - Human Resources	
Expenditures by Division	95	Division Summary	159
Staffing by Division	96	Human Resources	162
Division - Operations		Labor & Employee Relations	164
Division Summary	97	Training & Employee Development	166
Paratransit District	99	Division - Executive	
Rail District	102	Division Summary	169
Transit Police	105	Executive	174
Service Management	108	Secretary/Treasurer - Board of Trustees	176
Service Quality Management	111	Internal Audit	178
Fleet Management	113	Marketing & Communications	180
Pass-Thrus	116	Intelligent Transportation Systems	182
Hayden District	117	Office of Management & Budget	184
Triskett District	120	Fund Transfers	186
Division - Finance & Administration		Capital Improvement Plan	
Division Summary	123	Introduction	187
Office of Business Development	126	Organization of the Capital Improvement Plan	187
Accounting	128	Capital Assets	188
Information Technology	130	Capital Improvement Planning Cycle	194
Support Services	132	Budget Calendar of Events	195
Procurement	134	Transportation Improvement Program	195
Revenue	136	Appropriations	196
Division - Engineering & Project Mgt.		Capital Improvement Financial Policies	196
Division Summary	139	Capital Improvement Criteria	197
Project Support	142	Priority Areas	197
Programming & Planning	144	Financial Capacity	199
Engineering & Project Development	146	Debt Management	202
Division - Legal Affairs		Operating Impacts	204
Division Summary	149	Project Categories	205
Safety	152	RTA Capital Fund	206
Legal	154	RTA Development Fund	212
Risk Management	156		

2014 TRANSMITTAL LETTER

To: George F. Dixon III, President,
and Members, Board of Trustees

Date: November 7, 2013

From: Joseph A. Calabrese, CEO 
General Manager / Secretary-Treasurer

Subject: 2014 Transmittal Letter

EXECUTIVE SUMMARY

I am pleased to report that 2013 was yet another successful year at the GCRTA. Once again the Authority was highly recognized on a national and international level for its best-in-class accomplishments, highlighted by impressive gains in ridership and presented with a fourth consecutive safety award.

As RTA continues to manage our significant state-of-good-repair infrastructure program, we were joined by FTA Administrator Peter Rogoff for the groundbreaking ceremony for the West Shore Express, and by a host of dignitaries as we held the groundbreaking for the much anticipated Little Italy/University Circle Red Line Station. RTA also successfully completed two critical rail improvement projects which will enhance the reliability of our system for years to come: the Airport Tunnel and S-Curve rehabilitations.

Five years after its inaugural journey, the Euclid Corridor HealthLine is still considered the international gold standard. In 2013, we continued to share our success with dozens of transit systems and municipal leaders from around the globe. Nationally recognized publications, such as the *Wall Street Journal* and the *New York Times*, continue to tout the fact that our \$200 million project has leveraged billions of dollars of public and private investment. An internationally recognized institute concluded that the Return on Investment for the HealthLine of \$114 for each \$1 invested was the highest of any major public transit project in North America.

From an operating perspective, RTA was instrumental in supporting game-changing major regional projects such as the Horseshoe Casino and the Convention Center, and treated over 25,000 tourists to outstanding connectivity and hospitality during the Senior Games.

During 2013, RTA:

- Was identified as driving the urban vision,
- Began our journey towards the Baldrige Award of Excellence,
- Were recognized for successful progress in the area of diversity and inclusion by being named to the 2013 Commission 50,
- Became a leading organization in the battle against Human Trafficking,
- Heightened safety on RTA buses and trains by launching the I-Watch program and by investing in new security cameras on our buses and trains,
- Realized an upgrade in our Standard and Poor's credit rating to AAA,
- Won an APTA Ad-Wheel Award for our marketing efforts,
- Introduced RTA's "Real-Time" bus and train arrival information to the public

2014 TRANSMITTAL LETTER

- Kicked Off the HealthLine/Red Line extension study along with comprehensive transit travel modeling,
- Made significant progress on our State-Of-Good Repair rail program, and
- Introduced Captain RTA to the community to fight against traffic delays during the filming of Captain America.

We entered 2013 with optimism about our future as ridership continued to increase as did the general understanding of the important and critical role public transit plays in the health and vitality of a community.

During the past five years GCRTA has gone through three economic cycles: underperforming revenue, recession, and recovery. Prior to 2008, Sales Tax was underperforming with 1% growth. Then diesel fuel prices rose dramatically increasing costs by \$7.4 million, which increased financial stress. Service was reduced, fares were increased, and capital projects were deferred. The impact of the Great Recession hit in 2009, where Sales Tax collections plummeted by 11%, nearly \$19 million. Unemployment jumped to 11% and ridership dropped by 13%, costing another \$5 million in revenue. This \$24 million revenue reduction required swift and decisive action. Additional service was cut, fares were again increased, positions were eliminated, and most vacant positions were not filled. Union employees received no pay increases. Non-bargaining employees took a 3% salary cut. Revenue was augmented with new temporary grants and reimbursed expenditures were maximized. The American Recovery and Reinvestment Act (ARRA) provided \$46 million. GCRTA used some of these funds to support operations. The largest portion was used to fund badly needed capital infrastructure. GCRTA ended the year with an operating fund balance of less than \$2.9 million, only about 3.5 days operating funds. The margin was slim but the Authority had survived this historic downturn. Actions had been taken but more would be needed.

In 2010 a 12% service cut was implemented and Harvard Garage was closed. Temporary fare increases were made permanent. A total of 245 positions were eliminated and vacant positions were only filled if absolutely necessary. Fuel costs were reduced by \$9.4 million in 2010 due to the use of the Energy Price Risk Management Program. Electricity costs were reviewed and reduced by \$1.6 million. The totality of actions reduced operating expenses by \$30 million to an amount less than 2004 levels, a roll-back of six years. The Sales & Use Tax revenue began to recover. For the first time since 1990, the end of year operating balance met RTA's financial policy objective of a 30-day operating reserve with a balance of about \$20 million. In 2011, operating expenses were again under budget and finished the year less than the 2005 operating expenditures, maintaining the six-year rollback. Because action was taken in 2008, 2009 and 2010, no fare increases or service cuts were needed in 2011. The recovery of sales tax revenue continued and RTA reached 2008 collection levels by the end of the year, a total of \$173 million. Reimbursed expenditures were lowered making more funds available for the Capital Budget and the year-end balance was \$36.4 million.

Union negotiations were settled through an innovative contract that ties pay increases to revenue increases. All personnel received a 3% wage increase in 2012. Service was increased to reduce overcrowding. Reimbursed expenditures were lowered to \$17 million.

2014 TRANSMITTAL LETTER

Sales tax collections increased by 4.75% and reached \$181.2 million. The end of year operating balance increased to \$38.2 million. The financial position was very strong. This was confirmed when Standard & Poor's upgraded GCRTA's credit rating to AAA. The initial Budget for 2013 showed a continuing strong position. Reimbursed preventive maintenance was lowered to \$13.5 million. Sales Tax continued to increase at a 4.1% level and is projected at \$189.2 million. A 3% pay raise was again paid. Service was again increased to reduce overcrowding. Budget execution was strong and the original ending fund balance was increased from \$17.2 million to a projected \$30.4 million. The AAA credit rating was reaffirmed.

For more than a dozen years, RTA has been an exemplary benchmark for other transit systems. One factor is the demonstrated strategy of sound financial management as previously discussed. GCRTA has proven it can be fiscally agile in difficult times. TransitStat, the data-driven performance management initiative GCRTA implemented in 2008, has been a major factor in reducing costs over the past five years. TransitStat is the means to evaluate processes and implement improvements. During the first five years after the implementation of the program, TransitStat projects reduced costs by more than \$48 million by cutting costs of overtime, inventory, fuel, electricity, towing, accident claims and workers compensation. Beyond that, operational enhancements improved service to customers. These actions helped the Authority survive one of the worst financial periods this community has experienced in the last fifty years and then transition to a sustainable enterprise able to meet the next set of demands.

The Board of Trustees' first review of the 2014 Capital Budget took place on August 6 and the Capital Appropriation for 2014 was authorized on August 20, 2013. This is a change from past practice, allowing the Capital Budget to be better aligned with the federal fiscal calendar. The committee will deliberate issues in the Operating Budget at a meeting on November 12. Public Hearings will be held on November 19, 2013 at 9:00 AM and on December 3, 2013 at 9:00 AM. At the Board meeting on December 3, 2013, the Finance Committee is expected to present a recommendation to the full Board of Trustees to adopt the proposed 2014 Operating and Other Funds Budgets. Adoption will be considered at the December 17, 2013 Board Meeting.

The Operating Budget includes resources to fund rail, bus, and paratransit services. The Capital Budget provides resources for rehabilitation and maintenance of equipment and facilities. In preparing the 2014 Operating Budget, staff developed Fund Balance Analysis statements for each major fund group, which summarize financial activity and ending balances. The Finance, Operations, and Planning and Development Committees will review major revenue & expenditure assumptions and trends, financial policy objectives, service & employment levels and strategic initiatives. The capital projects included in the 2014 – 2018 Capital Improvement Plan (CIP) have already been reviewed and approved on August 20, 2013.

The 2014 appropriation for operating expenditures totals \$247,797,810. The amount appropriated for 2013 was \$237,650,597. Fuel costs have increased and will remain at the new higher levels in 2014. Based on Sales Tax Revenue and Fare Revenue increases in 2013, all employees will receive a 3% wage increase in 2014. The 2014 Budget has an

2014 TRANSMITTAL LETTER

increase in appropriations of approximately \$10 million. The Budget includes \$179.3 million for Personnel Services: providing salary, overtime, and fringe benefit resources needed to fund 2,348 positions. The authorized employment level for 2014 is an increase of 46 positions from the 2,302 in the original 2013 budget. Twenty nine of these positions are operators needed to handle service increases already made. Six more are for additional electronic repair technicians. Five are for the upgrading of IT services. Service levels have been maintained and expanded slightly. Service has again been adjusted to control overcrowding and the Clifton Enhancement Project will be implemented in the fall.

Personnel Services costs are \$6.0 million higher than the 2013 budgeted amount. This is due to the 3% wage increase, step increases, increased fringe benefits and the addition of 46 positions. Other expenditures have increased by about \$3.8 million compared to the 2013 Budget. This is due to increased costs for contract services. Operating expenses for 2013 are projected to finish the year at \$232,423,393, about \$5.2 million under budget. Total expenditures are about \$8.7 million under budget. The objective for the 2014 Budget is to repeat that execution.

The establishment and execution of the Operating Budget has an impact on the Capital Budget. One strategic objective is to keep reimbursed preventive maintenance under \$20 million. This will allow GCRTA to maintain a robust capital program for the future. Over the next five years nearly 200 busses need to be replaced to properly maintain the fleet at a cost of \$100 million. About \$100 million will also be needed for rail track maintenance and ADA Key Station reconstruction. This must be done to maintain the Authority's assets in a State of Good Repair (SOGR). The wise use of ARRA funds and the improved financial status of the Authority have improved its ability to execute strategic initiatives for both operating and capital programs. The Authority must continue to focus on state of good repair maintenance, rehabilitation and construction projects and the need to provide customers with safe and dependable service. That strategy presents a realistic balance between the financial needs of meeting both the operating and capital programs.

Due to 100% ARRA federal grant funding and prudent fiscal management, the Authority was able to stretch the use of its 2008 bond funds for four years. A \$25.0 million debt service sale was executed in the second quarter of FY 2012 and is expected to meet the Authority's local funding needs for capital projects until early in FY 2015. Buyers paid a premium for this bond. The premium allowed for reduced debt service payments for 2012 and 2013. Debt service payments will increase for the Authority in 2014, 2015 and 2016. The first major repayment of debt happens in 2017. The Authority will continue to work carefully to control this expenditure area.

The actions taken in 2009 and 2010 caused RTA to end 2010 with a greatly improved year-end balance. Balances improved again in 2011 and 2012 allowing new measures to be considered. The Board authorized the establishment of Reserve Funds for Fuel, Hospitalization and Compensated Balances. These funds will help protect the Authority from drastic downturns in revenue in the future. Reimbursement for Capitalized Operating Assistance has been drastically lowered making more grant funds available for Capital Projects. A Rolling Stock Replacement Fund is now in place to prepare for the replacement of busses over the next five years.

Three economic cycles have been bridged over the last five years. GCRTA has recovered from revenue stagnation (2001 to 2008), the Great Recession of 2009, and is in a strong financial position. The authority has now joined The Partnership for Excellence and intends to continue on the path of performance improvement. The strong financial position that has been achieved must now be maintained. If so, GCRTA will be prepared to meet the demands placed on a first class transit property for the City of Cleveland, now and into the future.

A STRATEGIC APPROACH TO THE BUDGET

In developing the budget as well as developing the business strategy, the Authority derives its direction from the five Policy Goals identified by the Board of Trustees. These Goals, along with the Authority's Mission Statement, are shown below.

GCRTA MISSION

RTA enhances the quality of life in Greater Cleveland by providing outstanding, cost-effective public transportation services.

BOARD POLICY GOALS

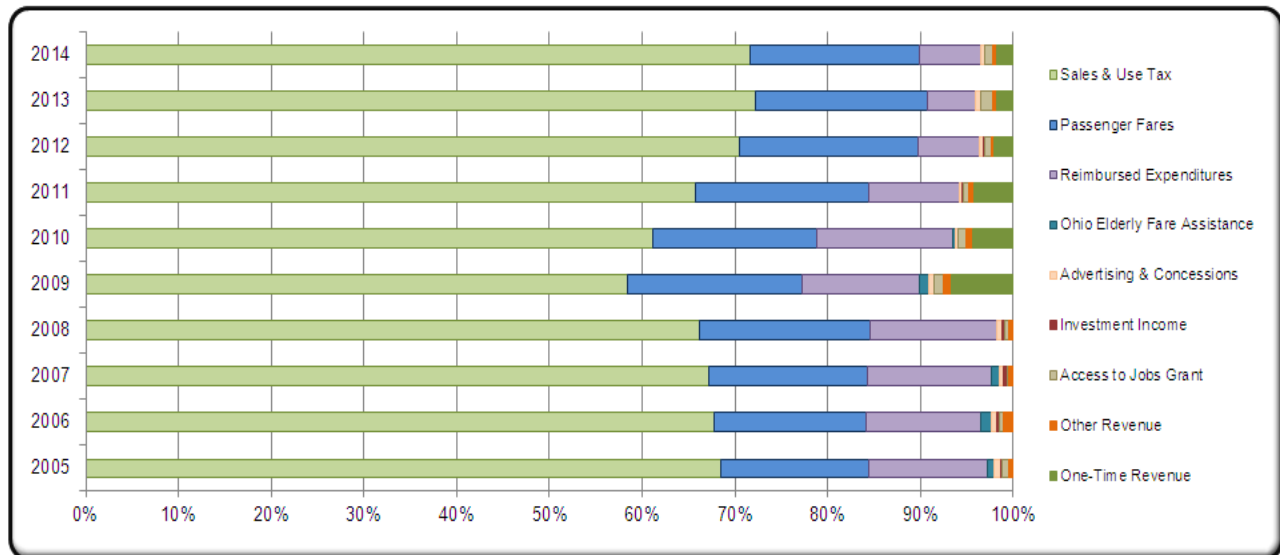
- I. **CUSTOMER FOCUS:** Provide safe, high-quality service to all customers and support our employees in that endeavor.
- II. **EXPAND AND REORGANIZE SERVICE:** Expand and reorganize service to retain our current riders and attract new riders by providing service that meets customer and community needs.
- III. **PREPARE FOR THE FUTURE:** Prepare for the future by forging new partnerships and strengthening existing ones with the public and private sectors to establish policies, funding, innovations, and technologies that support cost-effective public transportation.
- IV. **IMPROVE FINANCIAL HEALTH:** Improve the agency's financial health through efficient use of resources and the pursuit of new and innovative revenue sources.
- V. **PROVIDE COMMUNITY BENEFITS:** Provide social, economic, and environmental benefits to the community through system improvements and increase community awareness of these contributions.

For the period from 2007 to 2011 the business planning efforts were forced to highlight only two of the five policy goals as most critical: **Customer Focus** and **Improve Financial**

2014 TRANSMITTAL LETTER

Health. The improved financial status allows GCRTA to also focus on **Preparing for the Future** and **Providing Community Benefits**. In an effort to more effectively transition the strategic planning focus into the 2014 budgeting process, the evaluation of requests and the allocation of funding for 2014 initiatives were linked to the business plan and most directly to these four policy goals. **Expansion** cannot be a priority at this time. Maintaining and reorganizing service to retain the base and attract new customers is certainly an objective.

GENERAL FUND



Revenue

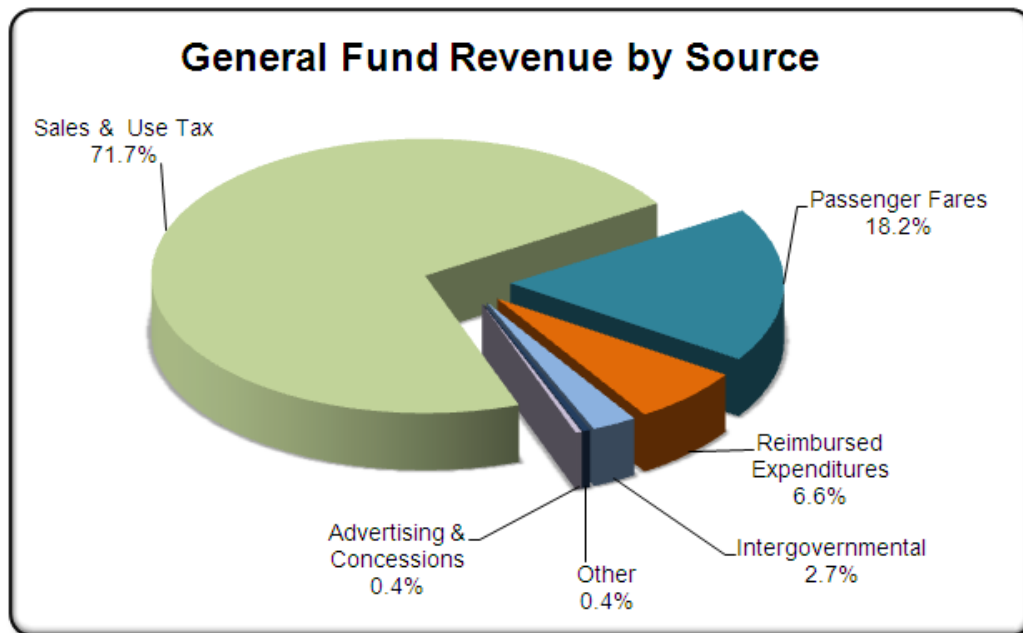
The current 2013 estimate projects \$262.2 million in General Fund revenue and total resources of \$300.4 million. This is a \$4.5 million increase in total resources compared to the 2013 budget. This increase is a result of a reduction in expenses from 2012 and increased receipts from Sales & Use Tax and the Access to Jobs program.

The chart above shows the percentage of each revenue stream from 2005 through 2014. In 2005, Sales & Use Tax was about 70% of the Authority's revenue and Passenger Fares equated to about 15% of the total revenue. Between 2005 and 2008, Passenger Fare Revenue increased, which reduced the percentage of Sales & Use Tax to the total revenue. In 2009, Sales & Use Tax receipts plummeted due to the great recession and without the one-time funding from the State and Federal Governments, the Authority would have seen more drastic reductions in service. Between 2010 and the 2013, Sales & Use Tax receipts increased, mainly due to Managed Care being added the tax base. Recoveries from the recessions in 2001 and again in 2009 have been extremely slow in the Cleveland region. With the Sales & Use Tax and Passenger Fares increasing, this has enabled RTA to become less reliant upon one-time funding and reimbursed expenditures. The chart on TL-7 shows the percentage of each revenue stream for 2014. Sales & Use Tax has returned to 70% of total revenue, Passenger Fares increased to 18%, and reimbursed expenditures and inter-governmental funding are slowly decreasing.

2014 TRANSMITTAL LETTER

Total revenue for 2014 will increase to \$270.8 million. The increase comes from projected increases in Sales Tax and Reimbursed Expenditures. Total Resources will increase to \$301.2 million with the carry forward of a \$30.4 million balance.

The key to any budget is a realistic estimate of revenues that will be available to support operations. This is particularly true of a public entity such as a transportation authority, which can only provide the level of service that revenues will support. The General Fund Balance Analysis, included as Attachment A, presents the 2014 Operating Budget in summary. The specific assumptions and calculations for the revenues included there are as follows:



Passenger Fares

\$49.3 Million

Rationale:

Ridership through September 2013 was 2.2% above the same period in 2012. The recession in 2008-2009, led to a double-digit unemployment rate in the region, which resulted in lower ridership. The Authority provided service for approximately 51.3 million riders in 2009 and collected fare revenue of \$49.7 million. Ridership and passenger fares dipped again in 2010, collecting \$47.2 million. As the economy in the region slowly rebounded, ridership increased.

The HealthLine ridership through the third quarter 2013 has increased 4.6%, compared to the same period in 2012, an increase of over 155,800 passengers. In the three months of the third quarter alone the HealthLine was 1.4% above the third quarter of 2012. The largest increase in fixed-route passengers has been seen on the Heavy Rail, with an increase of 2.8% through the third quarter of 2013, compared to the same period in 2012, again showing a rebound in the economy and more people are using transit to get to work. The Cleveland

2014 TRANSMITTAL LETTER

Metropolitan School District (CMSD) has received service at the beginning of the school year. The new agreement was still being negotiated. The new contract was approved by the Board in October 2013 and \$3.8 million in revenue is expected this fiscal year to cover costs remaining from 2012-2013 and for passes and tickets for the 2013-2014 school year. A total increase of 1.5%, or \$728,778, is estimated for passenger fare revenue for 2014.

Sales & Use Tax Revenue

\$194.1 Million

Rationale:

The economic crisis in late 2008 and 2009 had unparalleled effects on Sales & Use Tax revenue across the entire U.S. GCRTA experienced an historic decline from \$173.6 million in 2008 to \$154.6 million in 2009. Economists indicated this recession was deep and would be longer-lasting than any other that had affected the U.S. in the last 70 years. Part of that rationale was the damage caused in the finance and banking industry. The indication was that the Sales & Use Tax revenue would not recover in the short term and would not return to the \$173 million mark generated in 2008 until 2015.

Late in 2009 the State Legislature added Managed Care to the Sales Tax base. For 2010 collections jumped to \$163.2 million, \$5 million of which were from the added Managed Care and \$3.6 million was due to an improved economy. For 2011, collections continued to be above expectation, ending the year at \$173.2 million. The pace continued in 2012 and collections increased by \$8 million to \$181.2 million. The budget for 2013 was \$185.3 million.

SALES AND USE TAXES ACTUAL RECEIPTS									
Month Received	2011 Actual	2012 Actual	2013 Budget	2013 Actual	2013 vs. 2012 Month % Change	2013 Month Actual vs 2013 Month Budget	2013 YTD Budget	2013 YTD Actual	2013 vs 2012 YTD % Change
January	\$13,325,298	\$14,287,958	\$14,547,974	\$15,066,994	5.45%	3.57%	\$14,547,974	\$15,066,994	5.45%
February	\$13,789,418	\$14,519,004	\$14,783,225	\$14,435,414	(0.58%)	(2.35%)	\$29,331,199	\$29,502,408	2.41%
March	\$17,691,208	\$18,658,361	\$18,997,911	\$19,098,370	2.36%	0.53%	\$48,329,110	\$48,600,778	2.39%
April	\$12,510,833	\$13,179,592	\$13,419,438	\$13,478,691	2.27%	0.44%	\$61,748,548	\$62,079,469	2.37%
May	\$12,938,264	\$13,989,193	\$14,243,772	\$13,474,700	(3.68%)	(5.40%)	\$75,992,320	\$75,554,169	1.23%
June	\$15,707,246	\$15,724,850	\$16,011,015	\$17,463,306	11.06%	9.07%	\$92,003,335	\$93,017,475	2.94%
July	\$12,737,308	\$14,353,651	\$14,614,863	\$15,753,604	9.75%	7.79%	\$106,618,198	\$108,771,080	3.88%
August	\$14,562,037	\$15,390,307	\$15,670,384	\$16,139,261	4.87%	2.99%	\$122,288,582	\$124,910,341	4.00%
September	\$16,413,110	\$16,800,205	\$17,105,940	\$17,626,259	4.92%	3.04%	\$139,394,522	\$142,536,600	4.11%
October	\$14,515,151	\$14,796,865	\$15,066,142	\$15,859,555	7.18%	5.27%	\$154,460,664	\$158,396,155	4.41%
November	\$14,054,073	\$15,139,067	\$15,414,572				\$169,875,236		
December	\$14,998,383	\$14,380,198	\$15,414,572				\$185,289,808		
TOTAL	\$173,242,328	\$181,219,251	\$185,289,808	\$158,396,155					

Collections for 2013 were near budget for the first six months of the year but then increased markedly in July, August, September and October and have been 5-11% ahead of last year for that period (as shown above). This has brought collections for the year to more than 4% above 2012. The projection for 2013 is now \$189.2 million. The Fed

2014 TRANSMITTAL LETTER

projects GDP to increase by 2.5% for 2014. GCRTA has projected a 2.6% increase for Sales Tax for 2014 and a figure of \$194.1 million for the year.

<u>Advertising & Concessions</u>	\$1.0 Million
Advertising Contract	\$875K
<u>HealthLine (net)</u>	<u>\$125K</u>
Total	\$1.0M

Rationale:

The 2013 Budget Advertising and Concessions Category consists of two subcategories. The first is the current advertising contract. As the fleet size reduced due to the service reductions in 2008, 2009, and 2010, the advertising contract's annual guarantee shrunk from \$1,000,000 to \$525,000. In 2012, a new advertising contract was established and the contract's annual guarantee rose to nearly \$900,000. The second is the HealthLine naming rights contract that will net the Authority \$125,000 in 2014. Advertising revenue received through the third quarter 2013 totaled \$1.1 million and revenue is expected to reach \$1.6 million by year end. The 2014 Budget for this category is \$1.0 million and estimated the same in the out years.

<u>Intergovernmental</u>	\$ 7.2 Million
Federal & State Funding	\$4.8M
Elderly and Disabled Fare Assistance	\$0.0M
<u>Access to Jobs Revenue (JARC)</u>	<u>\$2.3M</u>
Total	\$7.2M

Rationale:

Temporary State funding helped eliminate the \$24 million gap during the 2008-2009 recession and the financial difficulties in 2010. Expenses were reduced but without the temporary funding from the State of Ohio, the service reductions would have been more severe. That funding has expired. CMAQ funding for the C-Line, L-Line and 9-12 Trolleys will bring in about \$950,000 in 2014. Operating assistance for our Paratransit operations is expected to total \$3.9 million in 2013 and 2014.

In 2009, the Authority received about \$2.8 million from the State of Ohio for elderly and disabled fare assistance for 2008 and 2009. The State of Ohio tax receipts were reduced by the recession and in 2010 RTA received only \$619,057 in this category. In 2011, the State halted all funding in this category and has no plans to reinstate the funding.

Job Access and Reverse Commute (JARC) helps GCRTA provide vanpool and reverse commute services consistent with Welfare to Work initiatives. The funds from this source have been very sporadic over the past few years. In 2013, revenue for this category was budgeted at \$2.1 million, drawing receipts through May and a new grant was found for the remainder of the year. In the third quarter 2013, a decision was made to continue drawing receipts through November, increasing the revenue projection to \$3.2 million. The remainder of the receipts will be drawn in 2014, \$2.3 million, and in 2015, \$1.6 million.

2014 TRANSMITTAL LETTER

Other Revenue

\$1.0 Million

These other sources of revenue include contractor and hospitalization claim reimbursements, rent, salvage sales, identification card proceeds, among other miscellaneous receipts. The amounts received from these sources have fluctuated over the years, mainly due to one-time settlements and reimbursements. In 2011, \$1.5 million was collected and in 2012, nearly \$1.0 million. At the end of the third quarter 2013, the projection for this category remains at \$1.0 million. For 2014, the revenue projection is \$1.0 million.

Investment Income

\$225 Thousand

The available 2012 General Fund cash balances have been improved. The Fed has kept interest rates at all time lows in an attempt to spur the economy. Income from this source was \$131,592 in 2011 and rose 53% in 2012. The Fed has demonstrated it intends to keep interest rates low for at least the next year. As a result, the projection for this revenue stream for 2013 is \$210,000 and 2014 is \$225,000.

Reimbursed Expenditures

\$18.0 Million

Preventive Maintenance Reimbursements	\$15.0M
Fuel Tax Reimbursement	\$ 1.3M
<u>Reimbursed Labor & Material</u>	<u>\$ 1.7M</u>
Total	\$18.0M

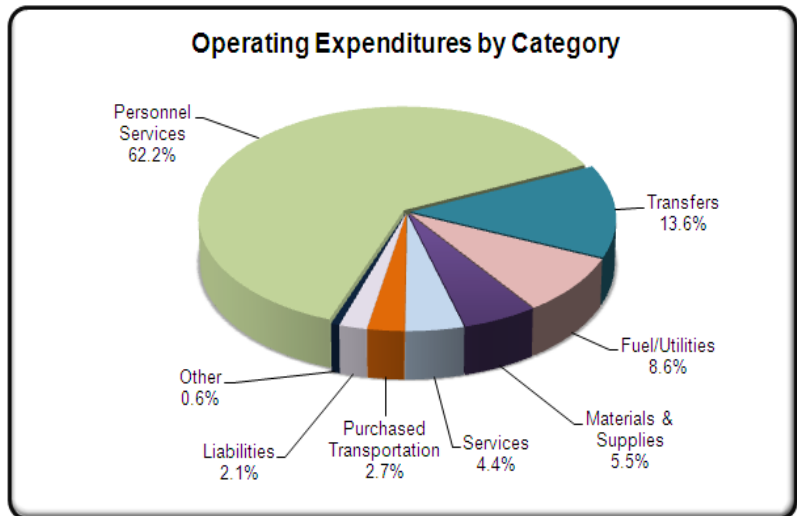
Rationale:

This category is primarily composed of preventive maintenance reimbursements, fuel tax reimbursements, grant funded labor costs, and material reimbursements. In 2009, this category was \$33.5 million. In 2010 it totaled \$39.2 million due to the inclusion of force account labor from the ARRA projects. Dollars that were needed for capital projects had to be used to sustain operations. For eight years it had been a goal to reduce this reimbursement to less than \$20 million. Underperforming Sales Tax collections from 2001 to 2008 and then the Great Recession in 2009 had made that goal unachievable. The improved financial position of the Authority in 2011 and 2012 enabled this to happen. This revenue category was reduced in 2011 to \$25.6 million. For 2012 it was reduced to \$16.9 million. The improved financial situation means that the Authority does not need to draw as much preventive reimbursement to operate the General Fund. Reimbursed expenditures were budgeted at \$15.5 million for 2013 and may be held at \$13.5 million for the year. The amount budgeted for 2014 is \$18 million. This means that more funds from formula grants will continue to be available for capital projects. With the implementation of MAP-21 and a reduction in the formula grant amount, this is particularly important.

Expenditures

The Operating Expenditures for the 2014 budget include the appropriation and expenditure changes as described below. As with revenues, expenditures are estimated not only for the 2014 Budget Year, but also for the two subsequent out years. The General Fund Balance Analysis projections include those out-years to demonstrate the longer-term impacts of various items contained in the 2014 Budget (collective bargaining agreements, service changes, requirements of the Capital Improvement Plan, etc.).

The chart on page TL-15 summarizes the budgeted increases and reductions in expenditures for 2014. The chart highlights the ardent effort made by management to align the Authority's expenditures with the projected revenue. As a result of the efforts made in 2009 through 2012 to control and reduce expenditures and the



improvement in Sales Tax collections, the Authority was able to avoid a service reduction in 2011 through 2013 and will do so again in 2014. In fact, small service increases were made in 2012 and 2013 and again in 2014.

Compensation Issues include the wage and fringe payments consistent with current collective bargaining agreements with the ATU and FOP, vacancy replenishments, as well as expected cost increases associated with health care and the Ohio Public Employee Retirement System (OPERS). The plunge in revenue from the Sales & Use Tax is due to the 2008-2009 recession and in fare revenue due to high unemployment caused by the recession meant RTA had to secure wage concessions or become a smaller organization.

For 28 months GCRTA attempted to negotiate contract agreements with the unions. The contract for ATU 268 expired July 31, 2009 and the contract for FOP expired in March 2010. No concessions were achieved. No wage increases were paid for 2010.

During the summer of 2011, an agreement was reached with the FOP on an innovative approach that tied a wage increase in 2011 to the revenue increase for Fare Revenue and Sales Tax from 2010 and then used the increase in Fare Revenue and Sales Tax from 2011 and 2012 to establish the wage increases for 2012 and 2013, respectively. Under the contract, wages are tied to these revenues but may be no less than 0% and no more than 3%.

2014 TRANSMITTAL LETTER

The Health Care contribution increased in 2011 from 12% to 14%. Non-smoking employees receive a 1% credit and employees who complete an annual physical can also receive a 1% credit. Those employees who complete both can receive a 2% credit on their health care contribution. This credit has also been available in 2012, 2013, and again in 2014.

On the basis of 2011 revenue, FOP and Non-Bargaining employees received a 3% wage increase in 2012. ATU 268 agreed to this contract concept in March of 2012. They received a \$1,000 payment and a 3% wage increase in 2012. With a Sales Tax increase of 4.75% in 2012 and a Fare Revenue increase of 1.5%, all personnel received the 3% maximum wage increase for 2013. In 2013, Sales & Use Tax is projected to increase by 4.4% and Passenger Fare Revenue is expected to end the year at -1.3%, below the 2012 level. The combined total will increase by 3.2% and all personnel will receive a 3% increase in 2014. For 2015 and 2016, Sales Tax and Fare Revenue are projected to increase by 2.2% and 1.5%, respectively, and the wage increases are calculated to match.

In 2012, TranSystems was asked to conduct an assessment of the existing system environment and organizational structure of the Authority. The intent of this assessment was to provide recommendations for improvement and optimization of the technology systems. A business plan was created to include policies, procedures, governance, and support for the recommended improvements.

In September 2012, TranSystems proposed several recommendations, including:

- Creating a new department focusing on ITS (Intelligent Transportation Systems) applications
- Documenting workflows and defining responsibilities to identify gaps and determine system interdependencies
- Upgrade systems and subsystems to the latest version
- Enhancing training opportunities for current systems and applications
- Improving processes to plan, procure, implement, and support ITS technologies
- Validating accuracy and reliability of data generated in the systems
- Developing a business intelligence strategy for information
- Implementing strategies to enhance system utilization
- Developing an enterprise architecture for the ITS environment

During the budget process for 2014, the current IT (Information Technology) Department, in the Finance & Administration Division, is eliminated and a new ITS (Intelligent Transportation Systems) Department, located under the Executive Division, is created. This process will add six new positions to the 2014 budget, including the creation of an Executive Director/CIO position, and eliminate the IT Director position, and four positions will be moving from other departments into the new ITS department. Systems and applications currently housed in separate departments will be moved into the ITS department, implementing recommendations from the assessment.

Fuel costs have been stabilized, which were out of highly volatile in 2008. Since fuel is GCRTA's second highest cost area, RTA had to find a better process to purchase fuel. For much of 2008, RTA worked to establish such a new methodology. To get that accomplished,

2014 TRANSMITTAL LETTER

State law had to be changed, which was in September 2008. In January of 2009, the Board of Trustees approved the implementation of an Energy Price Risk Management Program. RTA is now authorized to purchase futures contracts out to a maximum maturity of 36 months up to a maximum of 90% of projected use.

The average price/gallon for diesel in 2008 was \$3.57 and for 2009 it was \$3.17. In early 2009, RTA purchased future contracts on 88% of its 2010 fuel requirements and about 25% of the 2011 requirement. As opportunities to purchase at advantageous prices materialized more fuel futures were purchased. The budget for 2010 was \$9.39 million versus the \$17.4 million paid in 2009. The year ended with costs under \$8 million, \$1.39 million under budget and \$9.4 million below 2009. The net cost/gallon was \$1.76. For 2011, the budget for diesel was \$10.972 million. The actual cost was \$9.954 million. The budgeted cost for fuel for 2012 was \$12.803 million. Actual cost was \$12.114 million.

The Authority buys fuel when prices present a good opportunity. Prices in 2012 started at \$2.90/gallon. By March prices had risen to \$3.54/gallon. In May and June prices dropped significantly to \$2.70/gallon. GCRTA purchased 3.7 million gallons of diesel and filled the remaining hedge requirements for 2012, 80% of 2013 and 55% of 2014. In March of 2013 prices dropped dramatically again and GCRTA bought 2.1 million gallons of fuel. The budget for diesel fuel for 2013 was \$13.835 million. The current projection is \$13.977 million about \$2.99 per gallon. Fuel prices have been relatively stable and 76% of 2014 fuel is already hedged. The budgeted amount for 2014 is \$14.182 million.

Utility Cost Reduction Measures will continue to result in significant savings. The Authority closely reviews utility usage, completely auditing the electricity accounts. In 2009, the Authority went out on the open market and solicited bids for the electricity rate. The rate quotes received lowered the cost by 2 cents per kilowatt-hour (kWh) and resulted in savings of over \$1.127 million. All electricity accounts were reconciled and all meters are now read and reset by CEI monthly. These actions further reduced costs by \$504,000. RTA applied for and received rate changes for rail substations that have reduced costs by another \$324,000 annually. Electricity was again bid in May 2011, which again lowered the rate/kWh. A three-year contract for electricity is in place at a very favorable rate. That contract ends in May, 2014. The RFP process to put the next contract in place is underway and should be completed in February. The TIGGER Energy Retrofit grant has reduced electricity usage at the facilities by more than \$500,000 annually. Natural Gas was bid in July 2011, which lowered the rate by \$.43/MCF. These rates are locked up through 2017.

Transfer to the Insurance Fund

In 2009, a transfer from the General Fund of \$3.52 million was made, but due to large claims payments that year, the transfer was not enough to maintain the Insurance Fund at the established balance of \$5.0 million. In 2010, an additional \$3.2 million was transferred from the General Fund that restored the \$5.0 million balance in the Insurance Fund. Claims have declined significantly and the budgeted transfer of \$2.7 million for 2012 was reduced to \$1.0

2014 TRANSMITTAL LETTER

million and in 2013, a transfer of \$1.4 million is expected. For 2014 a transfer of \$2.1 million is anticipated since premiums are expected to increase.

Transfer to the Supplemental Pension Fund

As in previous budget years, the 2014 budget estimates that the Supplemental Pension Fund will need transfers of \$100,000 for 2014 and in the following two years in order to maintain the necessary balance within this fund as identified in a bi-annual actuarial study.

Transfers to Capital

In past years this measure, calculated as a percentage of Sales & Use Tax revenue, has remained well above the Board goal of a maximum of 15% due to the significant decrease in this revenue source that occurred in 2009 and the inclusion of a number of capital grants to reimburse Operating Expenses that required a local match.

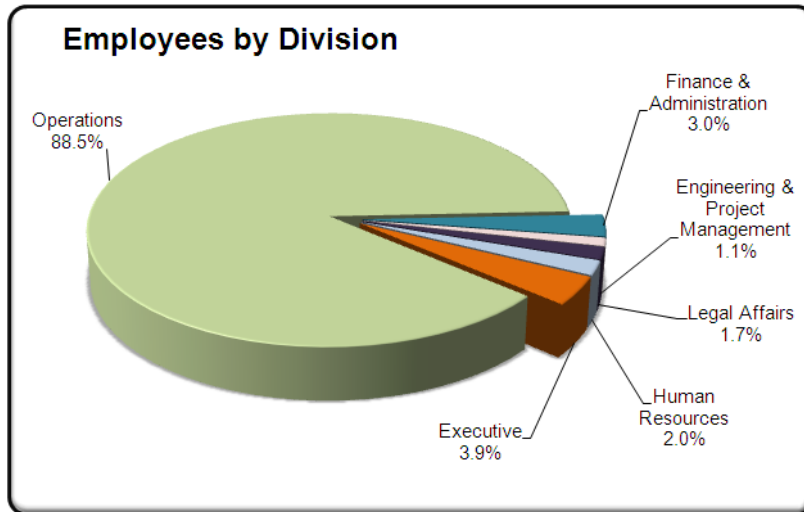
As Sales Tax revenue recovered, this measure gradually improved from 18.4% in 2011 to 17.1% in 2012. In 2013, as local funds are transferred to the capital program for the multi-year bus replacement program, transfers to Capital will total \$36.1 million and equal 19.1% of the Sales & Use Tax revenue. This includes \$21.27 million for payment of 100% locally funded projects, the first of a two year program to shift local funds to capital for the bus improvement program, the local match portion of grant-funded projects, and \$18.3 million to the Bond Retirement Fund for debt service payments associated with existing debt and a recent \$25.0 million G.O. debt sale during FY 2012.

At 19.0%, the transfer at a projected \$36.9 million will remain at a high level in 2014 as additional local funds are again transferred to capital for the bus improvement program. It will then decline to 18.2% in 2015 and 17.9% in 2016 as transfers for the bus improvement program cease. The high level of this measure continues to highlight the difficulty created by increased capital and debt service needs in times of constrained revenue.

**Areas of Expenditure Growth
2014 Budget**

2013 Projected Operating Expenses		\$232,423,393	
Compensation Issues		\$ 7,493,602	4.37%
Hourly & Salary Labor Increase	\$ 6,017,045		
Fringe Benefits	\$ 1,476,557		
Fuel / Utilities		\$ 3,229,517	15.55%
Diesel Fuel	\$ 204,748		
Propulsion Power	\$ 1,141,296		
Other Utilities	\$ 1,883,473		
Service Opportunities		\$ 2,608,019	8.42%
Purchased Transportation	\$ 547,455		
Services	\$ 2,317,880		
Materials & Supplies	\$ 820,184		
Inventory	\$(1,077,500)		
Administration Changes		\$ 2,043,279	22.34%
ITS Department	\$ 1,134,668		
Liabilities	\$ 112,685		
Other (Net)	\$ 795,926		
Expenditure Growth		\$ 15,374,417	6.61%
2014 Budgeted Operating Expenditures		\$247,797,810	

Employment Level Analysis



The chart below summarizes changes in staffing from the 2013 original Budget to the level included in the 2014 Budget.

The 2014 Budget reflects staffing of 2,348.5, an overall increase of 46 positions from the 2013 budget.

The pie chart demonstrates relative employment levels within each division.

In 2010, 10 administrative support positions and 235 operating positions were eliminated due to the April service reduction and closing of Harvard Garage. In 2012, Business Analysts and other key positions were added to the operating budget to increase the efficiencies within the departments and to increase service levels. Divisions were also realigned by moving the District General Managers (DGMs) from the Executive Department to the appropriate department within the division.

2014 Budget	
2013 Original Budget	2,302.5
Operations	26
Operators	29
Movement of Positions to ITS	-3
Service / Support	8
Electrical Equipment Mechanics	6
Security Technicians	2
Administrative Staff	12
ITS Department	9
Movement of Positions to ITS	-1
Key Positions	4
2014 Budget	2,348.5
Net Increase (Decrease)	46.0

In 2013, with the completion of the HRV exterior overhaul, 15 of the 22 positions were eliminated. Employees who were in these positions were moved into vacant positions. Five support positions for operations were added to the budget and one administrative part-time position was changed to full-time.

2014 TRANSMITTAL LETTER

For 2014, a total of 46 positions are added to the budget. Additional operators are added to address overcrowding on some routes and increase efficiencies in the service plan. A new ITS (Intelligent Transportation Systems) Department is created in the 2014 budget, eliminating the current IT (Information Technology) Department. This will create 6 new positions, including adding an ITS CIO/Executive Director, eliminating the IT Director, and moving 4 positions from other departments into ITS.

Under Service/Support, 8 new positions are created. Two Security Technicians are added to the Transit Police department to perform routine maintenance on security systems, eliminating the need for outside contracts, reducing the funding needed for the department's budget. Six electrical equipment mechanics are added to Fleet Management's budget to address the maintenance needed for increasing electrical and smart equipment. Plans have been drawn to create a new work environment for the Electrical Equipment section, but this will not be completed until late 2014.

SERVICE LEVELS

The recession of 2008-2009 reduced revenues for the Authority and RTA was forced to reduce service levels by more than 20% between 2008 and 2010 in order to maintain a balanced budget. Service levels were not reduced in 2011. For 2012 service was increased by just over 4% and in 2013 service levels were increased by more than 5%. In 2014, service will increase by 3.4%.

Service Levels	2013	2014	% Change (2014-2013)
Service Hours	1,889,372	1,993,263	5.5%
Service Miles	25,396,496	26,265,145	3.4%

The financial position of the Authority has improved markedly since 2010. Consequently some of the service cut in 2008, 2009 and 2010 has been restored. Almost 60,000 service hours were added to bus and rail lines between 2012 and 2013. These changes include route enhancements for higher utilized bus routes traveling from suburban areas into downtown, as well as some changes made on other routes to lessen crowding. The frequencies for rail services were adjusted in-peak and off-peak hours and service enhancements were implemented in 2012 and 2013.

In late 2012, annualized in 2013, three new Trolley routes were created: C-Line, L-Line, and 9-12 Line. The C-Line connects the Convention Center, Medical Mart, Casino, Warehouse District, and Playhouse Square between 7pm – 11pm, Monday through Friday and 11am – 11pm on Saturday and Sunday. The L-Line connects the Rock Hall of Fame, Great Lakes Science Center, Medical Mart, Convention Center, and Casino from 10am – 5:30pm on Saturday and Sunday. The 9-12 Line connects the Muni Lot to the Gateway District, running

2014 TRANSMITTAL LETTER

along E. 9th and E. 12th Streets during the morning and afternoon rush hours. Rail lines were running on 20-minute frequencies because of the lightning strike in 2011. All repairs are now made and frequencies are being adjusted to 15 minutes.

Service for all modes except vanpool and Paratransit In-House have been increased for 2014, including Paratransit ADA contractual service. Requests for Paratransit services continue to increase and RTA is committed to ADA service and requirements.

Service Mode	Service Hours				Service Miles			
	2013 Budget	2014 Budget	Variance	Percent Variance	2013 Budget	2014 Budget	Variance	Percent Variance
Rail								
Heavy Rail(Red)	132,400	123,300	(9,100)	-6.9%	2,599,200	2,661,800	62,600	2.4%
Light Rail(Blue/Green)	63,200	59,200	(4,000)	-6.3%	876,400	880,400	4,000	0.5%
Total Rail	195,600	182,500	(13,100)	-6.7%	3,475,600	3,542,200	66,600	1.9%
Bus								
RTA	1,296,500	1,403,300	106,800	8.2%	15,755,300	16,690,500	935,200	5.9%
Van Pool	29,000	29,000	0	0.0%	640,000	640,000	0	0.0%
Total Bus	1,325,500	1,432,300	106,800	8.1%	16,395,300	17,330,500	935,200	5.7%
Paratransit								
In-House	207,937	201,632	(6,305)	-3.0%	3,103,021	2,893,823	(209,198)	-6.7%
Contract	160,335	176,831	16,496	10.3%	2,422,575	2,498,622	76,047	3.1%
Total Paratransit	368,272	378,463	10,191	2.8%	5,525,596	5,392,445	(133,151)	-2.4%
Grand Totals	1,889,372	1,993,263	103,891	5.5%	25,396,496	26,265,145	868,649	3.4%

2014 TRANSMITTAL LETTER

POLICY COMPLIANCE

The discussion in this section focuses on the financial status of GCRTA as it relates to the Authority's basic adopted financial policy objectives. These objectives represent trends or indicators that should be analyzed as they relate to long-range financial implications for the organization.

The financial policies or trends, as outlined in Attachment B, are applied to the following areas:

Operating Efficiency

The budget for 2014, Operating Revenues will account for 20.5% of total operating expenses. This ratio is under the **Operating Ratio** policy goal of 25% and less than the Operating Ratio in 2011 of 23.8%, 2012 of 23.0%, and 2013 of 21.9%. The decrease of operating expenses in 2011, 2012, and 2013 boosted the budgeted ratios of 22.5%, 22.3%, and 22.3%, respectively, to the current levels. This ratio does not meet the objective but comes very close.

The goal that is most easily understood and tracked is the **One-Month Operating Reserve**. Quite simply this objective states that the Authority should have an end of year balance equal to one month's operating costs. This objective was met in 2010 for the first time since 1990 and has been met again in 2011, 2012, and 2013. The reduction in expenditures over the last three years is the reason this objective has been achieved. For 2014, a one-month operating reserve is equal to \$20.5 million. With a budgeted ending balance of \$14.3 million, a 0.7-month reserve, the Authority does not meet this measure.

Another measure of operating efficiency is the **Cost per Hour of Service**. The growth in cost of delivering an hour of service is to be held at or below the rate of inflation. This goal has not been met in 2010 or 2011 because service cuts were decreasing more rapidly than expenses. This objective was met in 2012, with a rate of -7.7%, due to revenue hours increasing and operating expenses decreasing. For 2013, revenue hours will remain steady but operating expenses are expected to end the year \$5.2 million below budgeted levels, which decreases the Cost per Hour of Service to a rate of -1.2%. The budget for 2014 has service hours increasing 5.5% and operating expenses increasing 6.6%. The cost per hour of service for 2014 is budgeted to increase 1.4%, compared to 2013 estimates. The Cleveland Federal Reserve projects inflation to increase between 1.7% and 2.0% from 2013 through 2015. At a projected rate of 1.4%, this measure will be met.

Capital Efficiency

The goal for the Debt Service Coverage ratio is to be above 1.5. After declining to a low of 1.14 at the end of Fiscal Year (FY) 2009, the **Debt Service Coverage** ratio improved to 2.02 in 2010 as revenue from the Sales & Use Tax recovered. This ratio again increased in 2011, to 2.82 at the end of the year as Tax receipts continued to grow, the Authority stretched the

2014 TRANSMITTAL LETTER

use of its 2008 borrowing for four years, and it pre-paid a State Infrastructure Bank loan in 2011.

In 2012 and 2013, the debt service coverage dropped to 2.77 and 2.35, respectively, but exceeds the goal of over 1.5 primarily due to the continued improvement in Sales Tax receipts. At a projected 1.69 in 2014, it will again meet the coverage measure, but is expected to continue its decline to 1.22 in 2015 and to 0.86 in 2016 as total resources within the General Fund decrease in those years.

Another goal is to contribute a minimum of 10% and up to a maximum of 15% of Sales Tax revenue to capital. This indicator includes both the direct contributions to capital and the amount “set-aside” in the General Fund for debt service. The **Contribution to Capital** has been well above the maximum of 15% since FY 2009 as Sales Tax collections plummeted in that year losing 11% of revenue. The Authority has cut capital expenditures but could not make cuts of that magnitude, meet its debt service requirements, and still maintain the service needs of the Authority.

These financial contributions to capital support 100% locally funded capital projects, provide the local match for projects funded by grants, and funds the Authority’s debt service requirements. The projected improvement in this ratio to 17.1% in 2012 was reversed in 2013 due to transfers of additional local funds into capital for the multi-year bus replacement program. The contribution to capital will decrease slightly to 19.0% in 2014, then to 18.2% in 2015, and 17.9% in 2016, but it will remain above the Board’s maximum goal in the next three years.

The projected ratio of 86.1% in 2013 for **Capital Maintenance Outlay to Capital Expansion** remains above the Board Policy goal of between 75% and 90%. It will remain above the 90.0% maximum in 2014, at 94.0%, as the focus of the Authority’s capital program remains on the maintenance, rehabilitation, and the replacement and/or upgrade of existing capital assets, rather than on expansion projects. This measure is then projected to decrease to 72.8% in 2015 and again in 2016, below the minimum of 75.0%, due to the inclusion of budget authority for a possible extension to the Blue Line Light Rail line, but otherwise its concentration remains on state of good repair projects.

Four of the six financial objectives will be met in 2013. This is a significant improvement from the difficult 2009 fiscal year when none of the objectives were met. Two of the six financial objectives will be met in the 2014 Budget: **Growth per Year** and **Debt Service Coverage**. The Operating Ratio remains above 20.0% but not at 25%, due to the increase in the operating budget. The operating budget Growth per Year is expected to increase at 1.4%, below the rate of inflation. Sales Tax Contribution to Capital is expected to be at 19.0% in 2014 with the focus of capital projects on maintenance, rehabilitation, and replacement of current assets. In 2015 and 2016, out of the six financial policy goals, only the Growth per Year is expected to be met.

2014 TRANSMITTAL LETTER

End of Year Reserve Funds

The Board also voted to add Reserve Funds for Fuel, Compensated Absences and Hospitalization. These reserve funds will protect against the volatility associated with fuel costs, the significant increases that have been the recent norm for Hospitalization and will meet a suggested best practice for compensated absences. The Reserve for Fuel is budgeted at \$2.8 million, Hospitalization at \$1.9 million, and Compensated Absences budgeted at \$2.2 million.

An additional reserve fund was proposed in 2012 for Rolling Stock replacement. Busses are increasing in age and replacement of these vehicles is costly. The Authority has 200 busses that must be replaced over the next five years. To help mitigate that cost, a replacement fund has been established, where savings in operating expenditures from the current year will be set aside and transferred to the Capital Improvement Fund the following year.

CAPITAL PROGRAM

The Capital Improvement Plan (CIP) for 2014-2018 has already been Board approved and appropriated. It provides for the purchase, maintenance, and improvement of the Authority's capital assets. The capital assets of the Authority are varied and include such items as buses, rail cars, rail right-of-way infrastructure, facilities, equipment, non-revenue vehicles, etc. The life of these properties extends over a period of years. Effective capital improvement planning provides the framework for scheduling improvements based on the availability of resources, the condition of assets, and the priorities among submitted capital projects. The capital-intensive nature of public transportation makes long-term financial planning indispensable.

For several years additional resources have been needed to meet the needs of maintaining the Authority's capital assets in a SOGR. Those resources were not available and projects had to wait for funding. Due to the improved financial conditions of the Authority additional funding can be supplied by strategically reducing grant funded Preventive Maintenance (PM) reimbursements to the Operating Budget and directing more resources towards capital asset improvements. The upturn in the balance of the General Fund has triggered a reduction in actual PM reimbursements from \$21.6 million in 2011, to \$11.8 million in 2012 to a budgeted \$12.5 million in 2013, the lowest two-year amount in years.

This enabled the reallocation of capital funds and budget authority targeted to a significant number of SOGR projects throughout the Authority. The reallocation was done through a capital review process that prioritized both budgeted, but unfunded capital projects as well as consideration of new capital projects. It maintains the focus of the Authority's capital program on achieving and maintaining a State of Good Repair throughout the system as it continues to reflect existing and future financial and operational constraints facing the Authority. Part of the added needs is the replacement of 188 busses over the next five years.

The Authority's capital projects are grouped in the proposed 2014 – 18 Capital Improvement Plan as shown on the next page:

2014 TRANSMITTAL LETTER

2014-2018 CAPITAL IMPROVEMENT PLAN						
Budget Authority (Millions)						
PROJECT CATEGORY	2014 Budget	2015 Plan	2016 Plan	2017 Plan	2018 Plan	2014-2018
Bus Repl. & Equip't	\$28.62	\$11.17	\$15.91	\$18.40	\$18.10	\$92.20
Equipment & Vehicles	\$2.95	\$2.58	\$2.28	\$2.26	\$3.94	\$14.01
Facilities Improvements	\$5.84	\$2.27	\$4.49	\$1.39	\$1.47	\$15.46
Other Projects	\$2.82	\$2.82	\$2.82	\$2.82	\$2.82	\$14.10
Preventive Maint.	\$15.00	\$17.50	\$20.00	\$20.00	\$20.00	\$92.50
Other Operating Reimb.	\$6.90	\$3.31	\$3.30	\$3.30	\$3.30	\$20.11
Rail Projects	\$14.23	\$21.79	\$17.59	\$16.80	\$14.04	\$84.45
Transit Centers	\$0.29	\$0.29	\$0.29	\$0.29	\$0.29	\$1.45
TOTALS	\$76.65	\$61.73	\$66.68	\$65.26	\$63.96	\$334.28

CONCLUSION

Slow growth in sales tax affected the RTA budget from 2001-2007. Increased fuel prices impacted the budget in 2008. The Great Recession had an even greater effect in 2009. The net effect was that service had to be reduced. This was done in 2008, 2009 and 2010 and fares were raised in 2006, 2008 and 2009. Implementing TransitStat reduced costs. Expenditures for projects and capital upkeep were held to a minimum. The ARRA funds authorized in 2009 provided the bulk of the infrastructure maintenance in 2010. The Capital Improvement Program has been supplemented by grants for TIGGER, State of Good Repair and the University-Cedar and University-Little Italy earmark grants. Funds borrowed in 2008 were tightly rationed and lasted four years instead of the customary two

The tough decisions required have been made. Service has been reduced to match funds. Long-term changes have been made to the cost structure. Sales Tax has recovered and increased at a rate higher than expected for the last four years. As such, restoration has been possible and some service has been cautiously restored to reduce overcrowding. Capitalized Operating Assistance has thus been reduced to further enhance the formula grant funds to be made available for maintenance of existing infrastructure.

The end result is a better financial structure. Funds have been shifted to Capital. Long term revenue vehicle replacement plans have been formulated. Needed rail infrastructure maintenance continues. The 2014 budget has been planned to continue this pattern of balance between operating and capital. It is the intention of the Authority to execute this budget in the same exemplary fashion as the budgets for the last four years.

ATTACHMENT A

General Fund Balance Analysis

Assumptions:

Passenger Fare Annual Growth =	1.8%	2.5%	-1.3%	1.5%	1.5%	1.5%
Sales Tax Annual Growth =	6.1%	4.6%	4.4%	2.6%	2.2%	2.2%
Personnel & Fringe Cost Growth =	-1.3%	5.7%	4.8%	4.4%	-0.3%	1.7%
Non-Personnel Cost Growth =	4.2%	2.2%	0.5%	16.2%	0.2%	0.3%
Operating Expenses Growth =	-11.8%	6.9%	10.5%	6.6%	-0.1%	1.3%
Capital Contribution =	31,895,296	31,023,887	36,094,436	36,875,897	36,072,262	36,357,581
	18.4%	17.1%	19.1%	19.0%	18.2%	17.9%

	2011 Actual	2012 Actual	2013 Estimate	2014 Budget	2015 Budget	2016 Budget
Beginning Balance	19,846,961	36,375,982	38,235,140	30,420,885	14,348,768	4,674,394
Revenue						
Passenger Fares	48,017,726	49,237,857	48,585,275	49,314,054	50,053,765	50,804,571
Advertising & Concessions	904,153	1,375,671	1,630,000	1,000,000	1,000,000	1,000,000
Sales & Use Tax	173,242,329	181,219,251	189,225,299	194,083,536	198,353,374	202,717,148
CMAQ Reimbursement for the Healthline	7,129,442	2,128,337	0	0	0	0
Operating Assistance - Paratransit Operations	3,109,000	3,125,000	3,889,000	3,889,000	3,089,000	3,089,000
Ohio Elderly Fare Assistance	0	0	0	0	0	0
CMAQ Reimbursement - Trolley	980,980	0	950,000	950,000	850,000	0
Access to Jobs Program	1,559,639	1,712,976	3,214,000	2,340,000	1,595,494	0
Investment Income	131,592	201,267	210,000	225,000	250,000	275,000
Other Revenue	1,500,537	971,146	1,000,000	1,000,000	1,000,000	1,000,000
Reimbursed Expenditures	25,600,974	16,955,634	13,500,000	18,000,000	20,500,000	23,000,000
Total Revenue	262,176,372	256,927,139	262,203,574	270,801,590	276,691,633	281,885,719
Total Resources	282,023,333	293,303,121	300,438,714	301,222,475	291,040,401	286,560,113
Operating Expenditures						
Personnel Services	154,927,523	163,776,230	171,657,813	179,270,617	178,785,940	181,761,853
Diesel Fuel	9,918,864	12,632,036	13,977,752	14,182,500	14,253,413	14,324,680
Other Expenditures	45,555,668	46,535,828	46,787,828	54,344,693	54,454,393	54,636,844
Total Operating Expenditures	210,402,056	222,944,094	232,423,393	247,797,810	247,493,745	250,723,376
Transfer to the Insurance Fund	3,250,000	1,000,000	1,400,000	2,100,000	2,700,000	2,650,000
Transfer to the Pension Fund	100,000	100,000	100,000	100,000	100,000	100,000
Transfers to Capital						
Bond Retirement Fund	19,793,855	19,386,892	18,324,392	20,754,392	21,574,686	22,347,495
Capital Improvement Fund	12,101,441	11,636,995	17,770,044	16,121,505	14,497,576	14,010,086
Total Transfers to Capital	31,895,296	31,023,887	36,094,436	36,875,897	36,072,262	36,357,581
Total Expenditures	245,647,351	255,067,981	270,017,829	286,873,707	286,366,007	289,830,957
Ending Balance	36,375,982	38,235,140	30,420,885	14,348,768	4,674,394	-3,270,844
Brookpark Lightning Strike Reserve Funds	1,100,000	1,100,000	0	0	0	0
Rolling Stock Reserve Funds	0	7,000,000	0	0	0	0
Reserved Funds	6,602,000	6,840,000	6,900,000	6,900,000	6,900,000	6,900,000
Available Ending Balance	28,673,982	23,295,140	23,520,885	7,448,767	-2,225,607	-10,170,845

ATTACHMENT B

**2014 Base Budget
Financial Policy Objectives**

Description		Goal	2011 Actual	2012 Actual	2013 Estimate	2014 Budget	2015 Budget	2016 Budget	
Operating Efficiency	Operating Ratio	<i>Ratio that shows the efficiency of management by comparing operating expenses to operating revenues. Operating Revenues divided by Operating Expenses</i>	> 25%	23.8%	23.0%	21.9%	20.5%	20.9%	20.9%
	Cost/Hour of Service	<i>Measure of service efficiency. Total Operating Expenses divided by Total Service Hours</i>		\$133.6	\$123.4	\$121.9	\$123.6	\$122.2	\$122.6
	Growth per Year	<i>Growth in the cost of delivering a unit of service (Cost per Hour), compared to the prior year, to be kept at or below the rate of inflation.</i>	< Rate of Inflation	9.5%	-7.7%	-1.2%	1.4%	-1.1%	0.3%
	Operating Reserve (Months)	<i>Equal or above one month's operating expenses to cover unforeseen or extraordinary fluctuations in revenues or expenses.</i>	> 1 month	2.1	2.1	1.6	0.7	0.2	-0.2
Capital Efficiency	Debt Service Coverage	<i>The measure of the Authority's ability to meet annual interest and principal payments on outstanding debts.</i>	> 1.5	2.82	2.77	2.35	1.69	1.22	0.86
	Sales Tax Contribution to Capital	<i>Sales tax revenues to be allocated directly to the Capital Improvement Fund to support budgeted projects or to the Bond Retirement Fund to support debt service payments.</i>	10% - 15%	18.4%	17.1%	19.1%	19.0%	18.2%	17.9%
	Capital Maintenance to Expansion	<i>The capital program requires a critical balance between maintenance of existing assets and expansion efforts.</i>	75% - 90%	98.2%	97.9%	86.1%	94.0%	72.8%	72.8%
End of Year Reserved Funds	Fuel Reserve Funds	<i>A reserve designated to protect the Authority from a significant and continuing rise in fuel prices. (In Millions)</i>	Fuel Budget less Annual Expenditures	\$2.41	\$2.65	\$2.71	\$2.71	\$2.71	\$2.71
	Compensated Absences Reserve Funds	<i>Ensure payment of over \$9 million in charges the Authority will need to pay to employees for vacation that has been earned. (In Millions)</i>	< 25% of Accrued Liability	\$2.25	\$2.25	\$2.25	\$2.25	\$2.25	\$2.25
	Hospitalization Reserve Funds	<i>Protect against substantial cost increases from unfunded mandates or out of the ordinary costs for catastrophic illnesses. (In Millions)</i>	< 10% of Annual Hospitalization Costs	\$1.94	\$1.94	\$1.94	\$1.94	\$1.94	\$1.94
	Rolling Stock Reserve Funds	<i>A reserve designated to protect the Authority from a significant and continuing rise in replacement of revenue vehicles (in Millions)</i>	Savings in Operating Funds	\$0.00	\$7.00	\$0.00	\$0.00	\$0.00	\$0.00

Attachment C
Staffing Level Comparisons
Authorized Staffing Level by Division

Dept Grade	Job Name	Pay Group	2012 Actual	2013 Actual	2014 Budget	Variance (2014 - 2013)
Divisions						
Operations						
	31 - Paratransit District		181.0	185.0	184.0	-1.0
	32 - Rail District		364.0	353.0	359.0	6.0
	34 - Transit Police		149.0	153.0	155.0	2.0
	35 - Service Management		74.0	75.0	73.0	-2.0
	38 - Service Quality Management		68.0	70.5	70.5	0.0
	39 - Fleet Management		168.0	167.0	174.0	7.0
	46 - Hayden District		611.0	610.0	617.0	7.0
	49 - Triskett District		421.0	423.0	439.0	16.0
	Totals		2,036.0	2,036.5	2,071.5	35.0
Finance & Administration						
	10 - Office of Business Development		4.0	4.0	4.0	0.0
	60 - Accounting		24.0	25.0	26.0	1.0
	61 - Information Technology		23.0	23.0	0.0	-23.0
	62 - Support Services		7.0	7.0	7.0	0.0
	64 - Procurement		16.0	17.0	16.0	-1.0
	65 - Revenue		18.0	18.0	18.0	0.0
	Totals		92.0	94.0	71.0	-23.0
Engineering & Project Management						
	55 - Project Support		4.0	4.0	4.0	0.0
	57 - Programming & Planning		4.0	4.0	4.0	0.0
	80 - Engineering & Project Development		16.0	17.0	19.0	2.0
	Totals		24.0	25.0	27.0	2.0
Legal Affairs						
	15 - Safety		6.5	7.0	7.0	0.0
	21 - Legal		15.0	15.0	16.0	1.0
	22 - Risk Management		16.5	16.5	16.5	0.0
	Totals		38.0	38.5	39.5	1.0
Human Resources						
	14 - Human Resources		16.0	16.0	16.0	0.0
	18 - Labor & Employee Relations		5.0	5.0	5.0	0.0
	30 - Training & Employee Development		25.0	26.0	26.0	0.0
	Totals		46.0	47.0	47.0	0.0
Executive						
	12 - Executive		5.0	5.0	5.0	0.0
	16 - Secretary/Treasurer - Board of Trustees		11.0	11.0	11.0	0.0
	19 - Internal Audit		7.0	7.0	7.0	0.0
	53 - Marketing & Communication		27.5	27.5	27.5	0.0
	67 - Office of Management & Budget		11.0	11.0	10.0	-1.0
	6X - Intelligent Transportation Systems		0.0	0.0	32.0	32.0
	Totals		61.5	61.5	92.5	31.0
Grand Total			2,297.5	2,302.5	2,348.5	46.0

ATTACHMENT D
Bond Retirement Fund Balance Analysis

	2011 Actual	2012 Actual	2013 Estimate	2014 Budget	2015 Budget	2016 Budget
Beginning Balance	1,790,289	1,737,726	4,154,819	1,758,246	1,752,030	1,815,003
Revenue						
Transfer from General Fund	19,793,855	19,386,892	18,324,392	20,754,392	21,574,686	22,347,495
Investment Income	39,161	23,086	25,643	25,500	26,500	26,500
Bond Premium Proceeds	0	3,779,561	0	0	0	0
Other Revenue	0	10	0	0	0	0
Total Revenue	19,833,016	23,189,549	18,350,035	20,779,892	21,601,186	22,373,995
Total Resources	21,623,305	24,927,275	22,504,854	22,538,138	23,353,216	24,188,998
Expenditures						
Debt Service						
Principal	13,139,510	13,990,000	13,895,000	14,485,000	15,360,818	16,421,440
Interest	6,746,069	6,776,675	6,851,608	6,299,608	6,174,895	5,885,767
Other Expenditures	0	5,781	0	1,500	2,500	2,500
Total Expenditures	19,885,579	20,772,456	20,746,608	20,786,108	21,538,213	22,309,707
Ending Balance	1,737,726	4,154,819	1,758,246	1,752,030	1,815,003	1,879,291

ATTACHMENT E
Insurance Fund Balance Analysis

	2011 Actual	2012 Actual	2013 Estimate	2014 Budget	2015 Budget	2016 Budget
Beginning Balance	5,448,731	6,883,060	6,678,594	6,074,156	5,724,156	5,739,656
Revenue						
Investment Income	72,788	34,928	40,562	45,000	45,000	45,000
Transfer from General Fund	3,250,000	1,000,000	1,400,000	2,100,000	2,700,000	2,650,000
Total Revenue	3,322,788	1,034,928	1,440,562	2,145,000	2,745,000	2,695,000
Total Resources	8,771,519	7,917,988	8,119,156	8,219,156	8,469,156	8,434,656
Expenditures						
Claims and Premium Outlay	1,888,459	1,231,929	2,045,000	2,495,000	2,729,500	2,861,500
Other Expenditures	0	7,465	0	0	0	0
Total Expenditures	1,888,459	1,239,394	2,045,000	2,495,000	2,729,500	2,861,500
Ending Balance	6,883,060	6,678,594	6,074,156	5,724,156	5,739,656	5,573,156

ATTACHMENT F
Supplemental Pension Fund Balance Analysis

	2011 Actual	2012 Actual	2013 Estimate	2014 Budget	2015 Budget	2016 Budget
Beginning Balance	1,121,472	1,161,820	1,195,091	1,233,042	1,269,042	1,306,792
Revenue						
Investment Income	15,704	6,183	7,751	6,500	6,750	6,750
Transfer from General Fund	100,000	100,000	100,000	100,000	100,000	100,000
Total Revenue	115,704	106,183	107,751	106,500	106,750	106,750
Total Resources	1,237,176	1,268,003	1,302,842	1,339,542	1,375,792	1,413,542
Expenditures						
Benefit Payments	75,357	72,912	69,800	70,500	69,000	67,500
Total Expenditures	75,357	72,912	69,800	70,500	69,000	67,500
Ending Balance	1,161,820	1,195,091	1,233,042	1,269,042	1,306,792	1,346,042

ATTACHMENT G
Law Enforcement Fund Balance Analysis

	2011 Actual	2012 Actual	2013 Estimate	2014 Budget	2015 Budget	2016 Budget
Beginning Balance	191,563	298,091	184,342	154,267	124,392	114,517
Revenue						
Investment Income	171	86	43	125	125	125
Other Revenue	164,467	56,000	55,000	55,000	55,000	55,000
Total Revenue	164,638	56,086	55,043	55,125	55,125	55,125
Total Resources	356,201	354,177	239,385	209,392	179,517	169,642
Expenditures						
Capital & Related Items	58,110	129,986	85,117	85,000	65,000	65,000
Total Expenditures	58,110	129,986	85,117	85,000	65,000	65,000
Reconciling Journal Entry	0	39,850	0	0	0	0
Ending Balance	298,091	184,342	154,267	124,392	114,517	104,642

Performance Management

TransitStat

Over the past two decades, many organizations have embraced the use of data, statistics, and metrics as their means to exceed customer expectations, as well as achieve operational excellence. Six Sigma (6σ), Total Quality Management (TQM), and the Balanced Scorecard are popular examples of proven management techniques embraced by the private sector. In the government sector, Performance Stat programs have proven to be effective tools.

Performance Stat programs are structured continuous management events, which entail the frequent gathering, reviewing, and analyzing of day-to-day government performance. CompStat and CitiStat are credited as the first government STAT programs. Created by Commissioner William Bratton and Deputy Commissioner Jack Maple, CompStat's goals were to infuse timely information and accountability into the NYPD's management and culture. The program used computer mapping and statistical data to capture crime trends at their highest levels, the number of officers on duty, and where those officers were located when the crimes were occurring. By placing officers at the times and locations of the high crime areas, this technique was credited with affecting the dramatic reduction in New York City's crime levels.

Through the leadership of Mayor Martin O'Malley, the City of Baltimore, Maryland developed CitiStat in 2000. Using the same tenets of CompStat, CitiStat tracked performance in waste collection, road repairs, housing enforcement, etc.. Baltimore holds bi-weekly meetings lead by the mayor's executive team to review performance, understand trends, and make necessary adjustments to ensure that immediate and long-term goals are met. Since then, other cities and states have adopted Performance Stat programs, including Maryland (StateStat), Atlanta (ATL Stat), San Francisco (SF Stat), Washington State (Office of Financial Management – OFM), and Louisville, Kentucky (LouieStat). These governments have reported immediate success with their Stat programs.

In December 2007, GCRTA adapted the Performance Stat model to the transit environment and titled our program TransitStat, characterized with bi-weekly performance monitoring forums. It is a critical link to achieving high-level performance directed towards the Authority's three most critical objectives:

- 1. Maintain Financial Health**
- 2. Improve Customer Service**
- 3. Enhance the Image of RTA**

The original TransitStat leadership team (panel) included:

- Chief Executive Officer (CEO)
- Deputy General Manager (DGM) – Operations
- DGM – Human Resources
- Director of Procurement
- Executive Director – Internal Audit
- Executive Director – Office of Management & Budget (OMB)

In 2009, Administrative TransitStat was incorporated to the already running TransitStat program. Administrative TransitStat focuses on the performance monitoring of all Administrative Departments.

Performance Management

The Administrative TransitStat leadership team includes:

- TransitStat Panel (above)
- DGM – Finance & Administration
- DGM – Engineering & Project Development
- DGM – Legal Affairs
- Director of Marketing & Communications

The meetings are coordinated and directed by OMB. Other members with information pertaining to the topic of interest are also invited. The forum ensures that the people needed to address issues are at the table, therefore expediting action and eliminating excuses.

Performance Stat programs center on four principles:

1. Provide timely, accurate, and relevant data.

Begin with available data; data that is already being collected for other administrative purposes. What data is needed to determine whether the agency is or is not improving?

2. Analyze data and develop effective solutions that respond to emerging issues.

A performance program requires performance data. Use the data to discuss, examine, and analyze the agency's recent performance.

3. Deploy resources quickly to address issues.

The staff assigned to the Panel can affect change, foster improvement in performance, and make critical decisions.

4. Relentless follow-up and assessment.

Continuous follow-up on assignments and commitments must be done in order to improve agency operations.



In 2008, RTA implemented TransitStat in the Authority's Operations Division and identified four target areas: overtime (non-operator), inventory management, service reliability, and District scorecards. In 2009, Administrative TransitStat was added. Both programs focused on the FAST approach (a strategic development process):

- **F – Focus** - What will the Authority look like in 1-10 years?
- **A – Accelerate** - Identify 2-3 operating initiatives which would accelerate the movement toward the preferred future.
- **S – Strengthen** - What major organizational objectives might prevent the Authority from moving forward to achieve the goals?
- **T – Tie it all together** - Integrate the preceding activities and refine them.

Performance Management

Hot Target Areas for both the Operations and Administrative Stat programs were identified in 2009, 2010, and 2011:

Operations TransitStat	Administrative TransitStat
<ol style="list-style-type: none"> 1. Paratransit Part-Time Operators 2. Inventory EOQ – Top 50 FAD items 3. Utilities/Energy Management & Conservation 4. Brand Management 5. Training Initiatives 6. Shift Changes 7. Vehicle Reliability 8. Fare Evasion 9. District/Department Scorecards 10. On-Time Performance 11. MIDAS Upgrade 12. CITME Upgrade 13. Heavy Rail Vehicle (HRV) Overhaul 14. Light Rail Vehicle (LRV) Doors 15. Vehicle/Facility Cleaning 16. Bus Stop Maintenance 17. Maintenance PMs 	<ol style="list-style-type: none"> 1. Capital Plan Execution 2. Stimulus Package Execution 3. Customer Service Performance 4. Revenue/Vaulting Procedures 5. Ridership Reporting 6. Purchasing Card Enhancements 7. Employee Injuries/Return to Work Program 8. Collision Reduction 9. Strategic Healthcare Plan 10. Electricity Audit 11. Healthcare Audit 12. Energy Price Risk Management 13. Sustainability 14. Safety Enhancements

In 2011, fifteen employees went through the Six Sigma (6σ) Green Belt training and graduated in December of the same year. The graduates of this program will lead several of the TransitStat projects and assist other employees in gathering, analyzing, and interpreting data and creating improvement plans based on that data. One employee in the Fleet Management District has her Black Belt.

An RTA Public Transit Management Academy was also created, in coordination with the Cleveland State University (CSU) Department of Management Development in the Levin College of Urban Affairs. The program consists of three cohorts, the first ran from January 2012 through December 2012; the second from May 2012 through June 2013; and the third from June 2012 through July 2013. Each cohort ran approximately 12 months long and reviewed all aspects of management, including labor negotiation, crisis management, and financial management. Within each cohort, the members divided into groups. Each group focused on a problem situation, investigated the problem, performed a root-cause analysis, and identified possible solutions. At the end of the PTMA cohort program, each group presented their problem, analysis, possible solutions, the group's solution, and ending results.

For 2013 and 2014, the focus for the Authority is providing service that is Clean, On-Time, and Safe. The TransitStat meetings are centered on these objectives throughout the year.

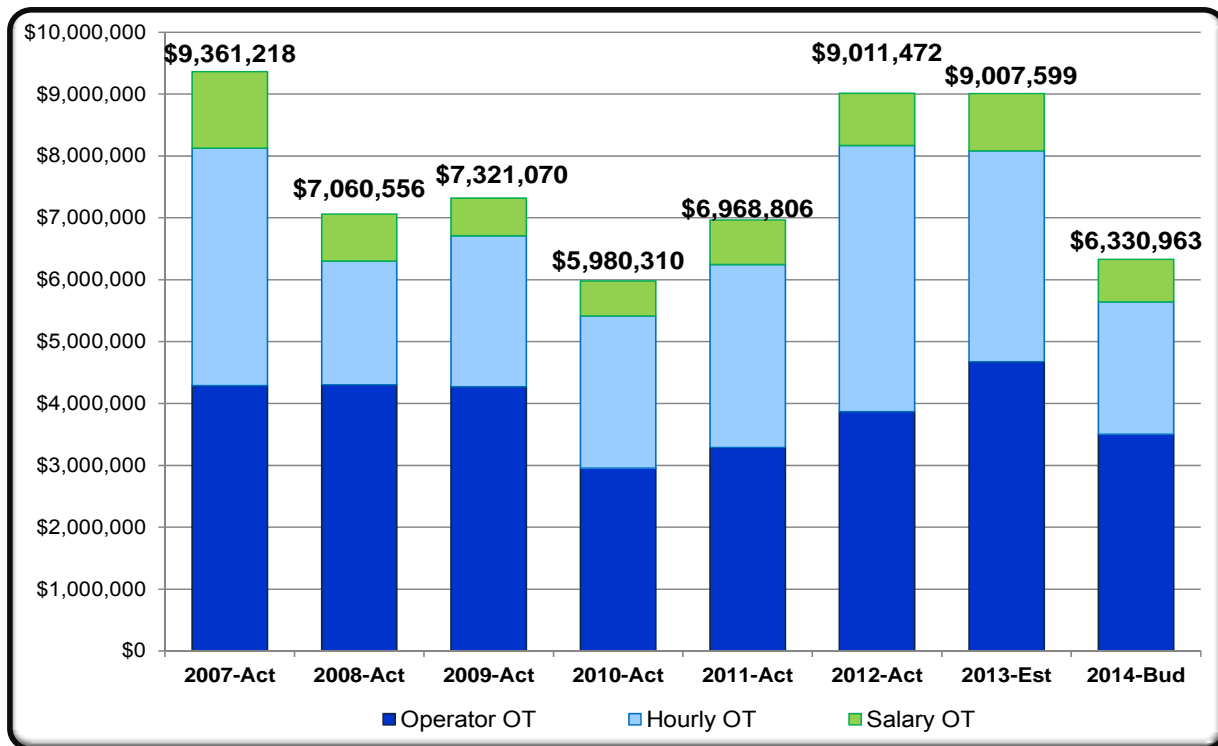
CLEAN	ON-TIME	SAFE
Bus Detailing & Cleaning Products Train Cleaning Improvement Mobile Clean Teams HealthLine Exterior HRV Interior & Exterior	On-Time Performance & Scheduling Enhancements Vehicle Reliability & Mechanic Shift Change Bus Stops UltraMain Revenue Collection Monthly Ridership Reporting	Fare Enforcement Crime & Security Strategies Customer Complaints & Commendations Farebox Defects Rail Safety Asset State of Good Repair

Performance Management

Specific meetings, outside of the TransitStat arena, or through task forces, will monitor the remainder of the presentations from 2013 and before. In May and September, these groups will update the TransitStat Panel on the progress, challenges, and outcomes of the projects.

Successes

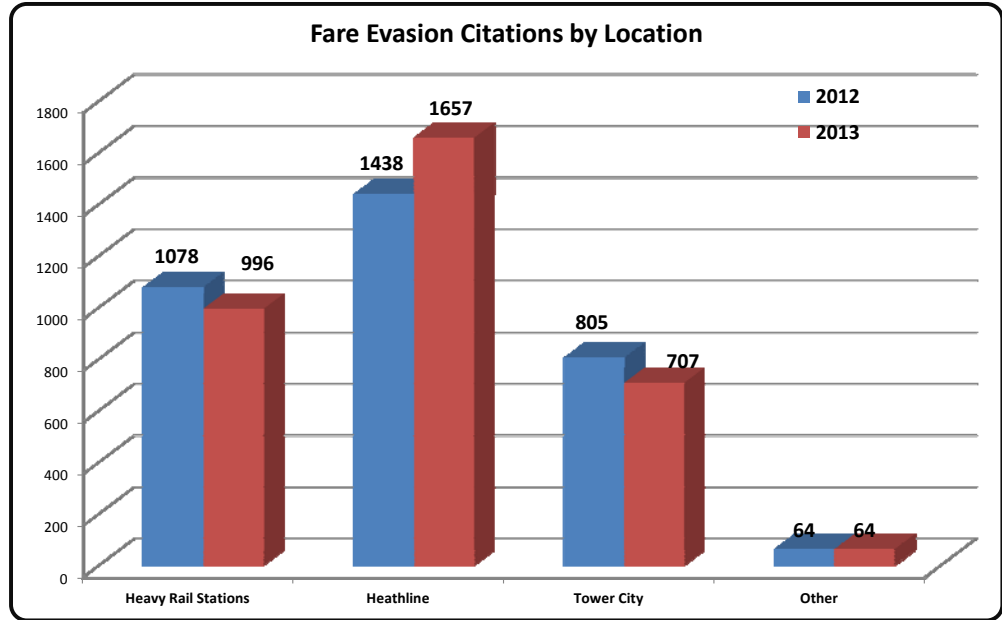
In non-operator overtime, the Authority saved \$2.3 million in 2008, compared to 2007. This was achieved through detailed analysis of overtime cost drivers, developing more effective ways to dispense overtime, effectively managing and monitoring the times to complete tasks, and maximizing use of the UltraMain maintenance and material system. Overtime for 2009 through 2011 were maintained at the new levels. Hourly overtime increased in 2012 and 2013 due to maintenance work along the rail lines, yet continued to be monitored throughout each of the years. As these projects are completed, overtime for 2014 is expected to return to prior year levels.



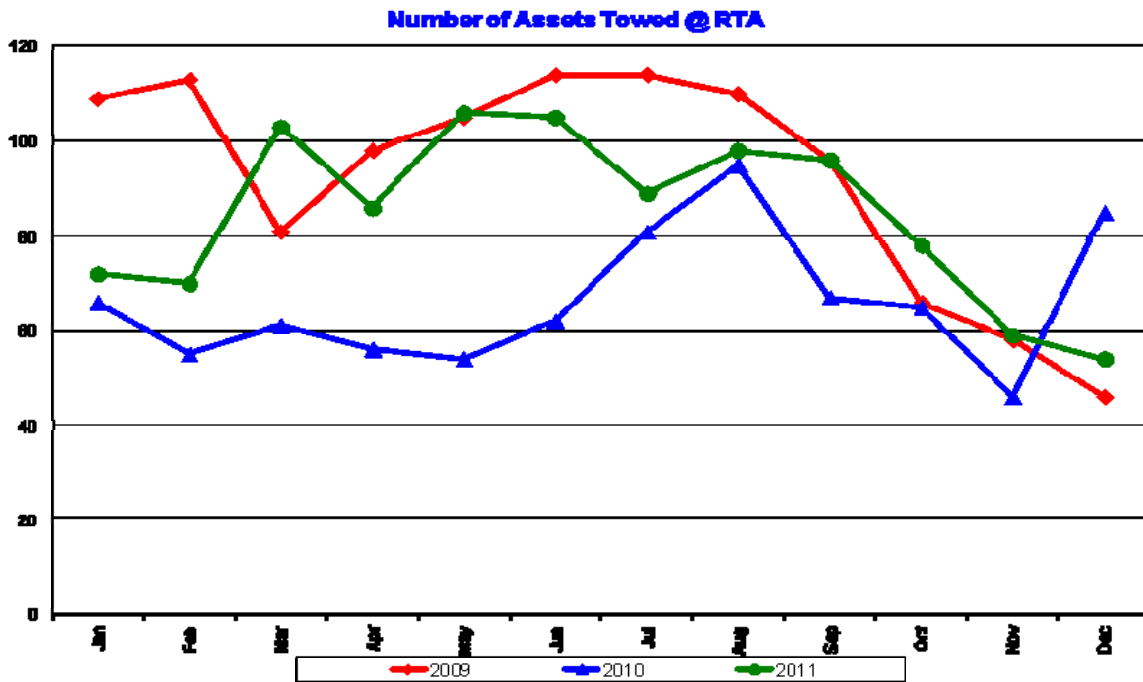
Performance Management

The Transit Police Department continues to review the fare evasion on the Red Line and the HealthLine based on citations given. The number of citations are presented by month, time of day, and location and compared to the prior year, as seen in the graph below.

In 2013, Transit Police received an increase of theft reports automobiles, smart phones and tablets, and bicycles. Through data-driven analysis, they were able to pinpoint the times of the thefts, catch the crooks, return the property to the owners and decrease the number of these crimes and providing a safer transit system for the customers.



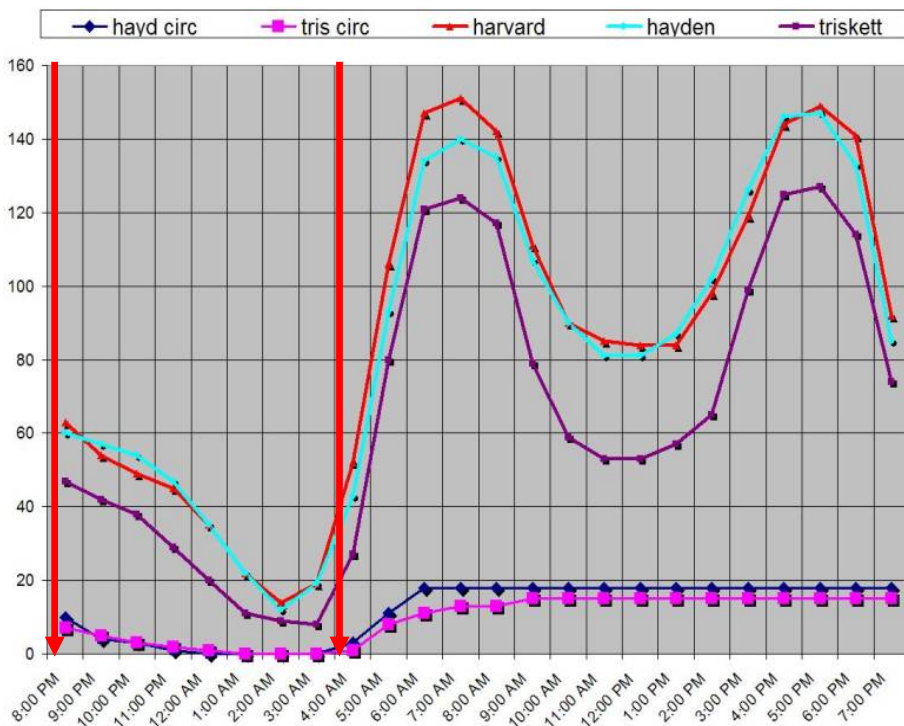
Vehicle Reliability was added to the TransitStat program in July 2008. The Central Bus Maintenance (CBM) District monitors the number, cost, and reasons for revenue vehicles to be towed. Since the onset of this program, towing charges have reduced over 31% each year. Towing charges for 2010 were reduced nearly 56%, compared to the total charges for 2008. In 2011, towing charges were reduced 11.4%, over \$27,700, from 2009 levels and -43.2% from 2008 levels.



Performance Management

Starting in July 2008, the Maintenance Planners conducted a comprehensive analysis on maintenance, productivity, and performance of the bus equipment maintenance sections. They compared the labor scheduled with the availability of the buses. They also analyzed failure modes, labor productivity, shift productivity, maintenance effectiveness, and reevaluated the work processes and shift schedules. What they found was that most of the bus maintainers and supervisors were scheduled during the first shift however, most of the buses were available during the third shift.

The graph below displays the number of buses per District that are on the road at a given time. Between 8:00pm and 4:00am is the time when the least number of buses are in revenue service and the greatest number of buses are in the garages. This time span is when the most mechanics are needed to schedule, repair, and maintain the vehicles.

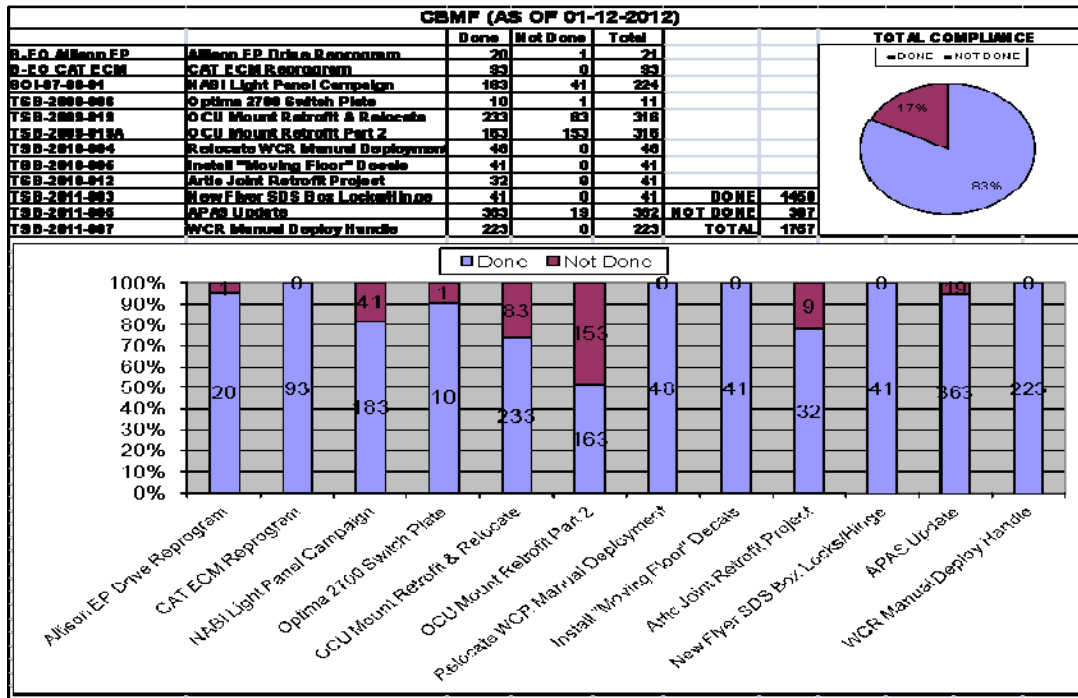


In order to increase wrench time and optimize the performance standards, the shift times need to be changed with most of the bus maintainers and supervisors working the third shift (7:30pm to 4:00am). This ensures that the mechanics and supervisors who maintain the buses are working at the Districts when the buses are available. These new shifts were implemented mid to late 2009 among all the bus districts.

Starting in 2013, these two projects were combined. The three shifts were defined and the vehicle maintenance employees were divided among the three shifts, with the majority of the workers and supervisors on nights and weekends. Measurements and goals for Miles Between Service Interruptions (MBSI), absenteeism, and Preventive Maintenance (PM) compliance were communicated, explained, and being monitored. This combined project will continue through 2014 with emphasis upon solutions and strategies for implementation.

Performance Management

Safety continues to be emphasized throughout the Authority. CBM (Central Bus Maintenance) has been monitoring the progress of their safety campaigns by District. The chart below displays one of the Safety Campaigns for Hayden District.



The Safety Department has developed a Stat-format in their Executive Safety Committee (ESC) meetings. They updated TransitStat on one of their safety campaigns, Left Hand Turn Safety. The Safety Department analyzed the number of left-hand turn accidents, the procedures for making a left-hand turn, and Operator's knowledge of these procedures.

They concluded that 98% of Operators scanned the road curb to curb before making a left-hand turn; 99% of operators correctly identified the number of customers on the right-hand corner; 85% of Operators correctly identified the number of customers on the left-hand corner; and 94% of Operators waited 2 seconds before making the left-hand turn.

The Safety Department and Training & Employee Development Department, with assistance from other Operations Departments, created a training program for left-hand turns. CBM installed safety alerts (aka 'talking buses') on all the buses, warning the public that a bus is turning.



2nd Chance
2nd Glance

Watch for Pedestrians



Search and Count Pedestrians... the Street Corner and in the Crosswalk

Approaching the Crosswalk When Making a Left Hand Turn

Scan Early and Scan Often While Turning

Performance Management

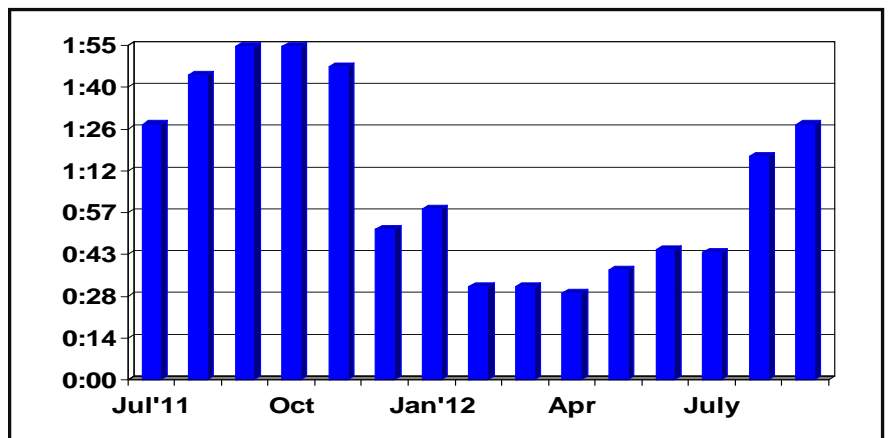
Other Safety Initiatives that were implemented in 2011 include a non-punitive hazard reporting policy. This policy states that every employee is responsible for reporting any information that may affect the integrity of the Authority. The Authority, in turn, will not take any disciplinary action against any employee who discloses a hazard, incident, or occurrence involving safety. Since the implementation of the Non-Punitive Job Hazard Policy, several safety issues have been reported and resolved quickly.

In December 2011, the Safety and Training and Employee Development Departments developed two Root Cause Analysis Trainings. The first was a two-day overview and the second involved more in-depth analysis, which lasted five days. These trainings were open to all employees and focused on data gathering, job hazard analysis, and accident and injury investigations and analysis. In January 2012, two additional training courses will be conducted, the first on Safety Leadership and the second on Supervisory and Management Safety Accountability.

Safety continues to be addressed at TransitStat in 2014 as two new projects are added to the SAFE curriculum: Rail Safety and Asset Management/State of Good Repair.

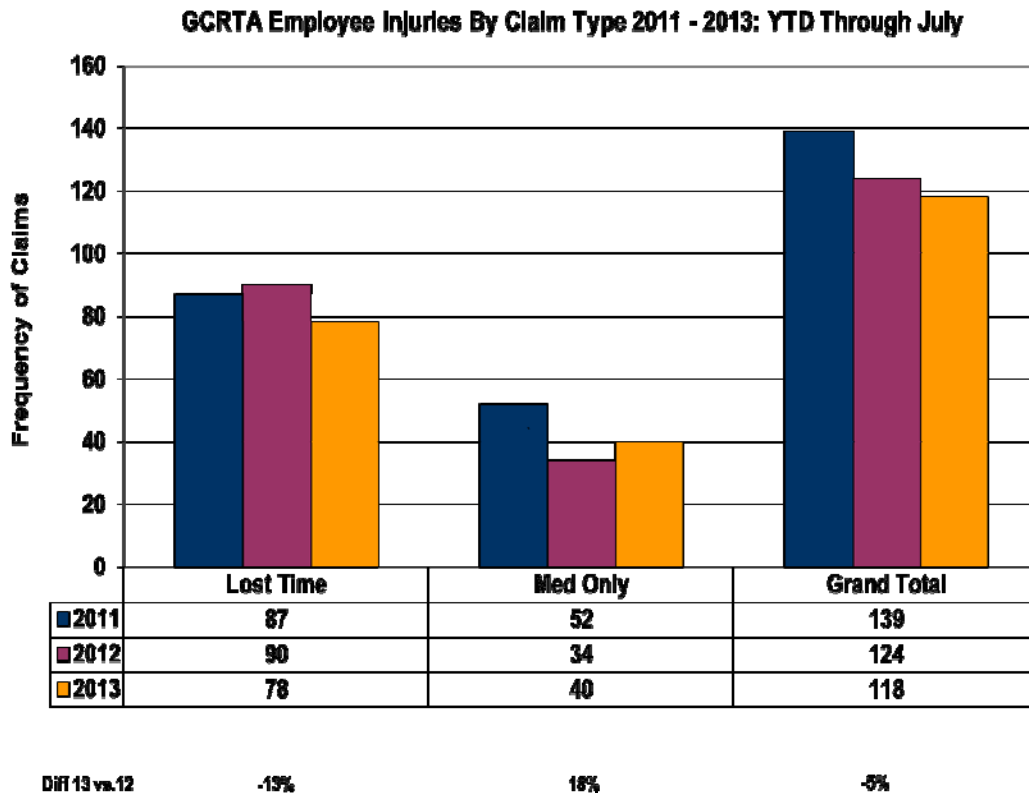
The Telephone Information Center (TIC) is a section within the Marketing and Communications Department. Since 2008, the Telephone Information Center has been monitoring their performance. They have significantly decreased their Average Speed of Answer from a high of 5 minutes in 2008 to 1:30 minutes average in 2011, with three months, March, April, and December, which came in under one minute. Their goal was to answer every call within 1:30 minutes and they have consistently met their goal. As the Average Speed of Answer continues to stay within goal, the number of lost calls continues to decline, therefore, increasing the number of customers helped. This project has “graduated” from the TransitStat forum but is continually being monitored by the Department.

Average Speed of Answer



Performance Management

Risk Management has been monitoring the number of On-the-Job Injury (OJI) claims submitted each month, by the reason and type of claims. GCRTA encourages a stay-at-work culture, which has helped to decrease the lost time and medical only claims. Risk Management created a Transitional Work Program that helps employees to return to work sooner by providing opportunities for work outside of the employee's normal work capacity and decreasing lost work time.



In 2013, two projects in the CLEAN area were Mobile Clean Teams (MCT) and Bus Detailing Products. These two projects worked hand-in-hand throughout the year. Customers were complaining about riding on filthy buses, both inside and outside. To help with the fight against filthy buses, Mobile Clean Teams were established to work at the busiest bus stations and Park-N-Ride locations and clean the inside of the buses. A chart of this work is shown on page 10.

The Bus Detailing project researched the different types of cleaning products, solvents, and machines available. This team worked with the Hostlers to compare the usefulness of these products and which types worked best with the least amount of time and energy needed. An expert in the field was contracted to help with creating standard operating procedures for all of the Districts. These products, solvents, and machines were then distributed to the Mobile Clean Teams and the District Hostlers to ensure consistency throughout the Authority.

Performance Management

Mobile Clean Teams

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
FT												
Total Buses Cleaned				330	694	703	876	967	620	691		
AM/PM Clean %				30/70	29/71	26/74	27/73	28/72	27/73	20/80		
Est. Clean Time (Pos)				<7 mins	<8 mins	<8 mins	8 mins	7 mins	15 mins	12 mins		
Avg. Cleans/Day				33	41	44	44	44	36	30		
Avg. Cleans/Wk				132	151	220	231	220	194	150		
AM PT												
Total Buses Cleaned				323	537	495	574	627	499	455		
AM/PM Clean %				25/75	35/65	36/64	36/64	38/62	38/62	51/49		
Est. Clean Time (Pos)				<9 mins	<9 mins	9 mins	10 mins	10 mins	8 mins	8 mins		
Avg. Cleans/Day				25	24	25	27	30	25	20		
Avg. Cleans/Wk				129	122	124	137	149	124	99		
PM PT												
Total Buses Cleaned									110	469		
AM/PM Clean %									0/100	0/100		
Est. Clean Time (Pos)									8 mins	7 mins		
Avg. Cleans/Day									18	20		
Avg. Cleans/Wk									92	102		

Due to high costs of diesel fuel in 2008, GCRTA positioned itself to mitigate the risk of the volatility through an Energy Price Risk Management Program. This program enabled GCRTA to reduce its diesel fuel costs from \$17.4M, in 2009, to \$10.4M, in 2011. Additional information about this program is on page 11.

TransitStat Moving Forward

In 2014, TransitStat will continue performance monitoring of the Administrative and Operations divisions. The CEO will continue the three 2013 HOT topics for the new year: Clean, On-Time, and Safe.

The employees who graduated the Green-Belt Six Sigma class will be leading the projects and helping others analyze data and problems. Through an initiative from the State of Ohio, CSU will be hosting several government efficiency programs which teach some of the Lean Six Sigma process-improvement tools and strategies. GCRTA will send several employees to these trainings in 2014. These employees, then, will assist with TransitStat projects and other projects throughout the Authority.

The Stat programs will be used to focus on critical initiatives that can better position GCRTA to address impending economic threats. TransitStat is the scorecard that GCRTA will continue to use to achieve breakthrough performance.

Performance Management

Energy Price Risk Management

In 2008, RTA experienced record highs in fuel cost as well as extreme volatility. The cost per gallon for diesel fuel ranged from \$2.54 to \$4.18. As a result of the high costs, our total diesel fuel expense increased by nearly \$7.4 million, compared to 2007. This amount was \$3.6 million above RTA's 2008 budget. With this as the new reality for fuel, the Authority sought to use tools to ensure better performance in the management of its fuel costs, which resulted in the creation of an energy price risk management program (Fuel Hedging program).

The Fuel Hedging program's strategy uses a process that:

1. Addresses market opportunities and market risk.
2. Holds the risk of exceeding budget at or below an acceptable level.
3. Uses historical pricing ranges as pricing parameters.
4. Is continuous.
5. Uses a dollar cost averaging tool.
6. Mitigates transaction-timing risk by making numerous smaller volume transactions (i.e. 42,000 gallons per transaction).

The strategy was accomplished with an Advisor, who is responsible for daily execution of the program, including the execution of transactions, generating reports on the program's status and results, and monitoring the program and energy markets. The hedging instruments include purchases of home heating oil futures (the diesel fuel correlate) traded on the Exchange, as well as, purchases of derivatives with financial institutions that are certified by the International Swaps and Derivative's Association (ISDA). RTA's policy dictates that the maximum hedge ration will not be more than 90 percent of the forecasted consumption and that hedges can only extend 36 months in advance.

The Authority began positioning itself in the first quarter of 2009. By April, the Authority had nearly 3.9 million gallons of the 5 million gallon usage, purchased for 2010. The performance objective was to establish a 2010 fuel cost at or below \$2.20 per gallon. Regular reports and tracking are included in the 2009 through 2011 budget execution. The overall objective of the program is to decrease energy volatility, increase the certainty of future fuel costs, stabilize and control the budget and finally to lower overall long-term energy costs.

In 2008, fuel costs were \$19.4 million. Using a firm fixed price contract for 2009, those costs were reduced to \$17.4 million. For 2010, the budgeted cost for fuel was \$9.39 million. Factoring in the shares of home heating oil that was sold, net cost of diesel fuel was \$8.0 million.

Total diesel fuel costs in 2011 were budgeted at \$11.0 million and ended the year at \$9.9 million. This meets our objective of stabilizing budgeted costs and then goes on to significantly reduce overall costs. The fuel costs for 2012 were budgeted at \$12.8 million and ended the year at \$12.6 million. For 2013, the budget was \$13.8 million and the net costs were \$14.0 million. All fuel requirements for 2014 and 2015 have been hedged.

This page left intentionally
blank.

2014 Budget Guide

Organization of the Adopted Budget Plan

The purpose of this section is to describe the contents of the 2014 Operating and Capital Budgets (Adopted Budget Plan) for the Greater Cleveland Regional Transit Authority. This section is an aid for those who wish to analyze the book in detail. The Tables of Contents in the beginning of the book and on the tabs in the beginning of each section provide further direction to the reader.

Transmittal Letter

The Transmittal Letter is an overview of the Authority's operations and finances for the upcoming fiscal year. It includes the CEO/General Manager's Letter, summaries and revenues, expenditures and staffing, service indicators, and a profile of the service area.

Budget Guide

In addition to providing an outline of the Adopted Budget Plan, the Budget Guide explains the Authority's financial and budgetary policies, including the rationale for their adoption and the manner in which they are implemented and monitored. The Budget Guide also contains a description of the budget management process, a budget calendar, and glossary of terms used in the Adopted Budget Plan.

Fund Budgets

The Fund Budgets section defines the Authority's fund structure and the interrelationships between funds. Individual fund statements reflect the trends in revenues, expenditures, ending balances, and transfers between funds over a six-year period. Historical, current, and prospective information is provided. An analysis of the Authority's financial condition is based on these trends.

Department Budgets

The Department Budgets present the Adopted Budget Plan by organizational unit. These sections describe the six divisions, their mission, functions, achievements for the past year, and priorities for the current year. Individual budgets, budget implementation narratives, organizational charts, and staffing level summaries are provided for each department.

Capital Improvement Plan

The Capital Improvement Plan itemizes capital projects approved for 2014 and those planned for 2015 through 2018. This section discusses funding sources, debt limits, capital improvement planning cycle, and the criteria used to establish priorities.

2014 Budget Guide

Financial Policies

Introduction

The Authority adopted a set of financial policies in 1989, relating to its overall finances and to particular funds. The policies were amended in July 1998 to include four additional key indicators.

These policies were then amended again in September 2011 to provide a comprehensive framework for the management of revenues and financial resources of the Authority. They provide guidelines for decision-making by the Board of Trustees and management on how the financial resources of the Authority shall be used to achieve the Authority's mission and provide public transportation services.

The new policy objectives are a better indicator of efficiency, effectiveness, and financial condition of the Authority, which ensures the fiscal integrity of the Authority and adherence to laws and regulations. The Authority's purpose, which is to provide a public service, will only be accomplished so long as it remains a financially viable organization. In this vein, a balance of using the funds to provide that service and maintaining a reserve for possible future shortfalls must occur. The new policy objectives to measure and/or control expenses and revenues are:

- Operating Ratio at or above 25%
- Operating Reserve at least 1 month
- Growth in Cost per Service Hour at or below the rate of inflation
- Debt Service Coverage of 1.5
- Sales & Use Tax Revenue (between 10% and 15%) allocated to Capital Improvement on an annual basis
- Capital Maintenance Outlay to Capital Expansion will be a minimum of 75% to a maximum of 90%.

In addition to the elimination of two policy objectives, RTA established reserve funding. The volatility of fuel prices, hospitalization costs and the impact of the Great Recession of 2008-2009 have shown that establishing reserves to help offset the impact of future significant financial disruptions would be especially valuable and prudent. In December 2012, a fourth Operating Reserve for replacement of rolling stock was added. As such, the new policies authorize:

- Operating Reserves
 - Reserve for Fuel
 - Reserve for Compensated Absences
 - Reserve for Hospitalization
 - Reserve for Rolling Stock Replacement

For accounting purposes, the Authority reports the results of its operations in a single enterprise fund, the All Funds Statement. However, for budget purposes, a separate budget must be adopted annually for each fund (see Fund Budgets section). Therefore, the following financial and budgetary policies are organized by Fund, except for those general policies that are applicable to the Authority as a whole.

2014 Budget Guide

ALL FUNDS

Policy Statement: *Current appropriations in each fund are limited to the sum of available cash, encumbered balances, and revenues estimated to be received in the current budget period.*

Rationale: By law, the budget must be balanced and expenditures cannot exceed available resources. A balanced budget occurs when total expenditures equal total revenues. The budget is also balanced in situations where total expenditures are less than total revenues, called a surplus. A third type of a balanced budget is when total resources (previous year balance plus current year revenues) are greater than total expenditures.

Balanced Budget:

- A) Total Revenues = Total Expenditures
- B) Total Revenues > Total Expenditures
- C) Total Resources > Total Expenditures

Implementation: The Board of Trustees (BOT) has adopted other policy goals that go beyond the statutory requirement listed above and requires certain reserves in each fund. The specific requirements are discussed under the appropriate fund policy statement. The following describes the implementation of this policy for the General Fund.

In the General Fund, for 2014, estimated resources total \$301.2 million: current revenues of \$270.8 million plus an estimated beginning balance of \$30.4 million. Total estimated expenditures for 2014 equal \$286.9 million and are within the estimate of total resources available. The ending balance, \$14.3 million, is under the one-month reserve recommended by the Trustees for the General Fund (see page BG-6). The Board policy goal is considerably more restrictive and more determinate than the legal demand for balanced appropriations.



Policy Statement: *The Authority's interim funds shall be invested to achieve the maximum financial return consistent with prudent market and credit risks while conforming to applicable State and Federal laws and consistent with the cash flow requirements of the Authority, matching maturities and/or marketability at par, to meet outstanding obligations and financial commitments.*

Rationale: With interim funds of more than \$50 million, investment income is a material resource for the Authority and makes funds management a priority. Investment decisions should attempt to increase yields without risking the principal or the liquidity position of the organization. In addition, idle cash balances should be invested whenever possible to maximize investment income.

2014 Budget Guide

Implementation: The Ohio Depository Act and the Authority's cash management investment policy allow the Authority to invest in the following types of financial instruments:

- U.S. Government securities, maximum term of three years
- Secured certificates of deposit, maximum term of one year
- U.S. Government Agency securities, maximum term of three years
- Repurchase agreements of U.S. Government and Agency securities, maximum term of thirty days
- State Treasury Asset Reserve of Ohio (STAR Ohio), daily liquidity

Monthly reports summarizing investment transactions and earnings are provided to the Board of Trustees. The Authority was able to achieve a favorable return on its 2013 investments and at the same time meet its outstanding financial commitments with an investment yield of 0.48%.



Policy Statement: The Authority's personnel, procurement, and other policies are designed and administered to obtain the maximum value for the funds provided by its constituents.

Rationale: As a public agency, the Authority delivers the services for which its taxpayers and users provide resources. The incentive is not to generate an excessive surplus of funds, but rather, to provide the most extensive and cost-effective level and mix of services possible. When services and operations are well managed and costs are contained, the Authority can provide greater services.

Implementation: In the General Fund, the growth in the cost of providing services (measured by cost per hour of service) must remain at or below the rate of inflation. This policy goal allows the Authority to maximize the use of its resources and provide the most direct service possible.

The operating expenditures budgeted in 2014 General Fund, which exclude transfers to other funds, are \$247.8 million, which represent an increase of over \$10.1 million, or 4.3%, over 2013 budget. The largest Operating Budget appropriation, \$179.3 million, is for Personnel Services, which accounts for 72.3% of the total operating appropriation. The 2014 appropriation for personnel costs is 4.4% higher than the 2013 estimated level. This increase is due to the a 3% wage increase for ATU, FOP, and non-bargaining personnel, which is tied to Sales Tax and Passenger Fare revenues received in 2013, as well as a 27th pay for hourly wages. These increases include labor and fringe benefits. Other increases include inventory, utilities, cost of materials, and liability costs.

In the Capital Improvement Fund, economies are sought that minimize the costs of capital projects. Construction management activities ensure the timely completion of these projects at the lowest cost. Cost savings also are possible by planning for the purchase of similar types of equipment in larger quantities. Additionally, capital investment is encouraged where operating cost savings and operational efficiencies result.



2014 Budget Guide

GENERAL FUND

Policy Statement: *Program demands require that an adequate resource stream be maintained. The Authority must make the hard decisions required to assure a continued flow of resources.*

Rationale: It is the policy of this Authority to take whatever steps are necessary to ensure full and continued funding for the services, programs, and facilities, which the Authority is required or elects to provide. The Authority should actively pursue whatever legitimate revenues it can locate to support the services its constituents demand.

Implementation: Cuyahoga County experienced an historic decline in Sales & Use Tax receipts in 2009. For the Authority, Sales Tax declined 10.94%, losing nearly \$19 million in Sales Tax revenue. In 2009, managed health care was added to the Sales & Use Tax base, which helped to increase revenues by \$5 million in 2010. In 2011 and the first half of 2012, Sales Tax collections continued to be above expectation. In the second half of 2012 through 2013, although collections were above projections, the rate of increase continued to drop.

In 2008, Governor Strickland led the way for temporary emergency funding for Ohio Transit Agencies with balances held in Metropolitan Planning Organizations (MPOs). As a result, the Northeast Ohio Area Coordinating Agency (NOACA), our regional MPO, made \$9.0 million available to RTA to lessen the impact of fuel cost increases from 2008 to 2009. The Authority used \$7.9 million of those funds in 2009 and the remaining \$1.2 million was utilized in 2010. Two grants for Congestion Mitigation and Air Quality (CMAQ) for costs associated with the HealthLine and Trolley operations were authorized for use in 2009 and 2010, respectively. The funds for the HealthLine were used from 2009 through 2012 with \$1.9 million used in 2009, \$1.1 million in 2010, \$7.1 million in 2011 and the remainder in 2012. The CMAQ funds for Trolley operations were split between 2010, \$1.76 million, and 2011, \$0.98 million. In late 2012 the Authority created three new Trolley Lines (C-Line, L-Line, and Nine-Twelve Line), two of which run on nights and weekends. NOACA awarded \$3.6 million to the Authority for these three new lines. This funding will be received from 2013 through 2015.



Policy Statement: *An operating reserve in an amount equal to at least one month's operating expenses shall be budgeted each year to cover unforeseen or extraordinary fluctuations in revenues or expenses.*

Rationale: Adequate reserves must be maintained to avoid disruptions in service due to temporary shortages in operating funds or fluctuations in revenue streams or costs.

Implementation: This policy was met in 2010, the first time since 1990, at 1.2, and continued to be met in 2011 and 2012, both at 2.1, and again in 2013, at 1.6. The control in expenditures over the past two years has helped this financial policy to be achieved. This policy goal is expected to be under the goal in 2014, at 0.7. Expenses will be monitored throughout the year to help reach the goal of 1.0 month reserve by the end of the year.



2014 Budget Guide

Policy Statement: Growth in the cost of delivering a unit of service (cost per service hour) shall be kept at or below the rate of inflation.

Rationale: As a means of measuring cost containment, direct costs should not be permitted to increase faster than overall price levels.

Implementation: This policy goal has not been met in 2009 through 2011 because service cuts were decreasing more rapidly than operating expenses. The comparable growth in the cost per hour of service for 2012 was -7.7% and for 2013 is estimated at -1.2%, considerably lower than the projected inflation rate. This is due to service hours increasing to reduce overcrowding, annualizing the three new trolley routes, and aligning other routes for better service to our customers, while operating expenses are maintained throughout the year. For 2014, operating expenditures are budgeted to increase by 4.3% from 2013 estimates. The majority of this increase is in Personnel Services with a 3% wage increase budgeted for ATU, FOP, and non-bargaining personnel, a 27th pay for hourly personnel, and increases in contractual services. Service hours for 2014 are budgeted to increase by 5.5%, compared to the 2013 budget. This policy goal is expected to be met in 2014, at 1.4%, as inflation is expected to increase between 2.4% and 2.8%. This indicator is projected to be met again in 2015 and 2016, at -1.1% and 0.3%, respectively, as operating expenses continue to be maintained.



Policy Statement: The Operating Ratio (Operating Revenues divided by Operating Expenses) shall not be allowed to go below 25% with a long-range objective of having Operating Revenues cover an increasing portion of Operating Expenses.

Rationale: A higher Operating Ratio indicates that the Authority is becoming more self-supporting and less reliant on other sources of income. Additionally, a lower Operating Ratio indicates that customers are paying a lower portion of the operating cost of providing the service.

Implementation: Operating Revenues include passenger fares, advertising, concessions, and interest income. Operating Expenses include all expenditures of the General Fund less reimbursed labor and transfers to other funds, which are charged to and reimbursed by the Capital Program.

The ratio in 2011 was 23.8%, although still below the 25% goal. Operating expenses decreased, primarily due to the implementation of the fuel-hedging program which decreased the cost of diesel fuel. In 2012, the Operating Ratio is reduced slightly to 23.0% due to projected increases in labor, purchased transportation, and inventory materials. Operating revenues are expected to account for 21.9% of total operating expenses in 2013 and the ratio is expected to stabilize in 2014 (at 20.5%), 2015 (20.9%) and 2016 (at 20.9%).



Policy Statement: Debt service coverage (total operating revenue minus operating expenditures divided by debt service requirements) shall be kept to a minimum of 1.5.

Rationale: The Authority should comfortably support Debt service payments. The excess from general obligations should be used as the measure to not jeopardize the financial condition of the Authority.

2014 Budget Guide

Implementation: The debt service coverage measure has traditionally been met and the minimum significantly exceeded since the Authority has used debt sparingly. The goal of the debt service coverage is to be above 1.5. After declining to a low of 1.14 at the end of FY 2009, the Debt Service Coverage ratio improved to 2.02 in 2010 as revenue from the Sales & Use Tax recovered. This ratio again increased in 2011 to 2.82, and was maintained in 2012 at 2.77. For 2013, the ratio is estimated to be 2.35. The Authority stretched the use of borrowing from 2008 for four years and pre-paid a State Infrastructure Bank (SIB) loan in 2011.

In 2014, the Debt Service Coverage ratio is projected to decline to 1.69, which will still exceed the minimum of 1.5. The ratio is expected to decline in 2015 and 2016 to 1.22 and 0.86, respectively as total resources within the General Fund decrease in those years.

CAPITAL IMPROVEMENT FUNDS

Policy Statement: An amount between 10% and 15% of Sales & Use Tax revenues shall be allocated to the Capital Improvement Fund on an annual basis. This allocation shall be used to support budgeted projects in the Capital Improvement Fund or support debt service payments in the Bond Retirement Fund.

Rationale: Capital assets such as facilities, equipment, and vehicles, are essential to the provision of transportation services. Although expensive to sustain, a regular capital investment program lowers operating and capital costs over the long term. The Federal Government funds a substantial portion of capital projects, but the Authority must have adequate local matching funds on hand in order to qualify for FTA grants. State and Federal assistance has shrunk in recent years, leaving the Authority to absorb an increasing share of capital expenditures through 100% local funds.

Implementation: The Authority has combined debt financing and direct allocations of Sales Tax receipts to fulfill its financial commitment to capital over the last decade. In 1995, the definition of contribution to capital was officially broadened to include the transfer to Bond Retirement Fund. The Authority provided a contribution to capital equivalent to the minimum of 10% in 1998 through 2002, but growth in Authority-wide capital needs progressively increased this ratio between 2003 and 2011, from 11.4% to 18.4%.

In 2012, capital funding requirements fell to 17.1%, but again increased in 2013 to an estimated 19.1% of Sales & Use Tax revenue, or \$39.09 million as additional local funds are expected to be transferred to the capital program for the multi-year bus replacement program. In 2014, this rate is expected to stabilize at 19.0% including \$16.12 million for payment of 100% locally funded projects, the local match portion of grant-funded projects, and \$20.75 million to the Bond Retirement Fund for debt service payments. At a projected 18.2% and a combined \$36.07 million at the end of 2015, this measure will decline from 2013, but will remain at a high level. These transfers will again decline in 2016, to 17.9%, though the dollar amount will increase to \$36.36 million.



Policy Statement: Capital Improvement Funds shall be used to account for the construction and acquisition of major capital facilities and equipment.

Rationale: The separation of funds used for day-to-day operations from those employed for capital improvements facilitates the planning process and the management of resources.

2014 Budget Guide

Implementation: Capital investments are defined as those exceeding \$5,000, where the useful life of the asset exceeds one year. The Capital Improvement Fund includes the RTA Capital Fund and the RTA Development Fund. The Capital Improvement Fund is supported by the Federal and State grants as well as local sources.



Policy Statement: *The percent of capital maintenance to capital expansion outlay will be a minimum of 75% and a maximum of 90%.*

Rationale: Transit remains a capital-intensive business and continued quality service relies solidly on maintenance of infrastructure and equipment. Investments must anticipate future service requirements and capacity. Ridership is increased only through a clean, dependable, and well-operated system.

Implementation: Recognizing that the capital program requires a critical balance between maintenance of existing assets and expansion efforts, this policy objective has been used in the past to develop the annual capital budget. In 2010, 2011, and 2012, the capital maintenance to expansion ratio is 99.0%, 98.2%, and 97.9%, respectively and at a projected 86.1% in 2013 and 94.0 in 2014, the focus of the Authority's capital program remains on maintenance, rehabilitation, and replacement or upgrade of existing capital assets rather than on expansion activities. This measure is projected to decrease in 2015 to 72.8% due to the inclusion of budget authority for possible extension to the Blue Line Light Rail line and remain near that level in the following year.



Policy Statement: *The Authority will strive to take advantage of all available State and Federal grants and other financing programs for capital improvements, including but not limited to, State of Ohio public transportation grants and Federal Highway Administration programs, as well as the programs of the Federal Transit Administration.*

Rationale: Various 'formula' grants are usually allocated to systems based on service or demographic indicators. Discretionary grants are competitive and require the maintenance of positive relationships, solid planning, and well-conceived projects. The Authority strives to maximize grant funding in order to best leverage local funds to maintain a State of Good Repair (SGR) in its capital assets. Furthermore, as more dollars are needed to support an aggressive Long-Range plan, the Authority will explore and secure other creative and non-traditional revenue sources to meet the needs of its capital program.

Implementation: The limited availability of funding at the Federal, State, and Local levels meant the Authority can only place emphasis on the most essential and realistic capital projects during the 2014-18 CIP development process and continue its focus on SGR projects. The Authority will continue to aggressively pursue non-traditional funding opportunities under the new Transportation Act – Moving Ahead for Progress in the 21st Century (MAP-21) and will continue to focus on improving our internal capability to plan, finance, and implement its Capital Improvement Plan.

2014 Budget Guide

SUPPLEMENTAL PENSION FUND

Policy Statement: Every two years, an evaluation, including appropriate actuarial studies, shall be made of the Supplemental Pension Fund to determine the amounts required to meet expected obligations of the Fund. Any additional funds determined to be needed will be allocated during the annual budgeting process of the Authority.

Rationale: A periodic evaluation of the pension amount ensures that the Authority has adequate funds to meet expected obligations.

Implementation: The Supplemental Pension Fund contains assets held in trust for the payment of pension benefits to certain retired employees of the Authority. Provisions of the plan are delineated in the agreement between RTA and the Amalgamated Transit Union (ATU). Because of low levels of investment income earned over the last few years and increasing expenditures, the fund has required transfers from the General Fund to keep the recommended balance. The transfers from 2008 through 2013 were held at \$100,000 per year. In 2014, 2015, and 2016, \$100,000 transfers will be needed each year to ensure that the Fund remains at the recommended level to meet all obligations.

INSURANCE FUND

Policy Statement: The Authority is insured through both self-insurance and purchased insurance. Insurance for property and equipment losses as well as liability is to be purchased on the open Insurance market. The Risk Manager determines the basis for the Insurance Fund structure and coverage levels.

Rationale: The Authority desires to save funds by implementing the most appropriate balance of insurance to solve claims. Sufficient resources have been set aside to provide security against normal business risk, for major property claims, and to purchase specified insurance for these purposes.

Implementation: The General and Insurance Funds provide for the payment of the insurance purchased on the open market. Since the hiring of a Risk Manager in 1998, the Insurance Fund was restructured to include a mix of self- and purchased-insurance. This was a major change from the Authority's previous self-insurance position. In 2014, \$2.9 million is budgeted in the General Fund for the payment of ordinary and routine losses in the form of personal injury and property damage claims. An additional \$2.5 million is budgeted in the Insurance Fund for claims outlay and to cover insurance premiums for catastrophic or extraordinary losses.



2014 Budget Guide

Policy Statement: *The minimum balance to be maintained in the Insurance Fund shall be determined by the Risk Manager on an annual basis taking into consideration the balance between self-insurance and purchased-insurance requirements. Upon attaining the required minimum balance, additional funds will be allotted to the Insurance Fund during the annual budgeting process based on the results of periodic actuarial studies of the Fund to assess its sufficiency.*

Rationale: The intent is to ensure that reserves and insurance levels are sufficient to cover extraordinary or catastrophic losses. The periodic evaluations will determine the sufficiency of the Fund and the cost-effectiveness of maintaining a self-insurance program versus obtaining coverage externally or a combination of the two.

Implementation: Ordinary and routine losses are paid through the Risk Management Department's General Fund Budget. In 2011, a transfer was made to the Insurance Fund in the amount of \$3.2 million. The transfer dropped to \$1.0 million in 2012 and \$1.4 million in 2013.

The transfer of \$2.1 million is budgeted in 2014. Transfers of \$2.7 million are projected in 2015 and 2016 for each year to maintain the minimum balance of \$5.0 million.

BOND RETIREMENT FUND

Policy Statement: *Principal and interest payments on outstanding bonds will be accounted for in the Bond Retirement Fund. Debt issuances shall comply with pertinent State and Federal laws, finance only long-term capital assets, and supported by adequate debt servicing capacity.*

Rationale: It is the intent of the Authority to issue debt in a manner that adheres to State and Federal laws and prudent financial management principles.

Implementation: Historically, the Authority has used debt capacity sparingly due to the benefits of Federal and State grant funding. Reductions in these sources of capital support over the years in combination with an aggressive long-range Capital Improvement Program (CIP), has resulted in more frequent use of debt sales as a revenue source for the Authority's capital needs. At the end of 2013, the outstanding debt for the Authority totaled \$138.05 million in general obligation (GO) and revenue (RB) bonds, requiring principal and interest payments of \$20.8 million in 2014. Principal and interest payments are expected to continue to increase in future years due to the on-going needs of the Capital Improvement Plan and additional anticipated debt service requirements.



2014 Budget Guide

Debt Financing

Ohio law permits the Authority to issue both voted and unvoted debt and to levy ad valorem property taxes. Current obligations have not required the use of property taxes for debt service. Debt issuances are subject to three limitations as specified in the Ohio Revised Code and the Ohio Constitution:

1. **Restriction:** Total debt supported by voted and/or unvoted property taxes may not exceed 5 percent of the total assessed valuation of the property within the Authority's territory (Cuyahoga County).

Impact: The provision is not currently applicable since debt obligations have not required the use of ad valorem property taxes for debt service payments. Further, the \$1.38 billion limitation (based on the county's assessed valuation of \$27.6 billion) is not overly restrictive in view of the Authority's debt requirements.

2. **Restriction:** Annual principal and interest payments on all unvoted general obligation (GO) bonds may not exceed one-tenth of one percent of the total assessed valuation.

Impact: The 2008-2010 recession has negatively affected the property valuation for Cuyahoga County. A triennial adjustment was made on the total assessed valuation leading to a decline from \$31.7 billion in 2008 to \$29.8 billion in 2010. It fell again to \$27.6 billion after the full reappraisal of all property in 2012. Based on the valuation, the annual debt service capacity of one-tenth of one percent would be \$27.6 million and apply to all debt issued by the Authority.

3. **Restriction:** The total amount of annual debt service on unvoted general obligation (GO) bonds issued by overlapping subdivisions is limited to ten mills of assessed valuation. Overlapping subdivisions include Cuyahoga County and various municipalities, school districts, and townships within the taxing district.

Impact: The ten-mill limit provision pertains to all unvoted debt regardless of the source of payment and historically has been the most restrictive to the Authority. At the end of 2012, this restriction remains well above the 10-mill limitation with 11.45 mills in use, primarily due to decreases in property valuation, leaving 0.00 mills for additional debt issuances. The fact that the 10-mill limit has been exceeded was another factor to be considered as the Authority prepared for an additional debt issuance in FY 2012 resulting in revenue bonds being issued instead of general obligation bonds. This will also affect future debt issuances in the same manner.

In FY 2012, the Authority issued revenue bonds for \$25.0 million in new debt and \$17.4 million in a refinancing issuance. The next debt issuance is projected for 2015. The Authority currently holds a "AAA" rating with S & P and an "Aa2" rating with Moody's.

2014 Budget Guide

Budget Management Process

Introduction

As the Authority's finances become tighter, increased emphasis has been placed on the budget management process. The following procedures were instituted to strengthen this process:

- The Board of Trustees (BOT) developed a set of financial policies to guide the development of the budget plan and articulate the Authority's operating guidelines.
- The Authority's performance is measured against the standards established by the BOT.
- A formal budget document is produced, providing clear, timely, and accurate budget information to officials and the public.
- The expenditures are tracked against appropriations and available resources.
- Performance indicators are used to assess the containment of costs and the effectiveness of service delivery.
- The Citizen's Advisory Board (CAB) meets monthly to provide the pulse of the community in matters of fare changes, Long Range Plan updates, capital projects, and service changes.

The Budget Cycle

For the Authority, the fiscal and calendar year coincide. The budget process for the forthcoming fiscal year begins in June with the development of the Tax Budget for the following year. Although not necessary, the Authority prepares a Tax Budget as a valuable tool for estimating budget year resources and performing appropriations planning.

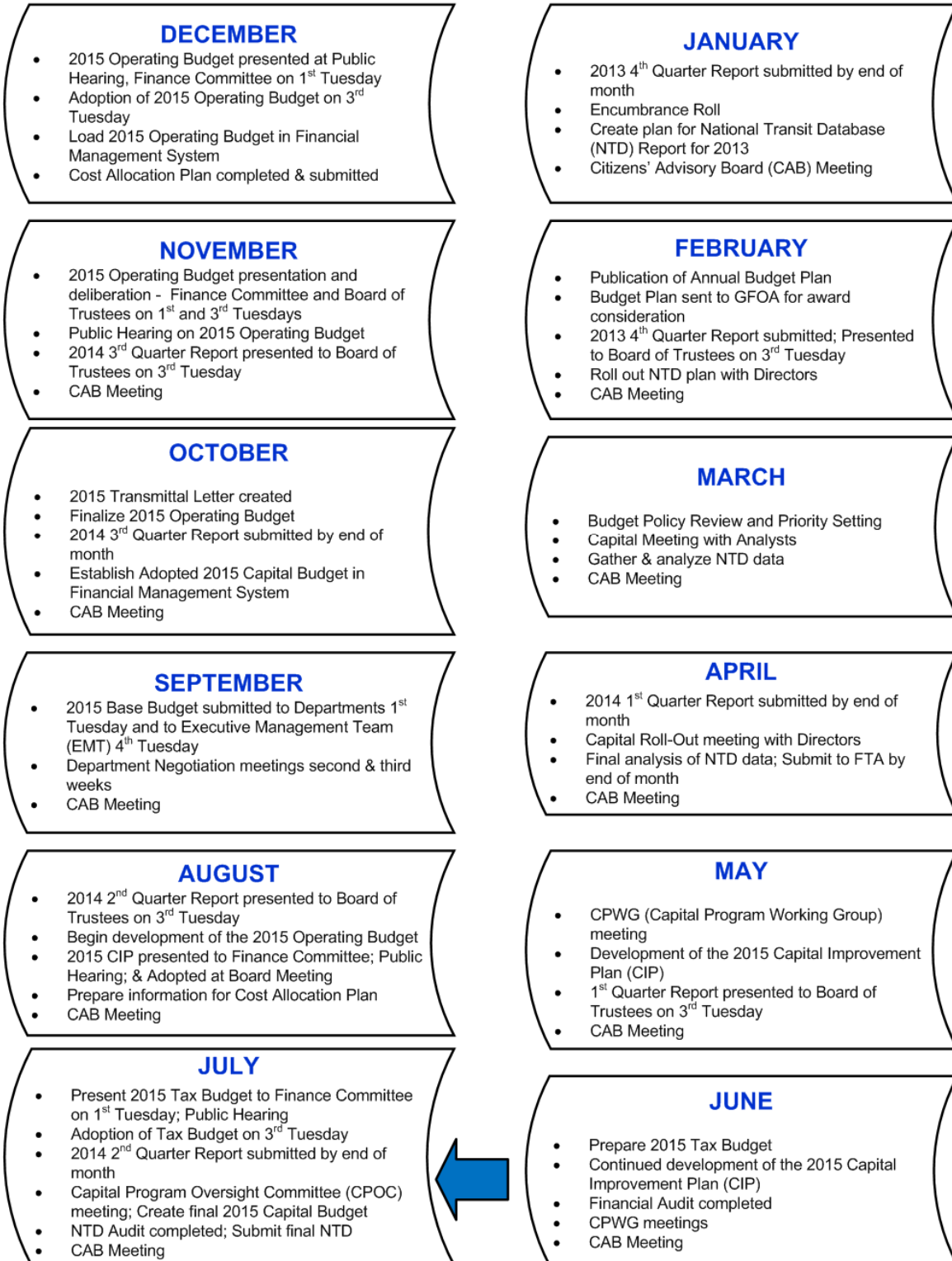
Around the same time, a mid-year review of spending patterns and budget variances is conducted. The July review and the Tax Budget are essential components of the base level appropriations assumed for the succeeding budget cycle. The development of this 'base' budget begins the annual budget process, which proceeds as follows:

- A budget basis (or starting point) is selected, usually based on the mid-year estimate or the original appropriation level.
- The Office of Management and Budget (OMB) staff adjusts the budget basis for any nonrecurring costs, contracts, or binding commitments, or inflation. The product is called the Base Budget.
- After receiving the Base Budget, departments submit their requests for adjustments.
- Negotiations between OMB staff and the department staff refine the Base Budget.
- When completed, the Base Budget includes commitments, recurring costs, and any approved new projects and initiatives.

2014 Budget Guide

- The finalized CEO/General Manager's Recommended Budget:
 - Is the sum of the refined Base Budgets and Adjustments
 - Is limited to estimated available resources
 - Satisfies the Authority's financial policies to the best extent possible
 - Supports the Authority's mission and strategic direction as embodied in the Board Policy Goals and outlined in the Strategic Planning Process
- The CEO/General Manager's Recommended Budget is presented to the Executive Management Team (EMT) in October
- The CEO/General Manager's Recommended Budget is presented to the Board of Trustees (BOT) in November and December and is made available to the public.
- At least one budget hearing in December is scheduled for the BOT and the general public, which includes public discussion of the budget.
- The review process culminates in the formal adoption of a budget resolution at the December Board Meeting. It is the Trustees' practice to finalize appropriations before the new fiscal year begins.

2014 Budget Guide



2014 Budget Guide

Management Policies

The Authority continues to operate under the Quality Management System (QMS) through the TransitStat program. The Board of Trustees (BOT) and the Executive Management Team (EMT) have identified a Mission Statement and five Priority Policy Goals essential for growth and progress in RTA. These are reviewed annually and modified if necessary. Budget decisions are made with the overall strategic planning process in mind.

For 2014, these Management Policy Goals remain:

- **Customer Focus:** Provide safe, high quality service to all customers and support our employees in that endeavor.
- **Improve Financial Health:** Improve the Authority's financial health through efficient use of resources and the pursuit of new and innovative revenue sources.
- **Prepare for the Future:** Prepare for the future by forging new partnerships and strengthening existing ones with public and private sectors and establish policies, funding, innovations, and technologies that support cost-effective public transportation.
- **Provide Community Benefits:** Provide social, economic, and environmental benefits to the community through system improvements and increase community awareness of these contributions.
- **Expand and Reorganize Service:** Expand and reorganize service to retain our current riders and attract new riders by providing service that meets customer and community needs.

During the recession of 2008-2009 through 2011, emphasis is placed on two of the Board Policy Goals: Customer Focus and Improve Financial Health. For 2012 through 2014, the financial health of the Authority has been improved through sustainable budgets. The emphasis is now placed on improving our service and maintaining a customer-focus.

Budget Monitoring and Control

A quarterly financial report allows the CEO/General Manager and the Board of Trustees (BOT) to monitor actual performance. This report is used to determine adjustments to the budget. The budget may be adjusted after periodic reviews, but is normally limited to interdepartmental transfers rather than an increase to the overall appropriation level. The CEO/General Manager has the authority to transfer appropriations within departments, which are reported to the Trustees within 30 days. Any increase to the Authority's total operating budget requires BOT approval.

The CEO/General Manager also has the authority to upgrade or reclassify staff positions. Positions may be reallocated between departments and divisions, providing the overall staffing level remain at the level approved by the BOT. This allows the CEO/General Manager flexibility in making staff decisions.

Service Profile

Economic Profile

(U.S. Census Bureau)

The Service Profile depicts the economic and service activity as it impacts the organization on operational and financial levels. The provided information highlights trends regarding items that have direct effect on how RTA develops, supports, and implements services to the Cuyahoga County area.

Population	2012 Census (estimate)	1,265,111
	% Change from 2010 Census	-1.2%
	Projected 2020 Population	1,209,550
	Land Area (square miles) (2010)	458.3
	% Female	52.5%
	Persons per Square Mile (2010)	2,800
	% White	64.8%
	% Black	30.2%
	% Hispanic/Latino	5.1%
	% Asian	2.8%
	% American Indian/Alaskan Native	0.3%
Housing	Persons per household, 2007-2011	2.34
	# Housing Units (2011)	620,830
	Home Ownership rate (2007-2011)	61.6%
	Median value of owner-occupied housing units	\$134,900
	Median Household Income	\$44,088
	% Under Poverty Level	17.1%
	Cost of Living Index (U.S. Avg.: 100)	96.1
Largest Cities (2012) (# of Residents)	City of Cleveland	390,928
	Parma	80,597
	Lakewood	51,385
	Euclid	48,281
	Cleveland Heights	45,475
	Strongsville	44,620
	Westlake	32,487
	North Olmsted	32,354
	North Royalton	30,325
Garfield Heights	28,454	
Land Use/Land Cover (2012)	Urban (Residential, Commercial, Industrial, Transportation, etc.)	66.85%
	Cropland	0.99%
	Pasture	0.03%
	Forest	30.95%
	Open Water	0.65%
	Wetlands	0.37%
	Bare/Mines	0.17%

Service Profile

State Parks, Forests, Nature Preserves, and Wildlife Areas (2012)	Areas, Facilities	1
	Acreage	13.5
Education (2012)	Public Schools	365
	Non-Public Schools	134
	4-Year Public Universities	1
	2-Year Public Colleges	1
	Private Universities & Colleges	5
	Public Libraries	9
	Branch Libraries	63
Means of Transportation to Work (2012)	Drive Alone	491,890
	Carpool	43,250
	Public Transportation	27,176
	Taxi Cab	80
	Motorcycle	667
	Bicycle	2,069
	Walk	15,330
	Other	5,020
	Work from Home	19,194
Travel time to Work (2012) (16 yrs old and older)	Less than 15 minutes	24.2%
	15 to 29 minutes	42.1%
	30 to 44 minutes	23.9%
	45 to 59 minutes	5.4%
	60 minutes or more	4.4%
Major Employers (2012) Type of Employment (Non-Government)	American Greetings Corp.	Manufacturing
	Case Western Reserve University	Higher Education
	Cleveland Clinic Health System	Health Care
	Cuyahoga Community College	Higher Education
	General Motors	Manufacturing
	Giant Eagle	Food Service
	Group Management Services	Service
	KeyCorp	Financial
	Lincoln Electric Holding Inc.	Manufacturing
	Metro Health	Health Care
	Progressive Corp.	Insurance
	Sherwin-Williams Company	Manufacturing
Swagelok Company	Manufacturing	
United Parcel Service (UPS)	Parcel/Delivery	
University Hospitals Health System	Service	

Sources:

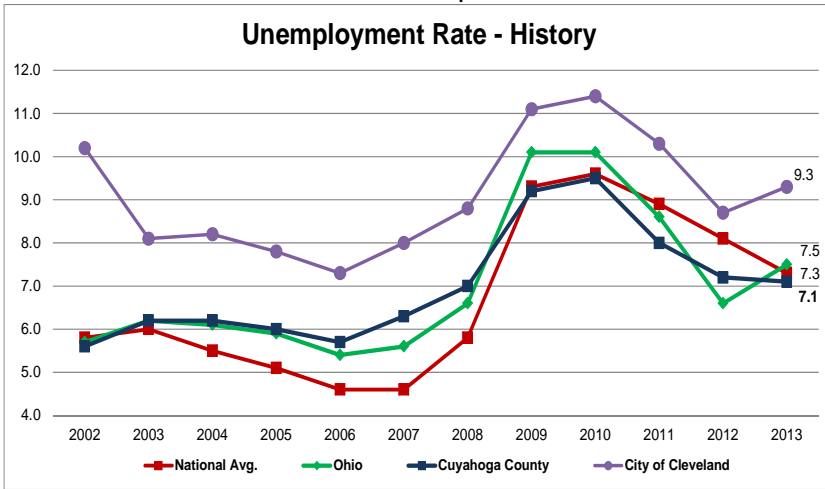
U.S. Department of Commerce (United States Census Bureau) Town & County Quick Facts

U.S. Census Bureau, 2007-2011 American Community Survey

Ohio Department of Development --Office of Policy, Research & Strategic Planning Ohio County Profiles

Service Profile

Trends of North East Ohio compared to the State and National Averages



Year	National Avg.	Ohio	Cuyahoga County	City of Cleveland
2002	5.8	5.7	5.6	10.2
2004	5.5	6.1	6.2	8.2
2006	4.6	5.4	5.7	7.3
2008	5.8	6.6	7.0	8.8
2010	9.6	10.1	9.5	11.4
2012	8.1	6.6	7.2	8.7
2013 (Est.)	7.3	7.5	7.1	9.3

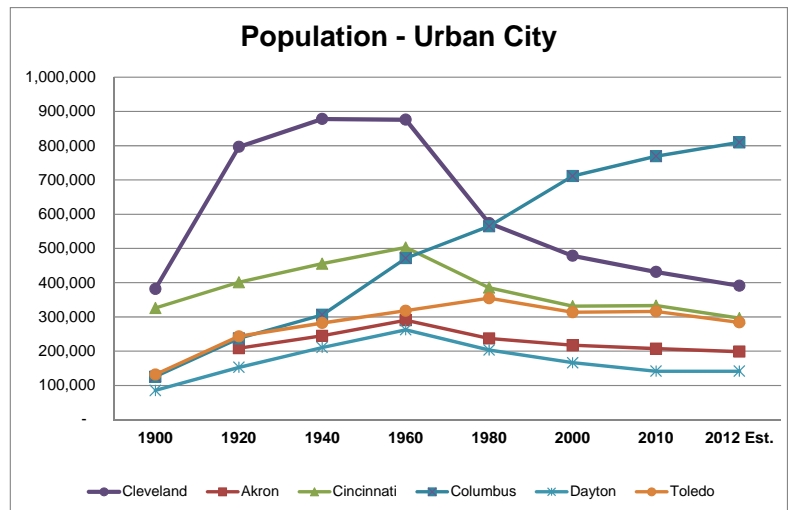
The Population in Cleveland has been steadily decreasing since the 1980s and Cuyahoga County has been decreasing since 2000. The economic crisis in 2008 and

2009 hit Cuyahoga County, City of Cleveland, and North East Ohio hard. The unemployment rate was already higher than the national average at this point in time. Unemployment remains high in the City of Cleveland. Unemployment in Ohio and Cuyahoga County has recently reduced lower than the national average.

Year	Cleveland	Akron	Cincinnati	Columbus	Dayton	Toledo
1900	381,768		325,902	125,560	85,333	131,822
1920	796,841	208,435	401,247	237,031	152,559	243,164
1940	878,336	244,791	455,610	306,087	210,718	282,349
1960	876,050	290,351	502,550	471,316	262,332	318,003
1980	573,882	237,177	385,457	564,871	203,371	354,635
2000	478,403	217,074	331,285	711,470	166,179	313,619
2010	431,363	207,216	333,013	769,360	141,527	316,238
2012 Est.	390,928	198,549	296,550	809,798	141,359	284,012

Within the region, however, there has been considerable shifting of the population. Here are how the counties have changed since 2000.

Ashtabula County	- 100,389, down 2.3 percent from 102,728
Cuyahoga County	- 1,265,111, down 9.2 percent from 1,393,979.
Geauga County	- 93,680, down 1.1 percent from 94,753.
Lake County	- 229,582, up 0.9 percent from 227,511.
Lorain County	- 301,478, up 5.9 percent from 284,664.
Medina County	- 173,684, up 15.0 percent from 151,095.
Portage County	- 161,451, up 6.2 percent from 152,061.
Summit County	- 540,811, down 0.4 percent from 542,899.



Year	Cleveland Metro	Akron Metro	Cincinnati Metro	Columbus Metro	Dayton Metro	Toledo Metro
1990	2,102,248	657,575	1,844,915	1,405,168	843,835	654,157
2000	2,148,017	694,962	2,009,654	1,612,844	848,155	659,185
2010	2,088,291	698,553	2,155,137	1,773,120	836,544	649,104
2012 Est.	2,063,535	702,262	2,128,603	1,944,002	800,972	608,711

Transit Service Profile

National Transit Trends

A total of 786 Agencies are included in the National Transit Database (NTD) for 2012. The National Transit Database was established by Congress to be the Nation's primary source of information and statistics on the transit system of the United States. Recipients of grants from the Federal Transit Administration (FTA) are required by statute to submit data to the NTD. The NTD is used to help meet the needs of individual public transportation systems, the US Government, State, and Local governments, and the public for information on which to base public transportation service planning. (www.ntdprogram.gov/ntdprogram/)

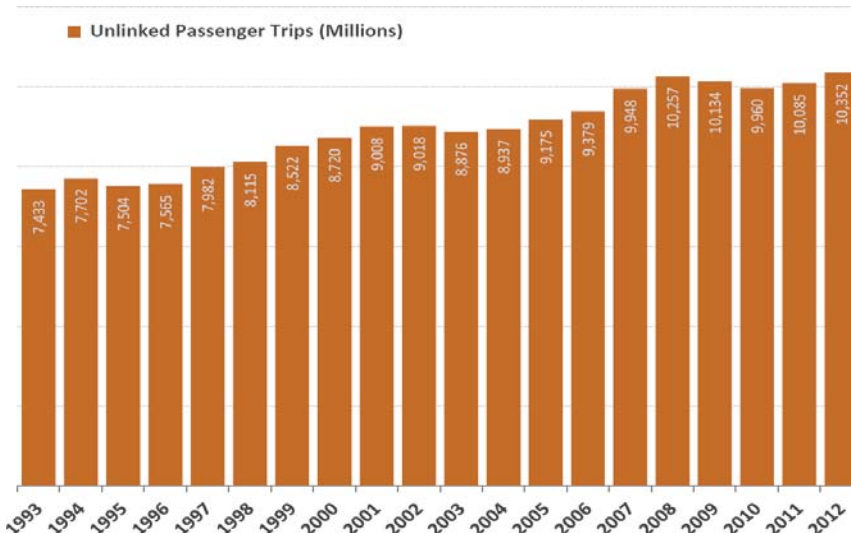
Number of Agencies reporting by Mode:

2012 National Transit Summaries and Trends

Year	Bus	Demand Response	Vanpool	Heavy Rail	Light Rail	Commuter Rail	Other
2003	518	482	47	14	25	19	31
2004	530	498	44	14	27	19	31
2005	545	513	51	15	27	20	32
2006	558	533	52	15	27	20	30
2007	569	550	57	15	26	21	30
2008	587	557	62	15	29	22	36
2009	597	574	67	15	29	25	35
2010	609	591	67	15	29	25	32
2011	596	581	66	15	30	26	35
2012	655	637	74	15	32	26	37
10 Year Change	137	155	27	1	7	7	6

Exhibit 3: Number of Active Agencies by Year by Mode (2003 – 2012)

Total Unlinked Passenger Trips (by year):



Source: NTD

Transit Service Profile

Distribution of Vehicle Revenue Miles by Mode (2012)

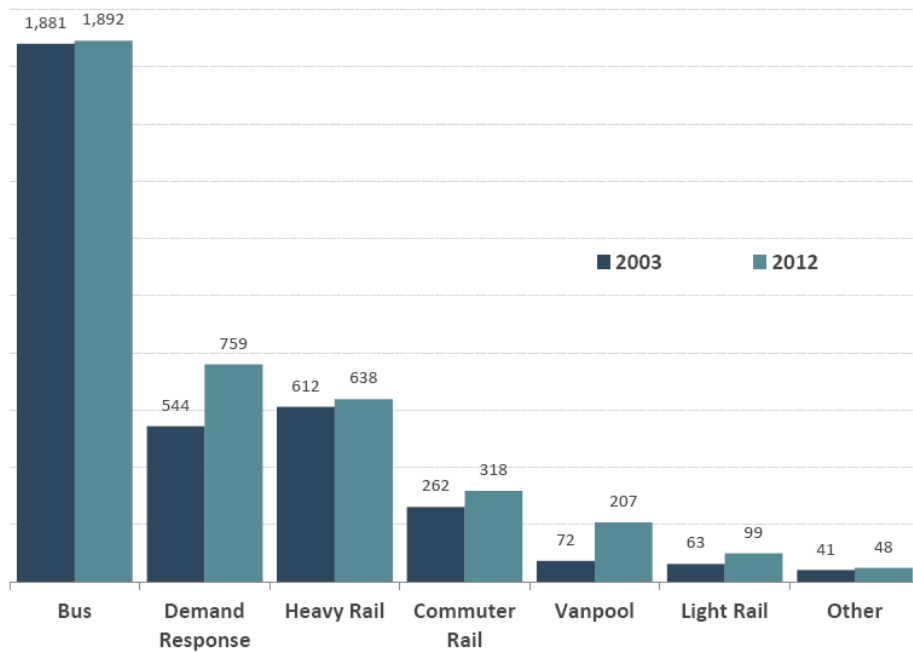


Exhibit 4: Vehicle Revenue Miles (Millions) by Mode (2003 and 2012)

Distribution of Unlinked Passenger Trips by Mode (2012)

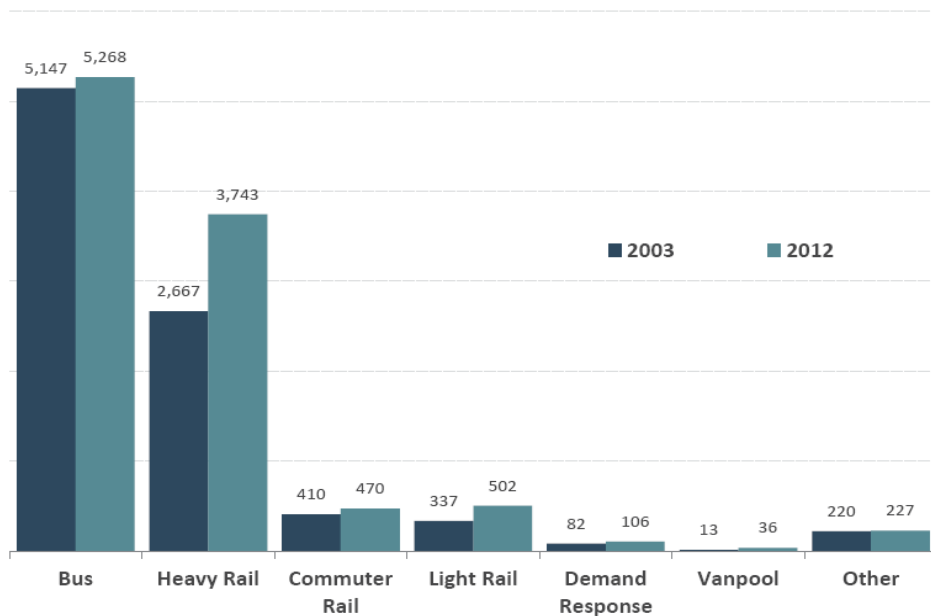


Exhibit 7: Unlinked Passenger Trips (Millions) by Mode (2003 – 2012)

Source: National Transit Summaries and Trends for the 2012 National Transit Database Report Year

Transit Service Profile

Ohio Transit Trends 33 Agencies reported data in the National Transit Database in 2012

The Nine Largest Agencies in Ohio – data listed below

Agency	Sq. Mi	Pop	Mode	Unlinked Passenger Trips	Vehicle Revenue Miles	Vehicles in Max Service
Akron (Metro)	420	542,899	Bus	5,140,419	3,268,450	103
			DR	202,390	1,427,883	78
			DR (Taxi)	39,882	225,380	48
			Commuter Bus	89,699	177,525	7
Canton (SARTA)	567	375,067	Bus	2,518,906	2,119,345	34
			DR	139,994	1,132,028	23
Cincinnati (SORTA)	262	845,303	Bus	17,390,349	9,351,070	289
			DR	162,771	1,258,233	48
Cleveland (GCRTA)	458	1,412,140	Bus	33,857,969	12,244,802	303
			RB	4,629,200	688,062	16
			HR	6,240,495	1,989,328	20
			LR	2,856,379	699,039	13
			DR	650,060	4,821,868	134
Columbus (COTA)	337	1,081,405	Bus	18,423,352	9,689,684	257
			DR	268,960	3,082,210	68
Dayton (GDRTA)	274	559,062	Bus	7,358,398	5,214,128	87
			DR	234,088	2,112,629	68
			TB	2,476,333	881,898	26
Lake County (Laketran)	227	229,885	Bus	331,833	494,826	10
			DR	226,106	1,810,999	62
			Commuter Bus	198,419	269,372	14
Toledo (TARTA)	149	407,784	Bus	3,114,541	2,810,556	94
			DR	300,466	1,877,643	62
Youngstown (WRTA)	452	238,823	Bus	1,811,765	1,087,130	38
			DR	46,342	384,791	14

Data Source: 2012 National Transit Database

Glossary

Accrual Accounting – A method of financial accounting where revenues are recorded when earned, however, the revenue does not have to be received in the same reporting period. Similarly, expenditures are recorded as soon as the goods or services are received; the payment of the expenditure does not have to be made in the same reporting period.

Ad Valorem Tax – A tax based on the value (or assessed value) of property.

Amalgamated Transit Union (ATU) – The largest transit union in North America.

Americans with Disabilities Act (ADA) – of 1990, requires that public entities, which operate non-commuter fixed route transportation services, also provide complementary Paratransit service for individuals unable to use the fixed route system.

Appropriation – A financial authorization granted by the Board of Trustees to cover expenditures and incur obligations.

Arbitrage – Investment earnings representing the difference between interest paid on bonds and the interest earned on the investments made utilizing bond proceeds.

Assessed Valuation – The value of property against which an ad valorem tax is levied. Valuations are conducted by the County Auditor and reflect a percentage of the true or market value of the property.

Asset Maintenance – This category of capital projects refers to projects where 100% of the funding is provided by local sources (versus grant funded sources) and represents expenses incurred to maintain or improve the Authority's assets.

Balanced Budget – The Authority considers the budget balanced when total expenditures equal total revenues. The budget is also balanced in situations where total expenditures are less than total revenues, which is called a surplus. There are also few instances where the Authority might plan to spend fund balances from previous years on one-time or non-routine expenditures, provided the funding from previous years is available. The Authority, however, must have a plan in place to not build ongoing expenditures into this type of funding.

Base Budget – The total appropriation for maintaining the Authority's daily operations, authorized by the Board of Trustees.

Bond – The written evidence of the debt issued by the Authority. It bears a stated rate of interest and maturity date on which a fixed sum of money plus interest is payable to the holder.

Bond Counsel – A lawyer or law firm, which delivers an opinion regarding the legality of a debt issuance or other matters.

Budget Basis – The starting point for budget deliberations, usually the current budget year appropriation, or the Midyear Review estimate of expenses.

Budget Deficit – Usually, this is a projection of expenditures exceeding appropriations. It is normally determined during a quarterly review. The budget is controlled so that expenditures plus encumbrances should not exceed appropriations.

Bus Rapid Transit (BRT) – A broad term given to transit systems that use buses to provide a service that is of a higher quality than an ordinary bus line. See HealthLine.

Glossary

CAFR – Comprehensive Annual Financial Report, contains audited financial statements, financial notes, and related materials.

Capital Improvement Budget – The current year estimated revenues and expenses of construction projects and capital equipment purchases in the Capital Improvement Plan. The Capital Budget includes maintenance and expansion projects that are funded through grants and local sources.

Capital Improvement Plan (CIP) – A five to ten year plan for constructing, acquiring, or maintaining capital assets.

Cash Accounting – A major accounting method that recognizes revenues and expenses at the time physical cash is actually received or paid out.

Cash Deficit – Occurs when a fund is carrying a negative cash balance. This situation typically requires a cash transfer to remedy.

Closed Circuit TV (CCTV) – Video cameras transmit a signal to a specific or limited set of monitors. CCTV is used for surveillance in areas that need security, such as rapid stations, transit facilities, Park-N-Rides, and the airport.

Comprehensive Annual Financial Report – See CAFR

Computer Integrated Transit Maintenance Environment (CITME) – A computer program, created by UltraMain, purchased to assist in modernizing maintenance and inventory operations through management by data.

Controlled-Access Right-of-Way (ROW) – Lanes restricted for a portion of the day for use by transit vehicles and other high occupancy vehicles (HOV).

Cost Ceiling – A limit on the reimbursed costs for federally supported capital projects.

Debt Limit – A statutory or constitutional limit on the principal amount of debt that an issuer may incur or have outstanding at one time.

Debt Service – Principal and interest paid on bonds and notes.

Debt Service Coverage – The measure of the Authority's ability to meet annual interest and principal payments on outstanding debts.

Decision Issue – A budget request for new or increased funding of projects or programs, which exceeds base budget requests. Use of decision issues aids the process of allocating financial resources and provides for the comparison and prioritization of existing programs and services relative to the need for new programs and services.

Depreciation – The reduction in value of a capital asset due to use, age, or wear.

Disadvantaged Business Enterprise (DBE) – A program intended to ensure nondiscrimination in the award and administration of the Authority's programs and contracts.

Glossary

Door-to-Door Service – Paratransit Service where drivers have been instructed to pick-up and drop-off passengers at the front door of places of residence, at the front door of the apartment buildings in which they live, or front door of destination.

Encumbrances – A budgetary technique for recording unperformed contracts for goods and services. Use of encumbrances restricts the balance in each fund so that total commitments (expenditures plus encumbrances) will not exceed appropriations.

Exclusive Right-of-Way (ROW) – Roadway or other right-of-way (ROW) lanes reserved at all times for transit use and / or other high occupancy vehicles (HOV).

Executive Management Team (EMT) – The General Manager's first level of management, which includes Deputy General Managers and Executive Directors.

Expenditure – An expense that a business incurs as a result of performing its normal business operations.

Family and Medical Leave Act (FMLA) – To grant employees temporary medical leave under certain circumstances.

Federal Highway Administration (FHA) – Supports all of America's roads and highways and ensures them to be the safest and most technologically up-to-date. Although State, local, and tribal governments own most of the Nation's highways, the FHA provides financial and technical support to them for constructing, improving, and preserving America's highway system.

Federal Transit Administration (FTA) – Supports a variety of locally planned, constructed, and operated public transportation systems throughout the U.S., including buses, subways, light rail, commuter rail, streetcars, monorail, passenger ferry boats, inclined railways, and people movers.

Financial Management System (FMS) – The information system software that houses all financial data and includes the General Ledger, Procurement, and Budget Modules.

Fiscal Year – The 12-month period that the Authority uses for accounting purposes. The Fiscal Year for the Authority is concurrent with the Calendar Year.

Fixed Guideway (FG) – A separate right-of-way (ROW) for the exclusive use of public transportation vehicles. The Heavy Rail and Light Rail modes operate exclusively on fixed guideway (FG).

Fraternal Order of Police (FOP) – The world's largest organization of sworn law enforcement officers, committed to improving the working conditions of law enforcement officers and the safety of those we serve through education, legislation, information, community involvement, and employee representation.

Full-Time Equivalent (FTE) Position – A part-time position converted to the decimal equivalent of a full-time position based on 2,080 hours per year for 40 hours per week employees.

Glossary

Fund – A reserve of money set-aside for a specific purpose. The RTA has specific funds set up for Operating (General), Capital, Insurance, Bonds, Pension, and Law Enforcement. There are also reserve funds in place for diesel fuel, compensated absences, hospitalization, and the lightning strike at Brookpark Substation.

Fund Deficit – An excess of expenditures over revenues during a fiscal year. This is not an acceptable condition and must be addressed by transferring revenue to the fund in deficit. See Balanced Budget.

Fund Type – See Fund.

GAAP – Generally Accepted Accounting Principles. These principles are guidelines and rules for use by accountants in preparing financial statements.

General Obligation (GO) Bond – A bond that is secured by the full faith and credit of the Authority. The GCRTA pledges to utilize its taxing power (almost always Sales Tax proceeds) to pay debt service.

Goal – A statement of direction, purpose, or intent based on the needs of the community. A goal is not concerned with a specific achievement in a given time period.

Guideway – A separate right-of-way (ROW) or rail system for the exclusive use of public transportation including the buildings and structures dedicated for the operation of transit vehicles. Includes tunnels, subways, bridges, tracks, and power systems.

HealthLine – A route providing service along Euclid Avenue that is of a higher quality than an ordinary bus line. This service improves transit, as well as supports increased development along Euclid Avenue with links to medical, educational, and cultural centers in Greater Cleveland.

Heavy Rail Vehicle (HRV) – Operate on the Red Line, from the Airport to Windermere Rapid Station. Heavy Rail is a transit mode that is an electric railway with the capacity for a heavy volume of traffic.

Indirect Costs – The expenses of doing business that are not readily identified with the Authority's transportation, but rather with the general operation of the organization, such as finance, accounting, engineering, legal, and human resources.

Interactive Voice Response (IVR) – A phone technology that allows a computer to detect voice and touch tones using a normal phone call. The IVR system can respond with pre-recorded or dynamically generated audio to further direct callers on how to proceed.

Interest – The amount paid for the use of money.

Interest Expense – The charges for the use of borrowed capital incurred by the transit agency, including Interest on long term and short-term debt obligations.

Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA) – A legislative initiative setting policy guidance and providing funding for highway, transit, and safety programs. It expired in 1998.

Glossary

Key Transit 2025 – The long-range plan to help guide the future development of public transit in Cuyahoga County, which focuses on bringing RTA's transit infrastructure up to higher standards and encouraging transit-oriented design, or TOD. Related to nationwide efforts towards Smart Growth, TOD encourages locating transit and development in close proximity in order to reduce auto dependency and improve transit access.

Legal Millage Rate – The stated rate, in mills, for levying real and personal property taxes.

Light Rail Vehicle (LRV) – Operate on the Blue, Green, and Waterfront Lines. Light Rail is a transit mode that typically is an electric railway with a light volume traffic capacity, compared to Heavy Rail (HR).

MAP-21 (Moving Ahead for Progress in the 21st Century) – A new Federal Transportation Act that replaces the SAFETEA-LU and TEA-21 Acts. This act changed the Federal formula calculations, includes the Census 2010 data in the determination of those formula grants, and incorporates operating statistics relative to all Transit Agencies.

Market Value – The County Auditor's estimate of the true or fair value of real or personal property. In accounting, it is the price that a good or service would command on the open market.

Mill – The equivalent of \$1 of tax for each \$1,000 of assessed value of real or personal property.

Mixed Traffic Right-of-Way (ROW) – Roadways that have no time restrictions nor restrictions on what type of vehicles may use them.

Mode – A general term for the different kinds of transportation used to transport people.

NOACA – Northeast Ohio Areawide Coordinating Agency. It is the federally designated Metropolitan Planning Organization (MPO) for five counties of Northeast Ohio, which include Greater Cleveland and the Lorain area. Its chief functions are to perform long- and short-range transportation planning, transportation-related air quality planning, and areawide water quality management planning, as defined by federal and Ohio mandates.

Notes – Short-term promises to pay specified amounts of money, secured by specific sources of future revenue.

Revenue – The amount of money that a company actually receives during a specific period, usually a year.

Object – A commodity-based expenditure classification which describes articles purchased or services obtained. It represents the lowest degree of expenditure summary and budgetary control.

Objective – Desired output-oriented accomplishments, which can be measured and achieved within a given time frame.

Glossary

Office of Business Development (OBD) – Engage, support, and assist the local disadvantaged business community to help ensure fair and representative participation in procurement opportunities at RTA and within the community at-large. The primary function of the Office of Business Development (OBD) is to administer RTA’s Disadvantaged Business Enterprise (DBE) Program.

Official Statement – A document prepared by the Authority when issuing debt that gives financial and statistical information to potential investors and others.

Ohio Depository Act – Requires a written investment policy that is approved by the treasurer of a political subdivision or governing board, or by the investing authority of a county, to be on file with the State Auditor. The policy must provide that all entities conducting investment business with a subdivision treasurer or governing board or county investment authority sign the investment policy of that subdivision or county.

ODOT (Ohio Department of Transportation) – State operating and capital subsidies are distributed to the Authority by ODOT.

Operating Budget – Current year estimated revenues and expenses that provide for the day-to-day operations of the Authority.

Operating Deficit – The sum of all operating revenues minus operating expenses. See Balanced Budget.

Operating Ratio – A ratio that shows the efficiency of management by comparing operating expenses to fare revenues.

Operating Reserve – The available ending balance. A reserve is maintained as a safeguard to protect the organization in times of cyclical economic downturns and will be replenished as the economy improves. The Board Policy requires at least one month’s operating reserve. RTA recently added three reserves for fuel, medical, and compensated absences.

Outlays – The payments on obligations in the form of cash, checks, the issuance of bonds or notes, or the maturing of interest coupons.

Park-N-Ride – Parking lots owned by the GCRTA to provide rail and/or bus services for all major commuter corridors in Cuyahoga County.

Pass-Thru – A situation where the Authority functions as a channel for the expenditure of funds from another source without authorization to decide the use of the funds.

Principal – The face amount of a bond, which the issuer promises to pay at maturity.

Program – A group of related activities performed by one or more organizational units for the purpose of accomplishing an objective.

Ratings – Designations used by ratings services to indicate the financial health of the issuers of debt.

Repurchase Agreement – A money market transaction in which one party sells securities to another while agreeing to repurchase those securities at a later date.

Glossary

Resolution – A legal and public declaration by the Board of Trustees of intent, policy, or authorization. Resolutions are the legislation of the Authority.

Resolution Category – One of two cost categories at which the Board of Trustees controls operating budget expenditures. These include Personnel Services and Other Expenditures.

Revenue Bond – A bond on which the debt service is payable solely from the revenue generated from the operation of the project being financed.

Routine Capital – Budgeted expenses for equipment, where the useful life of which is a year or more and the unit cost is at least \$1,000. These expenses are locally, not grant, funded.

Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) – A legislative authorization for transit approved in 2005. It is a six-year initiative, which replaces the expired Transportation Equity Act for the Twenty-First Century (TEA-21).

Senior Transportation Connection (STC) – Of Cuyahoga County is designed to be the centralized coordinating unit for senior transportation services in Cuyahoga County. The STC's mission is to provide comprehensive, efficient, and affordable transportation for senior adults in the county.

Service Indicator – An output measure showing a statistical workload change or the degree to which program objectives are achieved.

State Infrastructure Bank (SIB) – A funding initiative administered by the State of Ohio, Department of Transportation. The SIB provides low-cost loans for transportation infrastructure projects.

Temporary Assistance for Needy Families (TANF) – Provides grants to states to fund a wide array of benefits and services, primarily to low-income families with children. It is best known for funding cash welfare benefits to needy families with children, but it also is used to fund transportation aid and assistance.

Tax Levy – The total amount to be raised by general property taxes for purposes specified in the Tax Budget.

Threat and Vulnerability Assessment (TVA) – Analyzes all the aspects of security: physical, personnel, information, and communication. It measures the current threat capabilities against emplaced security measures and operating procedures to identify vulnerabilities.

TransitStat – The Greater Cleveland Regional Transit Authority's performance monitoring program. It entails frequent gathering, reviewing, analyzing, and monitoring of critical success measures.

Transportation Equity Act for the Twenty-First Century (TEA-21) – A legislative authorization for transit originally approved in mid-1998. It is a five-year initiative, which originally expired in 2003, but was extended by Congress pending an agreement on new transit legislation. It expired in 2005.

Transportation Improvement Plan (TIP) – The official listing of highway, transit, bikeway, airport, and harbor projects covering a five-year period.

Glossary

Transportation Review Advisory Council (TRAC) – Created by the Ohio General Assembly in 1997 to bring an open, fair, numbers-driven system to choosing major new transportation projects.

U-Pass (Universal Pass) – offers university students a discounted transportation pass. Currently students at Case Western Reserve University (CWRU), Cleveland State University (CSU), Cleveland Institute of Art, and Cleveland Institute of Music have U-Passes.

Urban Mass Transportation Act (UMTA) of 1964 – As amended, an Act of Congress providing funds to the Authority under various programs:

Section 5309 (formerly Section 3) – A Federal discretionary program directed primarily to those rail modernization and major bus projects that require funding beyond that available under Section 9.

Section 5307 (formerly Section 9) – A Federal formula program which makes resources available to urbanized areas for planning, capital, and operating assistance purposes. Funding allocations are earmarked by Congress.

Title 23 Interstate Transfer Fund – Federal funding which had been made available for alternative projects due to the elimination of Interstate 490 from the Federal Interstate Highway Program. Funding for this program was split between highway and transit projects. Also established by Section 134, Title 23 of the United States Code. All funds have been exhausted at this time.

This page intentionally left blank

Fund Budgets

The Authority maintains its books of accounts on the accrual basis of accounting, using a single enterprise fund to report the results of its operations. However, separate funds are maintained on the books of the Authority in order to best account for its various revenues that are designated for specific purposes.

Since the Authority is an independent, special purpose political subdivision of the State of Ohio, annual budgets for each fund are prepared on the cash basis of accounting. On the cash basis, revenues are budgeted when they are expected to be received as opposed to when they will be earned and expenditures are budgeted when they are estimated to be paid, encumbered, or obligated as opposed to when the liabilities will be incurred. The Authority uses the following funds to account for its operations:

All Funds

- General Fund
- Bond Retirement Fund
- Insurance Fund
- Supplemental Pension Fund
- Law Enforcement Fund
- Capital Improvement Funds**
 - RTA Capital Fund
 - RTA Development Fund

A fund balance is the difference between total resources (beginning cash and investment balance plus total revenues) and total expenditures.

How to Calculate Fund Balance

Beginning Balance
+ Current Revenues
Total Resources

(Less) Total Current Expenditures

(Equals) End of Year (EOY) Balance
(Also called Fund Balance)

In the following presentation, fund balances for the General Fund and RTA Capital Fund represent the unencumbered, unreserved balance (referred to as the available end of year balance). These fund balances are shown net of reserves for encumbrances. All other funds are reflected in cash balances.

The end of year balance of a fund provides a measure of a fund or entity's financial health and is useful in spotting negative trends. The following analysis focuses on the Authority's major funds and addresses future trends within those balances. The analysis also presents details on the components of revenue and trends in expenditures.

Fund Budgets

All Funds

Balance Analysis

Figure FB-1 presents the combined fund balances of all the Authority's funds. The ending balance shows cyclical patterns, primarily increasing as a result of debt issuances, and decreasing as those funds are consumed. Overall, the All Funds balance is stable, though the amount of debt issued and the sudden large drop of sales tax revenue are of concern. Service has been realigned and will continue to be realigned and capital expenditures were reduced and are expanding because of the improved financial status of the Authority.

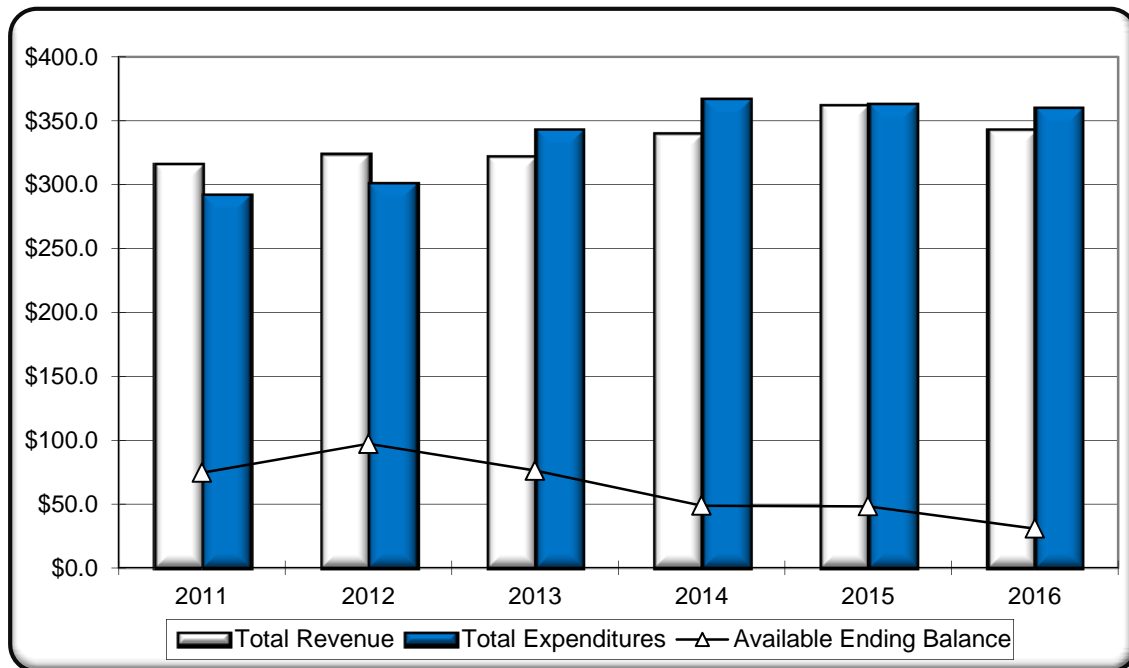


Figure 1

The Sales & Use Tax revenue, the largest source of revenue for RTA, dropped \$19 million, 10.9%, from 2008 receipts due to the national recession. This was the most dramatic decline in Sales Tax in the history of the Authority. To balance the budget, RTA reduced expenditures, which included reducing service, closing a bus garage, and non-bargaining staff took a 3% pay reduction. Managed Health Care was added to the Sales & Use Tax base, which helped to increase tax receipts by about \$8.6 million in 2010, \$8.1 million in 2011, and \$8.0 million in 2012. By the end of 2013, Sales & Use Tax is estimated to end the year around \$189.6 million, slightly higher than the 3rd Quarter estimate of \$189.2 million and is projected to end 2014 at \$194.1 million.

RTA now has a sustainable budget. The levels of Federal and State funding remain questionable. A proposal to cut Federal Funding by 30% for 6 years (\$15 million annually) was deferred until September 2014 when President Obama signed a Transportation Bill in July 2012. This bill decreased Federal funding to RTA by \$4 million due to the funding formula based on population from the 2010 Census. The Authority is in a much improved financial situation but challenges still remain.

Fund Budgets

All Funds Balance Analysis

	2011 Actual	2012 Actual	2013 Estimate	2014 Budget	2015 Budget	2016 Budget
Beginning Balance	50,349,041	74,465,533	97,139,213	76,071,357	48,749,427	48,208,948
Revenue						
Passenger Fares	48,017,726	49,237,857	48,585,275	49,314,054	50,053,765	50,804,571
Sales & Use Tax	173,242,329	181,219,251	189,225,299	194,083,536	198,353,374	202,717,148
Federal (Including ARRA)	51,104,869	33,570,510	57,746,500	67,062,500	64,053,750	59,087,500
State	11,017,398	6,389,010	5,860,736	5,619,822	4,819,822	4,819,822
Investment Income	502,022	380,932	375,252	537,575	573,775	598,775
Other Revenue	32,210,750	28,275,857	20,349,000	23,345,000	25,000,494	25,055,000
General Obligation Debt Proceeds	0	25,000,000	0	0	20,000,000	0
Total Revenue	316,095,094	324,073,417	322,142,062	339,962,487	362,854,980	343,082,816
Total Resources	366,444,135	398,538,950	419,281,276	416,033,844	411,604,407	391,291,764
Expenditures						
Personnel Services	154,927,523	163,776,230	171,657,813	179,270,617	178,785,940	181,761,853
Diesel Fuel	9,918,864	12,632,036	13,977,752	14,182,500	14,253,413	14,324,680
Other Expenditures	47,577,594	48,023,751	48,987,745	56,996,693	57,320,393	57,633,344
Capital Outlay	59,669,042	56,201,045	87,840,000	96,050,000	91,500,000	84,550,000
Debt Service	19,885,579	20,766,675	20,746,608	20,784,608	21,535,713	22,307,207
Total Expenditures	291,978,603	301,399,737	343,209,918	367,284,418	363,395,458	360,577,083
Available Ending Balance	74,465,533	97,139,213	76,071,357	48,749,427	48,208,948	30,714,681

Figure 2

General Fund

Balance Analysis

The General Fund is the general operating fund of the Authority and accounts for all revenue and expenditures except for activities related to capital improvements, debt service, catastrophic/extraordinary losses, and supplemental pension benefits. Figure FB-4 highlights the financial stress that was being experienced during the recession and our planning to counter-act those effects. The combination of dramatic sales tax reduction, increasing personnel costs, and volatile fuel/utility costs had created a discouraging outlook through 2009.

From 2006 to 2009, the revenue and expense mismatch grew steadily. The Authority had to dip into prior year fund balances to cover current year expenses. In 2006, total expenditures were \$400,000 more than that year's revenue. In 2007, the mismatch increased to \$1.3 million and further increased in 2008 to \$5.6 million with a resulting drawdown of the fund balance to \$8.4 million. In 2009, the Sales & Use Tax receipts dropped 10.9% due to the recession. The General Fund balance dropped sharply to \$2.9 million with the help of one-time grant funding. In 2010, hard decisions had to be made. In April we implemented a 12% service reduction and closed Harvard Garage on weekends. In September, Harvard Garage was closed altogether. A combination of a 5.6% recovery in Sales Tax, additional one-time grant funding, an increase in reimbursed expenditures, and continuous monitoring of operating expenses, the ending balance grew to \$20.4 million. To help alleviate the stress of another recession, we reserved \$4.6 million of the ending balance. In 2011, we promised our customers that we would end the year without service decreases or fare increases, and Sales & Use Tax ended the year with a 6.1% increase, which helped to achieve that goal.

Fund Budgets

As highlighted in the **Citizens Summary**, meeting the one-month reserve policy has been a challenge over the last decade. This goal was last met between 1994 and 1996. Since then the reserve policy has not been met, fluctuating between a low of a 0.1 months reserve in 2009, to a high of a 0.9 months reserve in 2005 and 2006.

	2011 Actual	2012 Actual	2013 Estimate	2014 Budget	2015 Budget	2016 Budget
Beginning Balance	\$19.8	\$36.4	\$38.2	\$30.4	\$14.3	\$4.7
Total Revenue	\$262.2	\$256.9	\$262.2	\$270.8	\$276.7	\$281.9
Total Resources	\$282.0	\$293.3	\$300.4	\$301.2	\$291.0	\$286.6
Operating Expenses	\$210.4	\$222.9	\$232.4	\$247.8	\$247.5	\$250.7
Fund Transfers	\$35.2	\$32.1	\$37.6	\$39.1	\$38.9	\$39.1
Total Expenditures	\$245.6	\$255.1	\$270.0	\$286.9	\$286.4	\$289.8
Available Ending Balance	\$36.4	\$38.2	\$30.4	\$14.3	\$4.7	-\$3.3

Figure 3

The 2008 and 2009 reserves of 0.4 and 0.1 months, respectively, did not meet the goal. In 2010, this goal was met at 1.2 months reserve. Sales Tax revenue, the largest revenue source for the Authority experienced a 5.6% increase, recovering part of the decline from 2009. This was due to the addition of managed health care to the tax base. The 2011 ending balance and projected balance for 2012, 2.1 and 1.9 months, respectively, will again meet the goal and both represent improvements over recent years. The ending balance for the 2013 Budget will come close, at 0.9 months. Expenses will be managed to help achieve the 1.0 month policy goal at year-end.

The Authority has continued to control costs and aggressively execute the budget. In addition to this normal level of activity, the Authority implemented TransitStat in 2008, a data-driven performance management initiative, to review operations, seek improvements, and further reduce costs. These actions have increased accountability and helped increase efficiency and effectiveness. The goal for 2013 is to transfer part of the available ending balance to the Capital Fund and Rolling Stock Reserve.

The Authority rolled back expenses in 2010 to 2004 levels. Sales tax recovered and is now the highest in history at \$181.2 million. Expenses have been held to the six-year rollback. Consequently, year-end balances have markedly improved. The goal for the operating reserve has been met or exceeded in 2010, 2011, and 2012. Excellent budget execution allowed the 2012 ending balance to remain at the 2011 level. RTA is beginning to meet its goal of a sustainable General Fund balance. The work and results of the past four years must be continued in 2013 and beyond.

Fund Budgets

General Fund Balance Analysis

Assumptions:						
Passenger Fare Annual Growth =	1.8%	2.5%	-1.3%	1.5%	1.5%	1.5%
Sales Tax Annual Growth =	6.1%	4.6%	4.4%	2.6%	2.2%	2.2%
Personnel & Fringe Cost Growth =	-1.3%	5.7%	4.8%	4.4%	-0.3%	1.7%
Non-Personnel Cost Growth =	4.2%	2.2%	0.5%	16.2%	0.2%	0.3%
Operating Expenses Growth =	-11.8%	6.9%	10.5%	6.6%	-0.1%	1.3%
Capital Contribution =	31,895,296	31,023,887	36,094,436	36,875,897	36,072,262	36,357,581
	18.4%	17.1%	19.1%	19.0%	18.2%	17.9%
	2011	2012	2013	2014	2015	2016
	Actual	Actual	Estimate	Budget	Budget	Budget
Beginning Balance	19,846,961	36,375,982	38,235,140	30,420,885	14,348,768	4,674,394
Revenue						
Passenger Fares	48,017,726	49,237,857	48,585,275	49,314,054	50,053,765	50,804,571
Advertising & Concessions	904,153	1,375,671	1,630,000	1,000,000	1,000,000	1,000,000
Sales & Use Tax	173,242,329	181,219,251	189,225,299	194,083,536	198,353,374	202,717,148
CMAQ Reimbursement for the Healthline	7,129,442	2,128,337	0	0	0	0
Operating Assistance - Paratransit Operation	3,109,000	3,125,000	3,889,000	3,889,000	3,089,000	3,089,000
Ohio Elderly Fare Assistance	0	0	0	0	0	0
CMAQ Reimbursement - Trolley	980,980	0	950,000	950,000	850,000	0
Access to Jobs Program	1,559,639	1,712,976	3,214,000	2,340,000	1,595,494	0
Investment Income	131,592	201,267	210,000	225,000	250,000	275,000
Other Revenue	1,500,537	971,146	1,000,000	1,000,000	1,000,000	1,000,000
Reimbursed Expenditures	25,600,974	16,955,634	13,500,000	18,000,000	20,500,000	23,000,000
Total Revenue	262,176,372	256,927,139	262,203,574	270,801,590	276,691,633	281,885,719
Total Resources	282,023,333	293,303,121	300,438,714	301,222,475	291,040,401	286,560,113
Operating Expenditures						
Personnel Services	154,927,523	163,776,230	171,657,813	179,270,617	178,785,940	181,761,853
Diesel Fuel	9,918,864	12,632,036	13,977,752	14,182,500	14,253,413	14,324,680
Other Expenditures	45,555,668	46,535,828	46,787,828	54,344,693	54,454,393	54,636,844
Total Operating Expenditures	210,402,056	222,944,094	232,423,393	247,797,810	247,493,745	250,723,376
Transfer to the Insurance Fund	3,250,000	1,000,000	1,400,000	2,100,000	2,700,000	2,650,000
Transfer to the Pension Fund	100,000	100,000	100,000	100,000	100,000	100,000
Transfers to Capital						
Bond Retirement Fund	19,793,855	19,386,892	18,324,392	20,754,392	21,574,686	22,347,495
Capital Improvement Fund	12,101,441	11,636,995	17,770,044	16,121,505	14,497,576	14,010,086
Total Transfers to Capital	31,895,296	31,023,887	36,094,436	36,875,897	36,072,262	36,357,581
Total Expenditures	245,647,351	255,067,981	270,017,829	286,873,707	286,366,007	289,830,957
Ending Balance	36,375,982	38,235,140	30,420,885	14,348,768	4,674,394	-3,270,844
Brookpark Lightning Strike Reserve Funds	1,100,000	1,100,000	0	0	0	0
Rolling Stock Reserve Funds	0	7,000,000	0	0	0	0
Reserved Funds	6,602,000	6,840,000	6,900,000	6,900,000	6,900,000	6,900,000
Available Ending Balance	28,673,982	23,295,140	23,520,885	7,448,767	-2,225,607	-10,170,845

Figure 4

Fund Budgets

Revenues

Revenue is received from a number of sources to support activity in the General Fund. A discussion of the major sources of General Fund revenue follows.

In 2008, Sales & Use Tax and Passenger Fare Revenue represented just over 55.7%, or \$221.7 million, of total Authority revenue. Federal capital assistance, combined with State and Local capital grant assistance, all intergovernmental sources of revenue accounted for 24.0%, or a total of \$95.5 million.

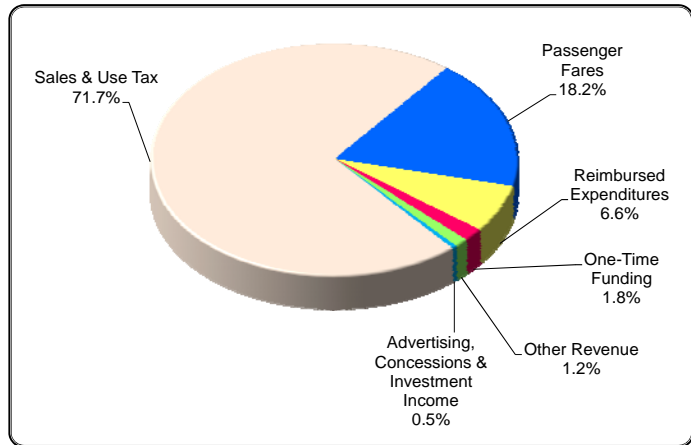


Figure 5

In 2009, revenues dropped primarily due to the sharp drop in Sales & Use Tax revenue. Sales & Use Tax combined with Passenger Fare Revenue, totaled 58.8% or \$204.3 million of total revenue. Intergovernmental revenue totaled 27.4% or \$95.3 million of total revenue. Sales & Use Tax revenue for 2010 was \$163.2 million, mainly due to the addition of managed health care to the tax base. In 2011, Sales & Use Tax receipts increased 6.1% above 2010 receipts. Intergovernmental sources (Federal and State assistance) were reduced from 19.2% of the total revenue in 2010 to 14.6% of the revenue in 2011, with reimbursed expenditures decreasing by \$13.6 million. In 2012, Passenger Fare revenue increased 2.5% above 2011 and Sales & Use Tax receipts increased 4.6%, compared to 2011 figures.

Revenues for 2013 are projected at \$262.2 million. Passenger Fares are estimated to decrease by 1.3%, compared to 2012 and Sales & Use Tax is projected to end the year 4.4% above 2012 receipts. Intergovernmental sources (Federal and State assistance) are projected to be 8.2% of total revenue, with reimbursed expenditures projected at \$13.5 million.

For 2014, Sales & Use Tax and Passenger Fare Revenues are projected at 2.6% and 1.5%, respectively, above 2013 estimates. Intergovernmental sources (Federal and State assistance) are projected at 9.3% of total revenue for 2013, an increase of \$3.6 million, compared to 2013.

Sales & Use Tax

The Authority's major source of revenue is a one percent Sales and Use Tax on sales of tangible personal property and on other transactions subject to the State Sales and Use Tax within the boundaries of Cuyahoga County. The one percent tax is of unlimited duration and was approved by the voters of Cuyahoga County in July 1975. The tax is levied and collected at the same time and on the same transactions as the permanent five percent Sales and Use Tax levied by the State, plus the one-half percent temporary state sales tax, one-quarter percent levied for the Medical Mart, and the one percent tax levied by Cuyahoga County. The tax is administered and enforced by State taxing authorities and is distributed on a monthly basis, approximately two months following the collection of the tax by the State (three months after the tax is paid by consumers).

Fund Budgets

In late 2009, Managed Health Care was added to the tax base. In December 2013, Medicaid Managed Care Premiums were approved to be added to the tax base, starting April 1, 2014. This change is anticipated to bring an additional \$1.5 million to \$2.0 million to the Sales & Use Tax receipts.

Beginning in 1989, Board policy required that a minimum of ten percent of annual Sales and Use Tax revenues be dedicated to capital improvements. The presentation of Sales Tax revenue (as reported in Figure 4) indicates total receipts, not the approximately 90% that is actually used to fund operations.

Sales tax receipts dedicated to capital improvements are reported as a fund transfer from the General Fund to the RTA Capital Fund. However, in the Authority's accounting records, sales tax receipts dedicated to capital improvements are treated as direct revenue to the RTA Capital Fund, not as a transfer. In 1995, the direct contribution was further defined to include the transfer to the Bond Retirement Fund.

In the past, even in slower economic growth periods, the sales tax has performed relatively well. Sales tax receipts in 1994 showed an 11.2% increase, decreasing to 7.6% in 1995 and to 3.2% in 1996. A more stable growth pattern was seen between 1997 and 2000 as the growth rate ranged between 4.8% and 6.3% during these years. Since 2001 though, the picture has been much different with minimal growth rates and some years of negative growth. The last solid increase of 5.3% occurred in 2004. Since 2010, Sales Tax receipts have been increasing above 4.0% with 2010, 2011, 2012, and 2013 at 5.6%, 6.1%, 4.6%, and 4.6% respectively. Although the increases are significant, they are lessening each year. A graph of the Sales & Use Tax receipts from the past 20 years is shown in Figure 6.

The increase projected for 2014 in the General Fund Statement reflects a 2.6% increase from 2013 3rd Quarter estimate of \$48.59 million. December's receipts for the Sales & Use Tax were received early December and were \$405,346 above 3rd Quarter projection, so the projected increase for 2014 is 2.3%. The increase from Managed Health Care receipts has encompassed most of the growth in Sales & Use Tax receipts for 2010 through 2012; however, the growth has slowed each year. The transfer to capital for 2014 is budgeted at 19.0%. The Fourth District Federal Reserve is projecting economic growth over 2% for 2014.

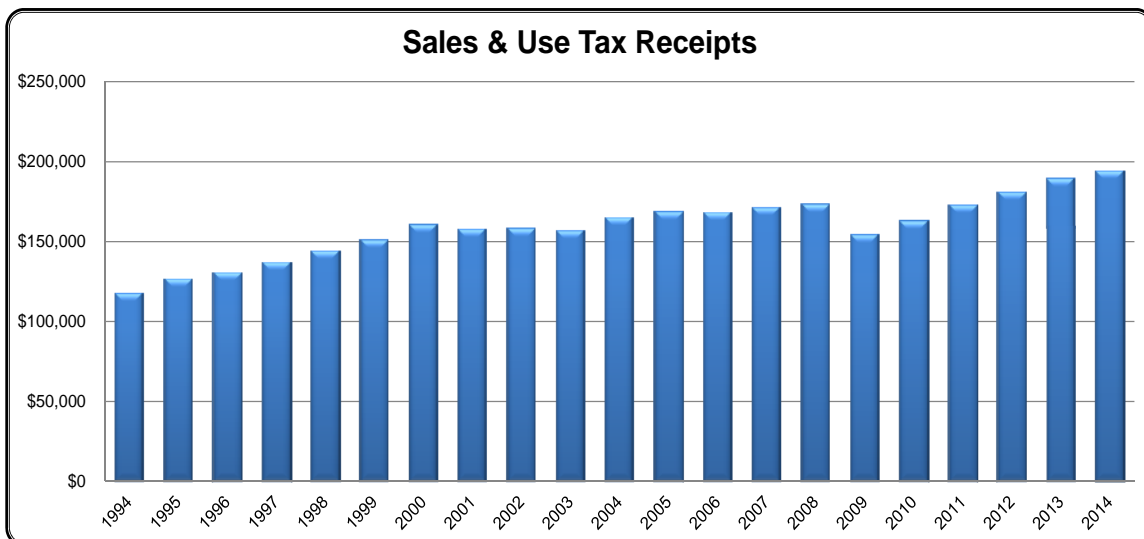


Figure 6

Fund Budgets

Passenger Fares

Passenger Fares are the second largest source of revenue to the General Fund, comprising 18.5% of the total estimated revenue in 2013. The \$48.6 million does not include an additional \$3.2 million from the Cleveland Metropolitan School District for student passes in 2013 and 2014. Passenger fares consist of cash farebox revenue from Authority trains and buses, charges for elderly, handicapped, and special services, and sales of passes and tickets.

From 2003 to 2008, the Authority registered annual ridership increases each year, bringing the accomplishment to six consecutive years of ridership growth. However, during the period between 2003 and 2005, passenger fare revenue lagged behind ridership due to modifications in the fare policies and changes in customer travel patterns. Therefore, in 2006 the Board of Trustees approved a two-phase fare increase effective in July 2006 and January 2008. This action helped boost fare revenue from 2006 to 2008.

Fuel prices increased dramatically in 2008 and a fuel surcharge of 25 cents was added in October and another 25 cents was deferred until 2009, and then executed in the first quarter. In addition a service reduction was implemented. In 2009, the national recession affected North East Ohio with 11% unemployment and Passenger Fare revenue dropped 8.6% from budgeted levels. RTA adjusted service levels in 2010 and implemented a 12% service reduction in April and minor service changes throughout the remainder of the year.

In 2011 and 2012, passenger fares increased 1.8% and 2.5%, respectively. This change is entirely attributable to increased ridership due to the restoration of some service, an expected decline in unemployment and rising fuel prices. Passenger Fares are projected to end the year at \$48.6 million, or a 1.3% decline from 2012. This is due to not receiving the student fares from the Cleveland Metropolitan School District for 2013. For 2014, Passenger Fares are expected to increase by only 1.5%, compared to 2013 estimated receipts. A graph of the past 20 years of Passenger Fare Revenue is shown in Figure 7.

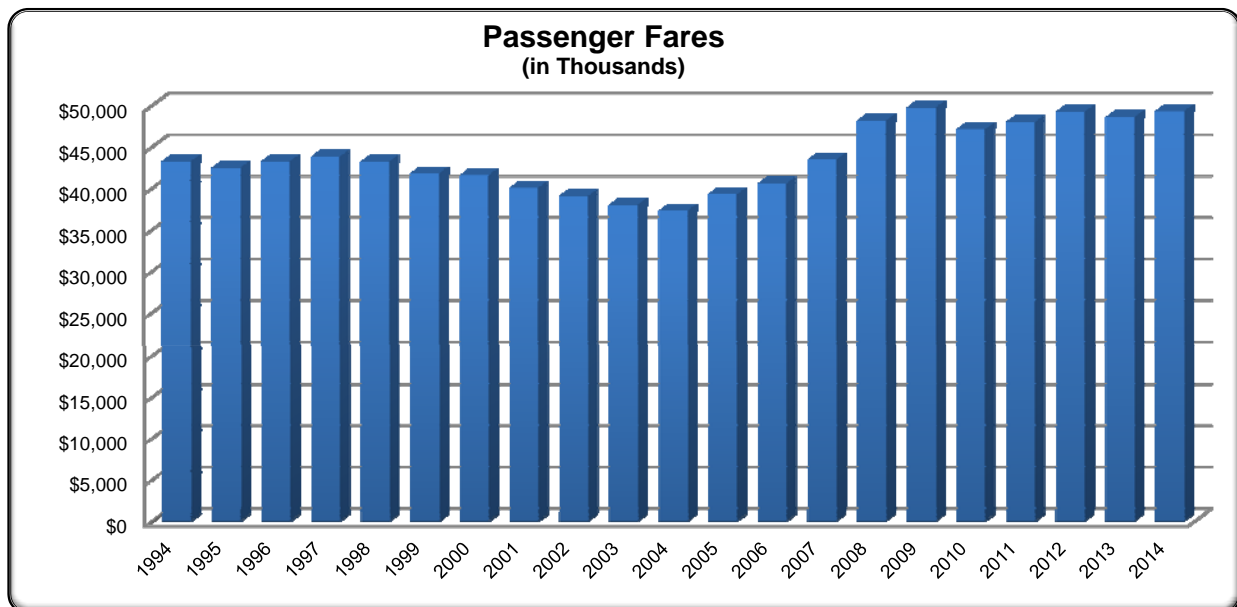


Figure 7

Fund Budgets

Investment Income

The Authority pursues an aggressive cash management and investment program in order to achieve maximum financial return on all available funds. Idle cash balances are invested at the best interest rates available within the constraints imposed by State law and RTA financial policies. Current policy permits the Investment Officer to invest idle cash in certificates of deposit or repurchase agreements with depositories designated by the Board of Trustees, in U.S. Government securities, in securities of agencies, which are guaranteed by the U.S. Government, and in the State investment pool (Star Ohio).

Investment income steadily increased from 2005 to 2008. This was the result of large ending balances and increasing investment rates. The 2009 and 2010 actuals show a significant reduction of 76.0% and 63.9%, respectively, as a result of significantly lower balances and Federal Reserve actions lowering short-term rates. Investment income for 2011 was \$131,592, an increase of 84%, compared to 2010. In 2012 Investment Income ended the year at \$201,267 and for 2013, is estimated at \$210,000, an increase of 53% and 4.3%, respectively. These are due to higher ending balances at the end of each year.

For 2014 and the two out-years, \$225,000, \$250,000, and \$275,000 is estimated for each respective year. However, interest earned on General Fund investments varies depending upon the timing of revenue receipts, expenditures, and the transfers made to other funds (shifting interest earnings from the General Fund to other funds).

Advertising & Concessions

Another source of income is the Authority's contract to place advertisements upon buses and trains. A 3-year contract was signed in late 2011 guaranteeing \$725,000 with a potential to increase this to \$1 million. In addition, the Authority will receive \$125,000 (net) from the HealthLine naming rights contract. The Authority received \$904,153 in 2011, which included the receipts from the old contract and new contract; and \$1,375,671 in 2012. The Authority is projected to receive \$1,630,000 in 2013. In combination with a small amount of concessions revenue, \$1.0 million is expected in 2014 and the category is projected to remain steady in 2015 and 2016.

Federal Operating Assistance

Federal operating grants are no longer received from the Federal Transit Administration (FTA) for general operating assistance. This source of revenue, at one time very significant, was eliminated in 1999 and will not be restored in the foreseeable future.

Prior to 1999, Federal operating grant dollars had been drawn down based on cash flow requirements in the General Fund. The amount and timing of revenue received from this source in any year fluctuated, based on the Authority's ability to drawdown these funds and the amount of the grant.

This source of revenue declined over the last several years of its existence, reaching a low of \$773,000 in 1998, which represented less than 1% of all General Fund revenues. This amount had been significantly reduced from the 1997 level of \$4.2 million and was nearly a 90% reduction from 1995. This was a result of Congressional action intended to substantially reduce

Fund Budgets

operating assistance to transit agencies eventually leading to the total elimination, which transpired in 1998 for the 1999 budget year.

Although direct Federal Operating Assistance was eliminated, the Authority was given the ability to use capital formula grant awards to reimburse the Operating Budget for preventive maintenance expenditures which it has done so to varying degrees in recent years. Though utilizing the flexibility provided has helped to support the Authority's level of service, as revenue challenges have arisen and been met over the years, it represents an ongoing disinvestment in the Authority's capital infrastructure in favor of maintaining service levels. Further explanations of revenues from this source are presented under Reimbursed Expenditures and Other Revenue.

State Operating Assistance

State operating funds are received from the Ohio Department of Transportation (ODOT) for elderly and handicapped assistance. These funds are awarded annually and correspond to the state fiscal year (July 1 through June 30). In 1999, nearly \$5 million of State Operating Assistance was completely eliminated with an equivalent amount given as a capital grant. The same was true in 2000 – 2004, though flexibility was given to allow the capitalization of operating expenses, but beginning in 2005, its use for capitalized operating assistance was limited.

In 2007, \$2.2 million was awarded and received from the state for elderly and handicapped fare assistance. The 2008 award for elderly and handicapped fare assistance was reduced and delayed until 2009 when the combined amount received for the two years was \$2.76 million. In 2010, the amount received for elderly and handicapped fare assistance was further reduced to \$619,057. In 2011, the State halted all funding in this category and has no plans to reinstate it in the future.

In 2009, a one-time state award of \$7.2 million of revenue was received to cover the cost of other operating expenses including transfers for small capital equipment and asset maintenance projects, contractual Paratransit services, and CNG purchases for the bus fleet. Another one-time award of \$5.09 million was received late in FY 2010 for reimbursement of preventive maintenance activities and for providing ADA Paratransit services during the 2011 Budget Year. The effect of the long-term elimination of State Operating Assistance remains evident, as budget strains are projected to exist for the foreseeable future. State aid could offer potential support for public transportation services, but the State faces many financial challenges of its own.

Reimbursed Expenditures and Other Revenue

Reimbursed expenditures include grant funded reimbursements of expenses within the General Fund and include Preventive Maintenance (PM) activities; expense reimbursements for the Access to Jobs program, Paratransit, HealthLine and Trolley operations; for labor costs associated with the capital program; fuel tax refunds on diesel and gasoline purchases from the State of Ohio; and one-time fuel cost reimbursements from the State of Ohio. In 2008, these sources contributed \$36.6 million, or nearly 14% of total General Fund revenue. In response to the dramatic decrease in Sales & Use Tax revenue during 2009, these sources grew to a combined \$45.96 million, or 17.4% of total revenue, to the General Fund and further increased in 2010 to \$53.1 million or 19.9% of total revenue as several non-traditional capital grants were identified for the HealthLine and Trolley Operations.

Fund Budgets

In 2011, revenue from these sources decreased to \$38.4 million, or 14.6%, as revenue from the Sales & Use Tax improved and the State Funding Fuel Initiative expired. These revenues decreased again in 2012 to \$21.9 million, or 8.6% of total revenue, as the grant reimbursements for the HealthLine and Trolley Operations expire and as the Sales & Use Tax continues to improve. In 2013, the Authority expects these revenue sources to equal \$22.2 million, or 8.5% of total revenue. A CMAQ grant was approved for the three new Trolley Lines in late 2012, but reimbursements for these new routes will occur starting in 2013 and ending in 2015. For 2014 and 2015, the Authority expects these amounts to stabilize at \$24.2 million, or 9.0%, and \$24.3 million, 8.9%, respectively.

Capital grant reimbursement of Preventive Maintenance activities within the General Fund is the single largest source of revenue for the General Fund included within this category. Primarily funded through the FTA Capital and Rail formula grants, this source reimbursed an average of \$29.05 million in General Fund expenses in each of the 2008, 2009 and 2010 Budget Years, but in FY 2011 and FY 2012, as the financial status of the Authority improved PM reimbursements decreased to \$21.6 and \$11.8 million respectively. In 2013, they will remain steady at \$12.0 million and then slightly grow to \$15.3 and \$17.8 million in 2014 and 2015 respectively.

Other Revenues of approximately \$1.0 million includes contractor and hospitalization reimbursements, rent, salvage sales, and claims receipts, among other miscellaneous receipts. The amounts received from these sources have fluctuated over the years due to one-time receipts settlements and miscellaneous reimbursements.

Expenditures

As discussed in the Citizens Summary, due to the great recession in 2008 and 2009, the Authority had to implement some drastic changes in 2010 and 2011 in order to improve the financial outlook. The 2012 budget was approved providing stability to the fares, service levels, and staffing. A 4.3% service increase was budgeted to alleviate overcrowding on the rail lines and some bus routes. As a result, a net increase of 50 positions was included in the budget. Fuel costs have been controlled and stabilized through the fuel-hedging program and electricity costs were reduced through reconciliation and monitoring of all accounts. Figure 8 represents the General Fund Expenditures from 2007 through 2014 and the ending balance for each year. The implemented changes helped to not only decrease the expenditures, but also increase the ending balance from 2010 through 2012.

In 2013, a 5% service increase was added to alleviate overcrowding on rail and bus lines, the annualization of three new Downtown Trolley routes, and a proposed new Park-N-Ride facility in Independence. With the completion of the HRV Exterior Overhaul, 15 of the 22 positions were eliminated. Employees who were in these positions were moved into vacant positions. As a result of all of these measures, 20 positions were added in 2013, totaling 2,302.5 positions.

For 2014, a total of 46 positions were added to the Budget. Additional operators are added to address overcrowding and increase efficiencies in the service plan. A new ITS (Intelligent Transportation Systems) Department is created, eliminating the current IT (Information Technology) Department. This will create six new positions, eliminate the IT Director position, and move four positions from other departments into ITS. An additional 8 positions are added to the 2014 budget to address efficiencies in Transit Police and Fleet Management.

Fund Budgets

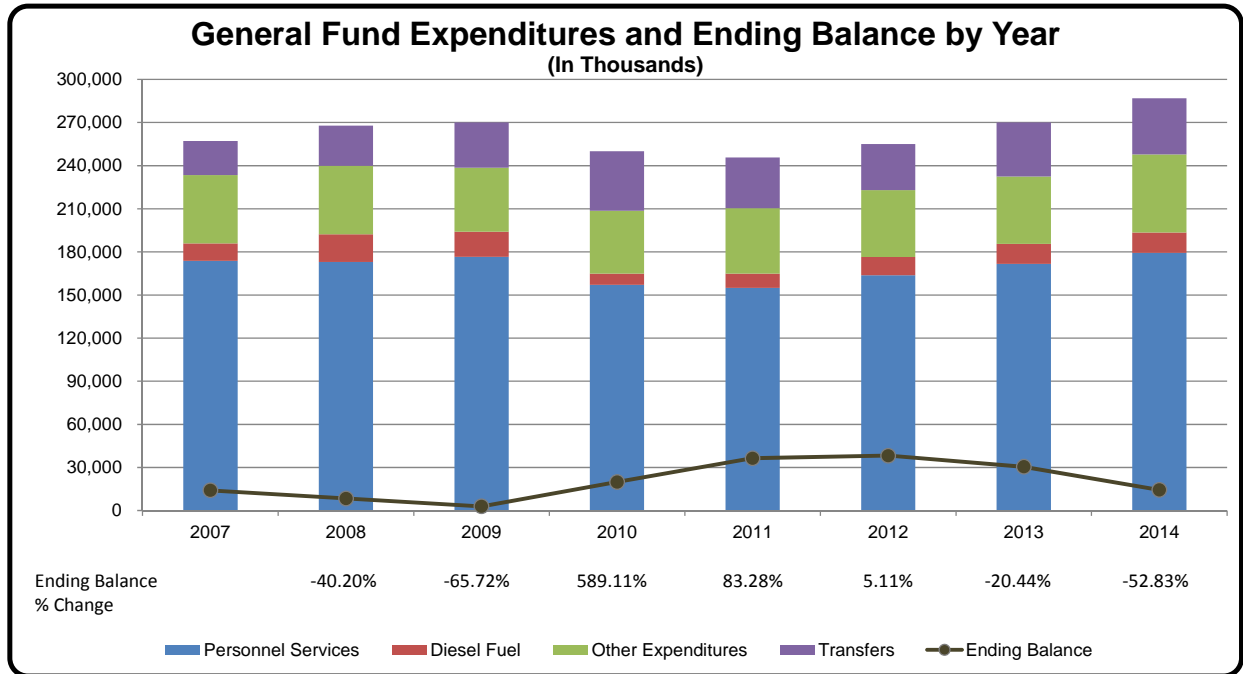


Figure 8

Personnel costs, including fringe benefits, are budgeted at \$179.3 million, an increase of \$7.6 million from 2013 projections. This includes not only the additional 46 positions but also includes budgeting for vacant positions, increases in health care costs, and a 3% wage increase for FOP, ATU, and Non-Bargaining employees.

Any new program(s) or expansion of existing programs is assumed as “trade-offs” thus representing no net increase in cost, demonstrating a commitment to financial control. The operating budget for 2014 is \$10.1 million more than budgeted in 2013, with \$7.6 million of that estimated for personnel services, \$3.3 million for contractual services, and \$3.1 million for fuel and utilities. Total expenditure growth from 2013 to 2014 is 6.6%, as detailed in Figure 9.

Transfers to other funds within the Authority place additional financial pressures on the General Fund. The transfer for bond retirement has grown from \$14.8 million in 2008 to a projected \$20.8 million in 2014 to cover increases in debt service payments. A State Infrastructure Bank (SIB) loan was paid off early in 2011, saving over \$1.2 million, which will help to decrease the transfer to the Bond Retirement Fund for 2013 to \$18.3 million. The transfer will remain steady in the future, at \$21.5 million in 2015 and \$22.3 million in 2016 reflecting actual debt payments.

In 2013, budgeted transfers to support the capital program equaled \$17.8 million to meet the demands for local funding by the Authority’s capital program. The Authority’s capital program continues to be developed in line with existing grant awards, but the need for local match funds continues at high levels due to a large number of operating expense reimbursement grants and the need to supplement available grant funds.

Fund Budgets

When combined with transfers for debt service payments, total capital contribution exceeds the maximum 15% level from the General Fund recommended by the Authority's financial policies. In 2014, due to the need of additional financial resources in the capital fund for the upcoming bus replacement purchases, the capital contribution will increase to \$36.9 million, or 19.0%, of all revenue from Sales & Use Tax collections. In 2015 it will hold steady at \$36.1 million, or 18.2%, and at \$36.4 million, or 17.9%, in FY 2016. To maintain the proper balance in the Insurance and Pension Funds, transfers of \$2.1 million and \$100,000, respectively, are needed in 2014. In 2015 and 2016, the Insurance Fund transfer will increase slightly to \$2.7 million for each year the Pension Fund is projected to need transfers of \$100,000 in both years.

Areas of Expenditure Growth 2014 Budget			
2013 Projected Operating Expenses		\$232,423,393	
Compensation Issues		\$ 7,493,602	4.37%
Hourly & Salary Labor Increase	\$ 6,017,045		
Fringe Benefits	\$ 1,476,557		
Fuel / Utilities		\$ 3,229,517	15.55%
Diesel Fuel	\$ 204,748		
Propulsion Power	\$ 1,141,296		
Other Utilities	\$ 1,883,473		
Service Opportunities		\$ 2,608,019	8.42%
Purchased Transportation	\$ 547,455		
Services	\$ 2,317,880		
Materials & Supplies	\$ 820,184		
Inventory	\$(1,077,500)		
Administration Changes		\$ 2,043,279	22.34%
ITS Department	\$ 1,134,668		
Liabilities	\$ 112,685		
Other (Net)	\$ 795,926		
Expenditure Growth		\$ 15,374,417	6.61%
2014 Budgeted Operating Expenditures		\$247,797,810	

Figure

Fund Budgets

Bond Retirement Fund

The Bond Retirement Fund accounts for resources set aside for the payment of principal and interest on debt obligations. At the end of 2013, the Authority has five General Obligation (G.O.) Bond Issues outstanding and outstanding debt of \$138.05 million. The policy of the Authority is to set aside resources transferred from the General Fund on a monthly basis to meet the current year's annual principal and semiannual interest payments. Under this system, the Bond Retirement Fund balance drops below one thousand dollars each December 1st.

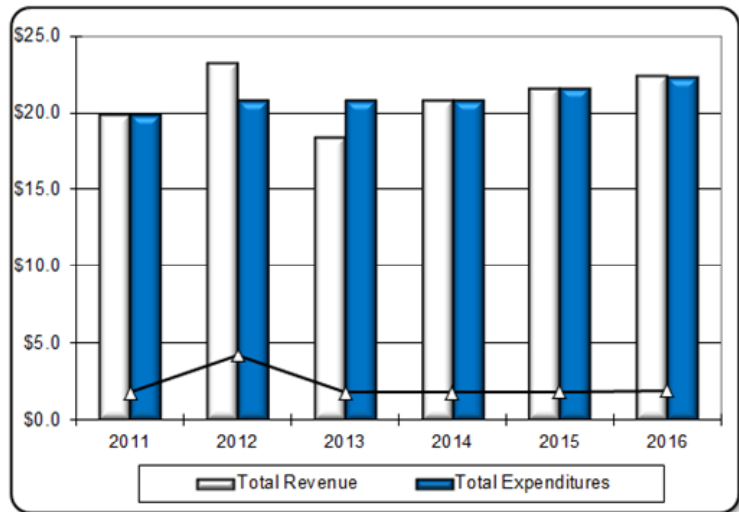


Figure 10

In Figure FB-10, each year's ending balance generally represents one-twelfth of the subsequent year's debt service requirement, which is set-aside on the last day of each year. Thus, the ending balance in this fund remains relatively low at all times. During FY 2013, the Authority will retire \$14.5 million in principal and pay nearly \$6.3 million in interest on its outstanding long-term debt.

Long-term debt for the Authority includes both debt and refunding debt sales from 2004 through 2012. These include a combined \$42.39 million issuance of revenue bonds in FY 2012 for \$25.0 million of new debt and a \$17.4 million refinancing issuance, a \$35.0 million issuance and \$27.4 million refunding issuance in 2008, a 2006 debt sale of \$38.5 million, and \$67.2 million of debt issued in 2004. Required transfers from the General Fund to make these payments are reduced by interest earned in the Bond Retirement Fund. For the 2014 Budget, a transfer of \$20.8 million will be required from the General Fund, in tandem with the remaining proceeds of a bond premium received as a result of its FY 2012 debt issuance to cover the current overall debt service of the Authority.

Bond Retirement Fund Balance Analysis

	2011 Actual	2012 Actual	2013 Estimate	2014 Budget	2015 Budget	2016 Budget
Beginning Balance	1,790,289	1,737,726	4,154,819	1,758,246	1,752,030	1,815,003
Revenue						
Transfer from General Fund	19,793,855	19,386,892	18,324,392	20,754,392	21,574,686	22,347,495
Investment Income	39,161	23,086	25,643	25,500	26,500	26,500
Bond Premium Proceeds	0	3,779,561	0	0	0	0
Other Revenue	0	10	0	0	0	0
Total Revenue	19,833,016	23,189,549	18,350,035	20,779,892	21,601,186	22,373,995
Total Resources	21,623,305	24,927,275	22,504,854	22,538,138	23,353,216	24,188,998
Expenditures						
Debt Service						
Principal	13,139,510	13,990,000	13,895,000	14,485,000	15,360,818	16,421,440
Interest	6,746,069	6,776,675	6,851,608	6,299,608	6,174,895	5,885,767
Other Expenditures	0	5,781	0	1,500	2,500	2,500
Total Expenditures	19,885,579	20,772,456	20,746,608	20,786,108	21,538,213	22,309,707
Ending Balance	1,737,726	4,154,819	1,758,246	1,752,030	1,815,003	1,879,291

Figure 11

Fund Budgets

Insurance Fund

The Insurance Fund is used to account for resources, which have been reserved to protect the Authority against future catastrophic or extraordinary losses, as the Authority is currently self-insured in all areas except personal property and equipment. In the late-nineties, expenditures for the settlement of unusual or extraordinary claims as well as for insurance premiums stressed this fund. Up through 1999, \$5 million was required as the fund minimum balance. From 2000 through 2003, unexpected claim costs required an increase in the balance to \$7.5 million. In 2004, the minimum balance was returned to the original \$5.0 million.

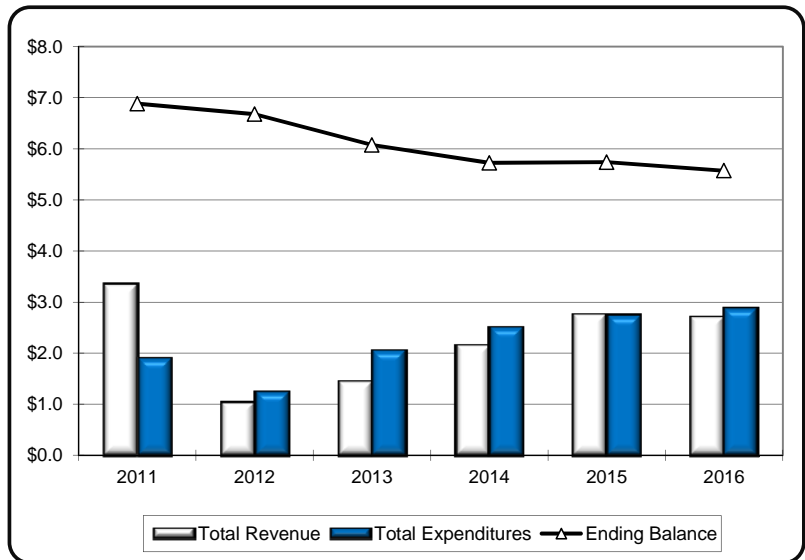


Figure 12

A portion of the self-insurance fund was liquidated and replaced with purchased insurance coverage in 1999. According to the Authority's financial policies, the Risk Manager on an annual basis determines the minimum balance required in the Insurance Fund.

In 2011, a transfer from the General Fund of \$3.25 million was needed to increase the balance to the required \$5.0 million minimum level. Lower claims and premium payments helped to increase the ending balance to \$6.9 million. Minimum transfers have been made in 2012 and 2013 in order to keep the fund above the minimum \$5 million balance. In 2014, 2015, and 2016, transfers of \$2.1 million, \$2.7 million, and \$2.7 million, respectively, will be needed to maintain the required minimum balance.

Insurance Fund Balance Analysis

	2011 Actual	2012 Actual	2013 Estimate	2014 Budget	2015 Budget	2016 Budget
Beginning Balance	5,448,731	6,883,060	6,678,594	6,074,156	5,724,156	5,739,656
Revenue						
Investment Income	72,788	34,928	40,562	45,000	45,000	45,000
Transfer from General Fund	3,250,000	1,000,000	1,400,000	2,100,000	2,700,000	2,650,000
Total Revenue	3,322,788	1,034,928	1,440,562	2,145,000	2,745,000	2,695,000
Total Resources	8,771,519	7,917,988	8,119,156	8,219,156	8,469,156	8,434,656
Expenditures						
Claims and Premium Outlay	1,888,459	1,231,929	2,045,000	2,495,000	2,729,500	2,861,500
Other Expenditures	0	7,465	0	0	0	0
Total Expenditures	1,888,459	1,239,394	2,045,000	2,495,000	2,729,500	2,861,500
Ending Balance	6,883,060	6,678,594	6,074,156	5,724,156	5,739,656	5,573,156

Figure 13

Fund Budgets

Supplemental Pension Fund

The Supplemental Pension Fund (Pension/Deferred Compensation Trust and Agency Fund) was established to account for assets held by the Authority in a trustee capacity for payments of benefits relating primarily to certain retired employees of the Authority and its predecessor transit systems. Since 1986, the Pension Fund also has been used to account for funds on deposit with the Ohio Public Employees Deferred Compensation Board. The Authority has no control over these funds, but is required to account for them in a trust and agency fund according to governmental accounting standards.

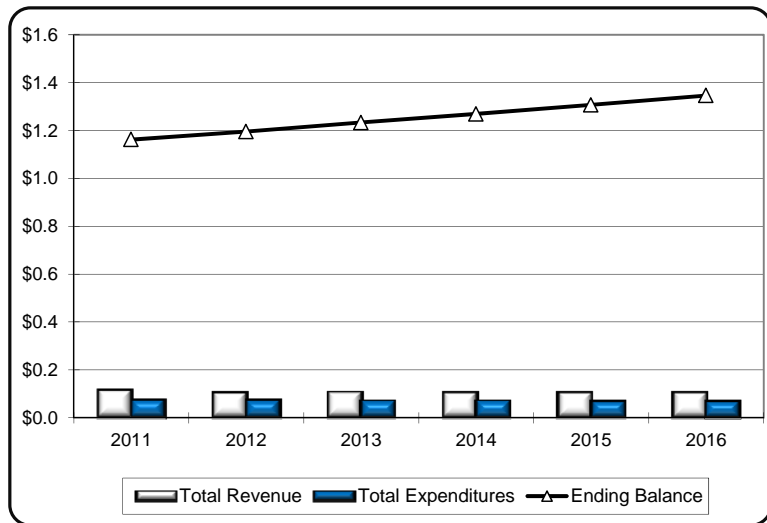


Figure 14

An actuarial evaluation is performed every two years to assess the adequacy of the fund balance. This Budget increases and maintains the fund balance at levels recommended in the last actuarial evaluation. Transfers of \$100,000 will be made from the General Fund to support this effort in 2014, 2015, and 2016, but these amounts may change with the results of the next actuarial study.

Benefit payments from this fund between 2005 and 2009 have ranged from a low of nearly \$88,000 in 2005 to a high of just under \$95,000 in the following year. In 2013, payments will be approximately \$69,800. In 2014 through 2016, payments of \$70,500, \$69,000, and \$67,500, respectively, are projected. The ending balance in the fund is projected to be stable over the next three years.

Supplemental Pension Fund Balance Analysis

	2011 Actual	2012 Actual	2013 Estimate	2014 Budget	2015 Budget	2016 Budget
Beginning Balance	1,121,472	1,161,820	1,195,091	1,233,042	1,269,042	1,306,792
Revenue						
Investment Income	15,704	6,183	7,751	6,500	6,750	6,750
Transfer from General Fund	100,000	100,000	100,000	100,000	100,000	100,000
Total Revenue	115,704	106,183	107,751	106,500	106,750	106,750
Total Resources	1,237,176	1,268,003	1,302,842	1,339,542	1,375,792	1,413,542
Expenditures						
Benefit Payments	75,357	72,912	69,800	70,500	69,000	67,500
Total Expenditures	75,357	72,912	69,800	70,500	69,000	67,500
Ending Balance	1,161,820	1,195,091	1,233,042	1,269,042	1,306,792	1,346,042

Figure 15

Fund Budgets

Law Enforcement Fund

In 1988, RTA became involved with the Northern Ohio Law Enforcement Task Force (NOLETF), a multi-jurisdictional force (formerly known as the Caribbean/ Gang Task Force). The Authority's involvement was prompted by the increasing gang activity found in and around the rail system and the need to obtain intelligence in this area. In addition to the benefits of intelligence gathering and improved inter-department relations, the GCRTA derives revenue from seized and confiscated monies and/or properties of convicted drug dealers prosecuted by the Task Force.

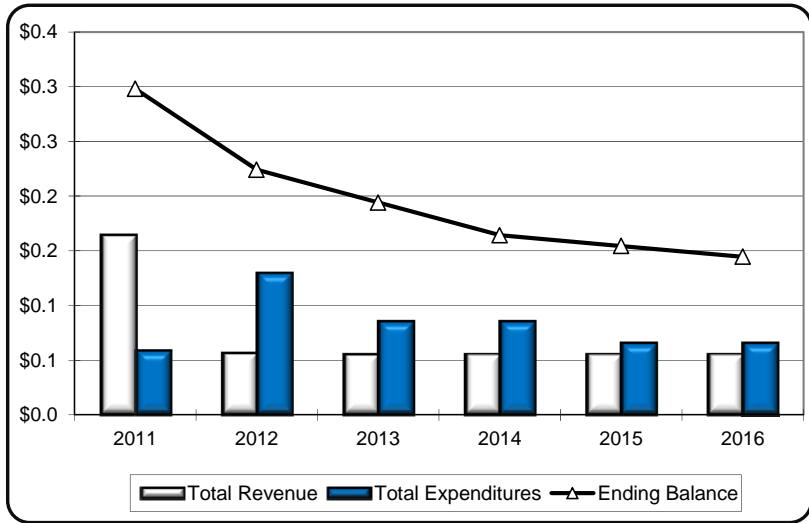


Figure 16

Revenue obtained through the Task Force can be expended for non-budgeted police items. The Authority primarily uses these proceeds for unbudgeted capital items. Furthermore, certain guidelines have been instituted by the State Attorney General's Office for the reporting of and disbursement of funds. Expenditures within this fund have varied over the years, depending upon the levels of revenue obtained through the Task Force. These expenditures funded security items, protective equipment, and technical training equipment. The expenditures projected in 2014, 2015, and 2016 are from previously appropriated budget authority and encumbrances from prior years. The only other activities expected in this fund in FY 2014 are investment earnings of \$125 and other revenue of \$55,000.

Law Enforcement Fund Balance Analysis

	2011 Actual	2012 Actual	2013 Estimate	2014 Budget	2015 Budget	2016 Budget
Beginning Balance	191,563	298,091	184,342	154,267	124,392	114,517
Revenue						
Investment Income	171	86	43	125	125	125
Other Revenue	164,467	56,000	55,000	55,000	55,000	55,000
Total Revenue	164,638	56,086	55,043	55,125	55,125	55,125
Total Resources	356,201	354,177	239,385	209,392	179,517	169,642
Expenditures						
Capital & Related Items	58,110	129,986	85,117	85,000	65,000	65,000
Total Expenditures	58,110	129,986	85,117	85,000	65,000	65,000
Reconciling Journal Entry	0	39,850	0	0	0	0
Ending Balance	298,091	184,342	154,267	124,392	114,517	104,642

Figure 17

Fund Budgets

Capital Improvement Fund

Balance Analysis

The Authority's Capital Improvement Fund is used to account for the acquisition, construction, replacement, repair, and renovation of major capital facilities and equipment. The Capital Improvement Plan is composed of both grant-funded projects as well as 100% locally funded items.

All capital projects are included in one of two funds: the RTA Development Fund which includes the majority of the larger projects, including rehabilitations, expansions and large equipment purchases, and the RTA Capital Fund, a smaller fund for more routine expenditures that support daily operational activities.

Generally, projects in the RTA Development Fund are greater than \$150,000, have a useful life of greater than five years, and are predominantly, although not exclusively, supported through grant awards. Projects from the Authority's Long Range Plan are included in this area and it includes those capital projects where grant funding already has been approved or will be submitted for approval in future years. Capital projects included in the RTA Capital Fund are generally less than \$150,000, have a useful life of less than 5 years, are routine in nature, and in many cases relate directly to daily operations. Unlike the RTA Development Fund, where the majority of projects are funded with grant awards, the RTA Capital Fund is financed entirely through local dollars in the form of sales & use tax revenue contributions.

Detailed discussions of the fund balances in these funds are presented in the Capital Improvement Plan. Figure FB-17 provides a consolidated look at all Capital Improvement Funds. The fund balance normally alternates years of increases and decreases as planned activities are balanced with cash infusions. Overall, the balance has been generally decreasing since 1990 with periodic increases a direct result of cash infusion from debt sales or from other irregular one-time revenue, such as a \$15.0 million "Sale to Lease" transaction in 2002 or a \$25.0 million Capital Lease transaction in 2007.

The available balance in the combined Capital Fund had declined in 2009 and again in 2010, primarily due to the lateness of receipt of the Federal Capital Grants in those years and a high level of construction activities. It increased in 2011 due to the timing of the Federal grant awards that delayed some planned project activities until 2012 and again in 2012 due to a new debt issuance and a pause in the Authority's capital program in preparation for a busy 2013 construction season.

The high level of capital activity by the Authority, begun in the 1990s, continued until recently with such projects as the re-construction of the Triskett Garage, the HealthLine along Euclid

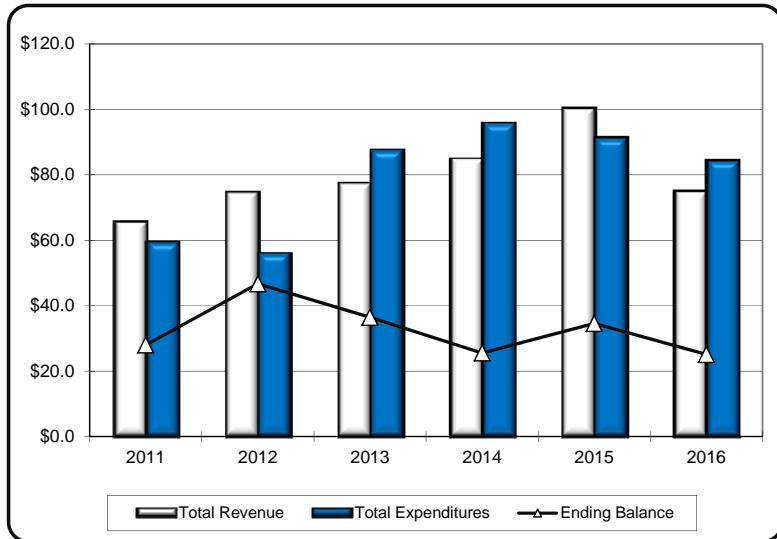


Figure 18

Fund Budgets

Avenue, a mid-life overhaul of the Authority's Light and Heavy Rail Fleets, as well as the reconstruction of multiple Rail Stations, and maintenance of the Authority's infrastructure. Funds set aside for these large projects were drawn against, as part of a planned drawdown of the fund balance. Beginning with the 2008 Budget Year, the capital budget process was focused on the need to balance the Authority's ambitious capital program with available grant funding and to minimize, where possible, the use of local funds. This resulted in the development of a CIP with projects closely scheduled with expected Federal Fiscal Year (FFY) grant funds and anticipated revenue streams, with few new projects being added, and some projects deferred into future years. At the same time, the Authority has committed to the completion of its ADA Keystation program and has implemented a multi-year bus replacement program.

In 2014, the Capital Budget appropriation request totals \$76.65 million for the acquisition of buses, preventive maintenance and operating expense reimbursements, equipment, services, and construction projects to improve, replace or upgrade the Authority's facilities and infrastructure. The Authority's infrastructure needs though continue to exceed the amount of available grant funds especially now with the negative impact of the MAP-21 legislation that result in the deferral of some requested projects or the use of local funds for their completion.

Proceeds from debt sales, as well as from sales tax contributions, are used to fulfill the Local Match requirement on grant funded projects as well as for 100% locally funded projects. In 2014, the Transfer to Capital from the General Fund is budgeted at \$16.12 million. It will decrease in 2015 to \$14.50 million and then to \$14.01 million in 2016. The Authority has redoubled its efforts to securing additional non-traditional federal and state resources as the impact of the new MAP-21 legislation has been analyzed and has becoming more creative with the use of debt and other financing, though the on-going discussions within the Federal Government on the new Transportation Bill still creates some uncertainty over the long-term stability of Federal funds for capital projects.

Capital Improvement Fund Balance Analysis

	2011 Actual	2012 Actual	2013 Estimate	2014 Budget	2015 Budget	2016 Budget
Beginning Balance	21,950,024	28,008,854	46,691,228	36,430,761	25,531,037	34,558,586
Revenue						
Transfer from General Fund	12,101,441	11,636,995	17,770,044	16,121,505	14,497,576	14,010,086
Investment Income	242,606	115,382	91,253	235,450	245,400	245,400
Federal Capital Grants	51,104,869	33,570,510	57,746,500	67,062,500	64,053,750	59,087,500
State Capital Grants	778,956	1,135,673	1,971,736	1,730,822	1,730,822	1,730,822
Debt Service	0	25,000,000	0	0	20,000,000	0
Other Revenue	1,500,000	3,424,859	0	0	0	0
Total Revenue	65,727,872	74,883,419	77,579,533	85,150,277	100,527,548	75,073,808
Total Resources	87,677,896	102,892,273	124,270,761	121,581,037	126,058,586	109,632,393
Expenditures						
Capital Outlay	59,669,042	56,201,045	87,840,000	96,050,000	91,500,000	84,550,000
Total Expenditures	59,669,042	56,201,045	87,840,000	96,050,000	91,500,000	84,550,000
Available Ending Balance	28,008,854	46,691,228	36,430,761	25,531,037	34,558,586	25,082,393

Figure 19

Fund Budgets

Revenues

The Authority receives various capital grants from the Federal Transit Administration (FTA). Funds are requested from FTA, as needed, to meet obligations, via wire transfer. The timing of the receipt of federal capital revenue is directly related to costs invoiced by contractors/vendors, since these funds must be disbursed within three days after receipt. FTA grants normally cover approximately 80% of project costs with the remaining cost being absorbed by the Authority's local match revenue, which consist of interest income, transfers from other funds and sales of bonds and notes. In some cases FTA grants, such as the American Recovery & Reinvestment Act of 2009 (ARRA) and from the Transportation Investment Generating Economic Recovery (TIGER) program are awarded with a 100% Federal share. State capital assistance is seen in the form of State capital grants from the Ohio Department of Transportation (ODOT) and loans from the State Infrastructure Bank (SIB).

The RTA Capital Fund was established in 1988, sales & use tax proceeds as part of the Authority's minimum 10 and maximum 15 percent contribution to capital requirement as described under General Fund Revenue. Interest earned on the investment of those sales tax proceeds is the only other income credited to the RTA Capital Fund. The Authority's local contribution to its capital program is captured by Transfers within the Operating Budget to the RTA Capital Fund and the Transfer to the Bond Retirement Fund.

Even as revenue from the Sales & Use Tax stagnated and decreased in recent years, transfers of General Fund revenue to the RTA Capital Fund have grown significantly to meet the financial needs of an aggressive capital program – from \$6.8 million in FY 2007 to \$11.64 million in FY 2012 and to an estimated \$17.77 million in FY 2013. The increase in FY 2013, relative to earlier years, was to align the local funding component of the Authority five-year bus replacement schedule into the correct capital fund, though a second planned increase for 2014 was not needed.

The FY 2014 Capital Transfer from the General Fund will decrease to a planned \$16.12 million to meet the needs of the capital program in the upcoming year. This amount, when combined with an expected \$20.75 million transfer to the Bond Retirement Fund will produce a total contribution of Sales & Use Tax revenue to capital of \$36.88 million, or 19.0 percent of all Sales & Use Tax Revenue, again exceeding the Authority's maximum target goal of 15%.

Transfers to the Bond Retirement Fund are expected to increase in the next several years – growing to \$21.57 million in FY 2015 and to \$22.35 million in FY 2016. When combined with the Capital Transfer in those years, at 18.2 percent and 17.9 percent, this measure will remain well above the maximum goal of 15.0 percent in those years continuing to highlight the on-going problem of meeting the daily operating needs of the Authority while maintaining the Authority's assets in a state of good repair as well. Meeting the financial needs of both areas will significantly challenge the overall financial stability of the Authority, particularly in light of the current economic situation and the slow future growth projected in revenue from the Sales & Use Tax.

Department Budgets

The Department Budgets Section provides detailed information about the budget of a particular division or department within the Authority. Departments are listed in department-number order within their respective divisions. The Table of Contents at the beginning of the document lists departments by division. Also, departments are listed on the tabs of each division within this section.

Budget information is organized at three levels within this section:

Authority – An Organizational Chart for the Authority is presented on page 2. General Fund expenditures by Division, with Department totals, are listed on pages 3, followed by Staffing by Division, with Department totals on 4.

Division – For each of the divisions within the Authority, a narrative introduces the mission and general description of the division. Achievements from 2013 are highlighted, in addition to priorities for the upcoming 2014 Budget Year.

Department – Detailed information is presented for each department, including a description of the department’s mission. Detailed information on historical and current year expenditures is presented. Current year information reflects the total approved budget presented by summary object classes. Also presented is budget implementation information, including budget directives and performance indicators. Each indicator is linked to one or more of the Authority’s Policy Goals (listed on page TL-6 (Transmittal Letter)).

Organization charts and staff level summaries accompany each department. All positions listed on the organization charts are described as shown below:

POSITION TITLE JOB CLASS (# OF POSITIONS)
--

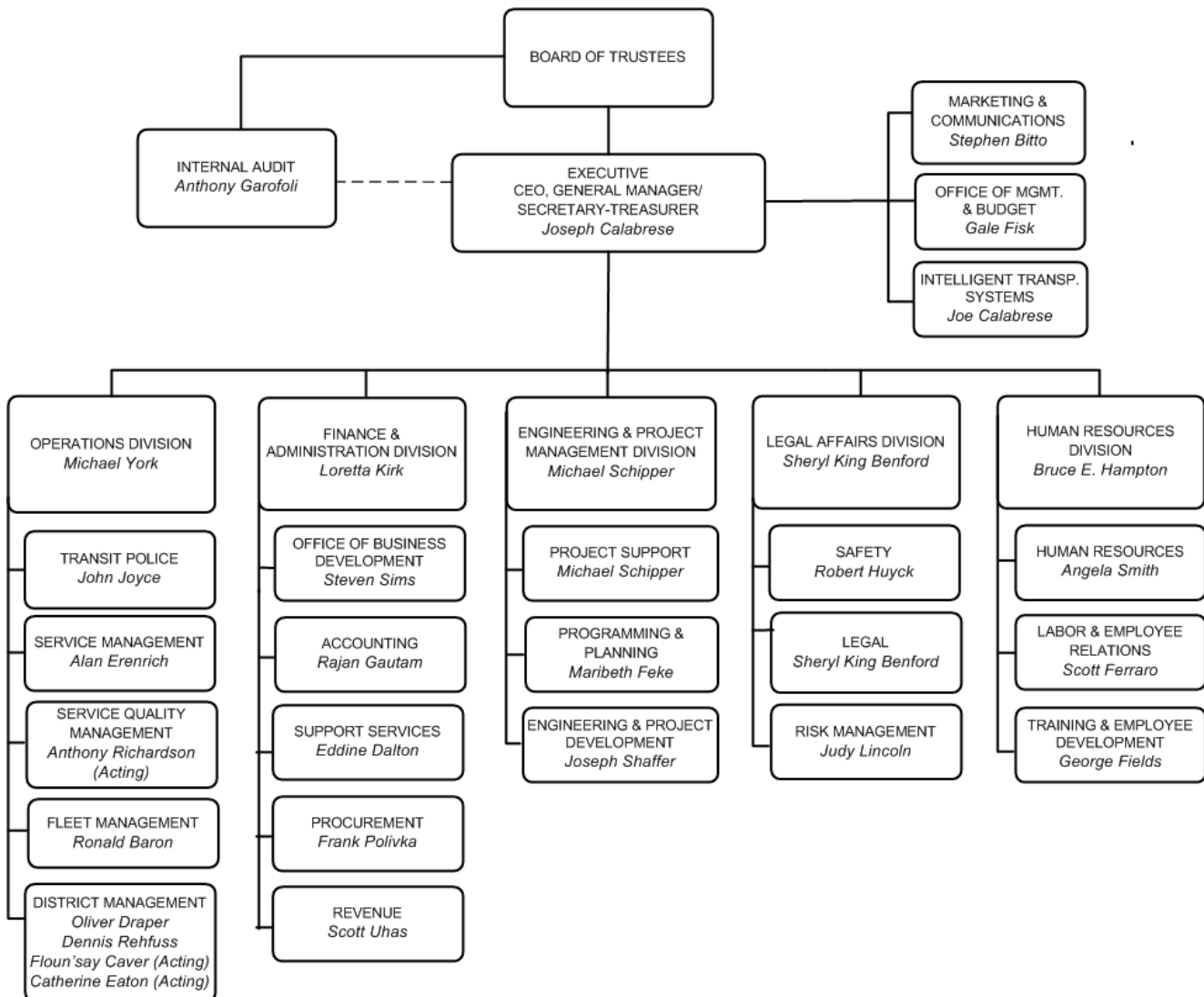
A solid box indicates that the position is budgeted and reports to the Department in which it is referenced. A dotted box denotes that the position has a reporting relationship with the particular Department but is not budgeted by the Department in which it is shown. A solid line from one box to another reflects reporting of one position to another. A dotted line connecting two boxes reflects reporting of one position to two or more positions.

The organizational charts and budgeted positions shown in the 2014 Budget represent a snapshot in time. Accordingly, they reflect the positions and organizational structure at the time the budget was adopted. During the course of the year a budgeted position may undergo changes in responsibility and scope as a result of technology and/or process improvements. When these changes are significant, it may become necessary to re-evaluate the grade level and title of a position to ensure it is consistent with the Authority’s Job Evaluation System and organizational structure.

Department Budgets

Furthermore, the organizational charts included in the 2014 Operating Budget represent the completion of the district management reorganization. During that implementation, a number of operational departments underwent name and/or structural changes or were combined with other departments. These types of changes may also have occurred as a result of re-engineering efforts. In addition to structural changes, a number of positions may have changed in scope, title, and/or function to reflect new responsibilities.

GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY
TABLE OF ORGANIZATION
2014



Department Budgets

General Fund Expenditures by Division

DIV: 1 - OPERATIONS		2011	2012	2013	2014	2015	2016
DEPT #	DESCRIPTION	ACTUAL	ACTUAL	ESTIMATE	BUDGET	BUDGET	BUDGET
31	PARATRANSIT DISTRICT	17,235,195.56	19,894,728.94	20,694,781.87	20,959,673.62	20,904,086.49	21,154,178.92
32	RAIL DISTRICT	31,721,553.41	33,191,228.04	32,820,854.27	35,860,523.51	35,692,447.26	36,167,879.63
34	TRANSIT POLICE	10,370,218.00	10,736,638.65	11,347,424.03	13,085,907.67	12,996,330.92	13,202,397.02
35	SERVICE MANAGEMENT	6,858,197.44	6,749,598.47	7,289,761.88	8,382,911.23	8,404,903.32	8,495,167.73
38	SERVICE QUALITY MANAGEMENT	5,522,593.42	5,691,258.93	6,000,307.45	6,560,393.42	6,666,089.66	6,776,589.41
39	FLEET MANAGEMENT	33,144,686.59	38,315,974.62	41,426,307.48	42,916,892.79	42,996,825.48	43,400,301.89
43	BRUNSWICK PASS THRU	\$269,627.91	\$245,142.10	\$111,716.01	\$284,343.00	\$284,343.00	\$284,343.00
46	HAYDEN DISTRICT	39,881,016.97	41,938,951.59	44,038,205.98	43,745,110.96	43,364,078.25	44,078,810.55
49	TRISKETT DISTRICT	27,155,902.19	29,606,671.79	31,678,397.75	31,656,865.34	31,393,664.03	31,906,656.52
DIVISION TOTALS		172,158,991.49	186,370,193.12	195,407,756.72	203,452,621.53	202,702,768.42	205,466,324.67
DIV: 2 - FINANCE AND ADMINISTRATION		2011	2012	2013	2014	2015	2016
DEPT #	DESCRIPTION	ACTUAL	ACTUAL	ESTIMATE	BUDGET	BUDGET	BUDGET
10	OFFICE OF BUSINESS DEVELOPMENT	359,368.23	315,651.46	372,114.34	390,509.30	397,182.02	403,992.93
60	ACCOUNTING	1,554,720.51	2,132,611.71	2,056,903.01	2,426,677.56	2,466,546.35	2,507,237.46
61	INFORMATION TECHNOLOGY	3,997,254.71	4,034,518.81	4,206,604.81	0.00	0.00	0.00
62	SUPPORT SERVICES	832,450.37	841,849.83	874,956.43	1,023,687.23	1,030,536.01	1,039,653.70
64	PROCUREMENT	1,494,381.10	1,520,589.72	1,600,628.06	1,683,093.87	1,711,716.70	1,740,931.94
65	REVENUE	1,975,265.00	2,018,694.56	2,130,528.48	2,238,738.77	2,263,852.39	2,289,475.87
DIVISION TOTALS		10,213,439.92	10,863,916.09	11,241,735.13	7,762,706.72	7,869,833.47	7,981,291.90
DIV: 3 - ENGINEERING & PROJECT MANAGEMENT		2011	2012	2013	2014	2015	2016
DEPT #	DESCRIPTION	ACTUAL	ACTUAL	ESTIMATE	BUDGET	BUDGET	BUDGET
55	PROJECT SUPPORT	420,181.13	347,795.96	330,068.12	413,534.42	419,816.18	426,227.23
57	PROGRAMMING & PLANNING	678,838.38	476,400.55	617,101.85	810,558.04	818,006.02	825,607.72
80	ENGINEERING & PROJECT DEVELOPMENT	1,380,416.48	1,726,727.78	1,678,840.26	2,213,717.25	2,251,523.35	2,290,112.35
DIVISION TOTALS		2,479,435.99	2,550,924.29	2,626,010.23	3,437,809.71	3,489,345.55	3,541,947.30
DIV: 4 - LEGAL AFFAIRS		2011	2012	2013	2014	2015	2016
DEPT #	DESCRIPTION	ACTUAL	ACTUAL	ESTIMATE	BUDGET	BUDGET	BUDGET
15	SAFETY	777,264.00	833,064.52	776,152.11	953,638.88	964,095.63	974,759.62
21	LEGAL	1,467,085.18	1,522,437.75	1,628,007.72	2,030,329.38	2,059,267.75	2,089,979.42
22	RISK MANAGEMENT	7,482,643.67	6,596,617.38	7,287,283.39	7,586,833.49	7,615,576.78	7,646,123.83
DIVISION TOTALS		9,726,992.85	8,952,119.65	9,691,443.22	10,570,801.75	10,638,940.16	10,710,862.87
DIV: 5 - HUMAN RESOURCES		2011	2012	2013	2014	2015	2016
DEPT #	DESCRIPTION	ACTUAL	ACTUAL	ESTIMATE	BUDGET	BUDGET	BUDGET
14	HUMAN RESOURCES	1,129,757.68	1,280,382.72	1,580,934.20	1,838,723.05	1,859,974.89	1,887,707.04
18	LABOR RELATIONS	1,011,664.49	696,142.83	680,077.06	977,222.05	984,638.36	992,202.10
30	TRAINING & EMPLOYEE DEVELOPMENT	2,138,216.78	2,244,573.34	2,401,568.42	2,972,659.57	3,014,453.97	3,057,093.16
DIVISION TOTALS		4,279,638.95	4,221,098.89	4,662,579.68	5,788,604.67	5,859,067.22	5,937,002.30
DIV: 6 - EXECUTIVE		2011	2012	2013	2014	2015	2016
DEPT #	DESCRIPTION	ACTUAL	ACTUAL	ESTIMATE	BUDGET	BUDGET	BUDGET
12	EXECUTIVE	1,932,811.27	815,873.65	919,218.67	946,052.52	958,758.23	971,727.06
16	SECRETARY/TREAS. - BOARD OF TRUSTEES	299,567.18	330,682.80	321,831.36	345,487.44	347,809.03	350,178.69
19	INTERNAL AUDIT	714,658.38	789,052.62	613,163.91	772,201.89	784,250.33	796,547.16
53	MARKETING & COMMUNICATIONS	2,998,932.04	3,089,483.49	3,187,194.52	3,246,410.34	3,284,463.97	3,324,121.90
58	INTELLIGENT TRANSPORTATION SYSTEMS	0.00	0.00	0.00	6,373,314.51	6,430,479.25	6,488,715.63
67	OFFICE OF MANAGEMENT & BUDGET	5,609,399.44	4,624,749.80	3,752,459.96	5,101,798.72	5,128,029.52	5,154,656.85
99	FUND TRANSFERS	35,245,296.00	32,123,887.00	37,594,436.00	39,075,897.00	39,614,380.00	39,928,325.00
DIVISION TOTALS		46,800,664.31	41,773,729.36	46,388,304.42	55,861,162.42	56,548,170.33	57,014,272.29

Department Budgets

Staffing Level Comparisons Authorized Staffing Level by Division

Division	Department	2012 Actual	2013 Actual	2014 Budget	Variance (2014 - 2013)
1 - Operations					
	31 - Paratransit District	181.0	185.0	184.0	-1.0
	32 - Rail District	364.0	353.0	359.0	6.0
	34 - Transit Police	149.0	153.0	155.0	2.0
	35 - Service Management	74.0	75.0	73.0	-2.0
	38 - Service Quality Management	68.0	70.5	70.5	0.0
	39 - Fleet Management	168.0	167.0	174.0	7.0
	46 - Hayden District	611.0	610.0	617.0	7.0
	49 - Triskett District	421.0	423.0	439.0	16.0
	Totals	2,036.0	2,036.5	2,071.5	35.0
2 - Finance & Administration					
	10 - Office of Business Development	4.0	4.0	4.0	0.0
	60 - Accounting	24.0	25.0	26.0	1.0
	61 - Information Technology	23.0	23.0	0.0	-23.0
	62 - Support Services	7.0	7.0	7.0	0.0
	64 - Procurement	16.0	17.0	16.0	-1.0
	65 - Revenue	18.0	18.0	18.0	0.0
	Totals	92.0	94.0	71.0	-23.0
3 - Engineering & Project Management					
	55 - Project Support	4.0	4.0	4.0	0.0
	57 - Programming & Planning	4.0	4.0	4.0	0.0
	80 - Engineering & Project Development	16.0	17.0	19.0	2.0
	Totals	24.0	25.0	27.0	2.0
4 - Legal Affairs					
	15 - Safety	6.5	7.0	7.0	0.0
	21 - Legal	15.0	15.0	16.0	1.0
	22 - Risk Management	16.5	16.5	16.5	0.0
	Totals	38.0	38.5	39.5	1.0
5 - Human Resources					
	14 - Human Resources	16.0	16.0	16.0	0.0
	18 - Labor & Employee Relations	5.0	5.0	5.0	0.0
	30 - Training & Employee Development	25.0	26.0	26.0	0.0
	Totals	46.0	47.0	47.0	0.0
6 - Executive					
	12 - Executive	5.0	5.0	5.0	0.0
	16 - Secretary/Treasurer - Board of Trustees	11.0	11.0	11.0	0.0
	19 - Internal Audit	7.0	7.0	7.0	0.0
	53 - Marketing & Communication	27.5	27.5	27.5	0.0
	58 - Intelligent Transportation Systems	0.0	0.0	32.0	32.0
	67 - Office of Management & Budget	11.0	11.0	10.0	-1.0
	Totals	61.5	61.5	92.5	31.0
	Grand Total	2,297.5	2,302.5	2,348.5	46.0

Operations Division

Division Summary

Michael York, Deputy General Manager

The Operations Division provides special door-to-door and scheduled fixed route bus and rail transportation services to the general public and is responsible for maintenance of all vehicles, equipment, and properties.

Mission Statement

The mission of the Operations Division is to provide safe, reliable, and effective customer-focused transportation services throughout the RTA's service area in accordance with the service policies and financial plans adopted by the Authority.

2013 Achievements

- ◆ Restored weekday Waterfront Line when the Flats east bank mixed-use development.
- ◆ Implemented the services identified in the 2013 Service Management Plan (SMP), including restoration of 15 min. all day Red Line service.
- ◆ Continued fine-tuning services to minimize cost and maximize service delivery productivity.
- ◆ Continued to improve the cost-effectiveness and efficiency of service delivery.
- ◆ Completed Airport Tunnel construction and the S-Curve construction.
- ◆ Continued priority focus on improving customer communications and service delivery.
- ◆ In partnership with Safety, continued efforts to instill a Safety Culture orientation within all Operations Division organizational units.
- ◆ Began implementation of the MAP -1 Safety and State of Good Repair standards.
- ◆ Continued focus on Rail infrastructure repair/upgrades.
- ◆ Continued to aggressively support and participate in the TransitStat program to reduce costs and improve the Authority's business practices and services.
- ◆ OMB conducted a cost/benefit analysis for the Operator/Vehicle Performance demonstrations (i.e., Green Roads, DriveCam & Smart Drive). The recommendation is to procure a system in 2014.
- ◆ Continued to aggressively enforce energy conservation and sustainability initiatives.
- ◆ Continued Proof-of-Payment (POP) fare enforcement on the Health Line and Red Line.
- ◆ Continued Brand Management efforts in conjunction with Marketing: Health Line, Downtown Trolley, Red Line, Blue/Green Lines, Transit Centers and Park/Ride Service
- ◆ Continued the in-house rehabilitation of 40 Heavy Rail Vehicles.
- ◆ Completed installation of doors with safety sensitive edges on Light Rail Vehicles.
- ◆ Continued replacement/upgrade of the operator dispatch system (MIDAS replacement).
- ◆ Continued rail infrastructure rehabilitation.
- ◆ Continued establishment of standards/guidelines for measuring maintenance performance.
- ◆ Continued to refine RTA's system security, emergency preparedness, and operations plans.
- ◆ Increased Transit Police presence on Red Line trains, particularly during school periods.
- ◆ Procured & implemented I-Watch, a smart phone/web-based system whereby customers and the general public can anonymously report security, safety, crime, etc. issues/observations to Transit Police.
- ◆ Procured and began implementation of a new CAD/RMS for Transit Police.
- ◆ Continued efforts for reducing crime on RTA vehicles and at RTA facilities.
- ◆ Completed installation of the new rail wheel lathe.
- ◆ Completed the NASA fuel cell project.
- ◆ Procured non-revenue vehicles as budgeted.

Operations Division

- ◆ Procured 20 new propane Paratransit buses.
- ◆ Continued staffing of vacant rail management and technical positions.
- ◆ Conducted cost/benefit analysis of staffing weekend electronic maintenance for TVM, farebox and radio failures that occur on weekends.
- ◆ Implemented mobile bus cleaning program.

2014 Objectives

- ◆ Achieve all of the goals established for the TEAM initiatives.
- ◆ Procure an Operator/Vehicle Performance system based on the results of the systems tested in 2013 (i.e., Green Roads, SmartDrive and DriveCam).
- ◆ Procure an Event Recorder system for Rail.
- ◆ Implement the services identified in the 2014 Service Management Plan (SMP).
- ◆ Implement new West Shore BRT service on Clifton Blvd.
- ◆ Develop and operate services necessary to support the International Gay Games.
- ◆ Continue fine-tuning services to minimize cost and maximize service delivery productivity.
- ◆ Continue to improve the cost-effectiveness and efficiency of service delivery.
- ◆ Continue priority focus on improving customer communications and service delivery.
- ◆ In partnership with Safety, continue efforts to instill a Safety Culture orientation within all Operations Division organizational units.
- ◆ Continue implementation of the MAP-21 Safety and State of Good Repair standards.
- ◆ Continue focus on Rail infrastructure repair/upgrades.
- ◆ Continue to aggressively support and participate in the TransitStat program to reduce costs and improve the Authority's business practices and services.
- ◆ Continue to aggressively enforce energy conservation and sustainability initiatives.
- ◆ Continue Proof-of-Payment (POP) fare enforcement on the Health Line and Red Line.
- ◆ Continue Brand Management efforts in conjunction with Marketing: Health Line, Downtown Trolley, Red Line, Blue/Green Lines, Transit Centers and Park/Ride Service.
- ◆ Complete the in-house rehabilitation of 40 Heavy Rail Vehicles.
- ◆ Complete replacement/upgrade of the operator dispatch system (MIDAS replacement).
- ◆ Continue rail infrastructure rehabilitation.
- ◆ Continue establishment of standards/guidelines for measuring maintenance performance including all Rail Power & Way infrastructure systems.
- ◆ Continue to refine RTA's system security and emergency preparedness and operations plans.
- ◆ Continue increased Transit Police presence on Red Line trains, particularly during school travel periods.
- ◆ Continue efforts for reducing crime on RTA vehicles and at RTA facilities.
- ◆ Procure non-revenue vehicles as provided for in 2014 budget.
- ◆ Continue staffing of vacant rail and bus management and technical positions.
- ◆ Procure revenue vehicles as provided for in 2014 budget.
- ◆ Repair the exterior of all Health Line RTVs.
- ◆ Maintain State-of-Good Repair of Health Line stations and equipment.
- ◆ Complete implementation of new CAD/RMS for Transit Police.
- ◆ Support the development and implementation of a new ITS department.
- ◆ Continue to aggressively support/enforce the Authority's sustainability initiatives.

Operations Division

2014 OPERATING BUDGET SUMMARY Department 31 – Paratransit District

OLIVER DRAPER, DISTRICT DIRECTOR

Department Priorities for 2014

- ◆ Continue to implement the Paratransit Action plan to decrease customer wait times and trip denials, and increase unlinked passenger trips per revenue hour.
- ◆ Improve customer utilization of IVR and Web Access for scheduling.
- ◆ Create efficiencies to manage growth/demand for services.

Mission Statement

The mission of the Paratransit District is to provide essential door-to-door transportation services 24-hours a day, 7-days a week for Americans with Disabilities Act (ADA) eligible persons who cannot use regular GCRTA services as required by the ADA law and to manage all facilities and vehicle maintenance functions related to District operations.

	2011 Actual	2012 Actual	2013 Estimate	2014 Budget
CALLS				
• Calls Taken (#1)	293,288	290,244	322,050	335,408
• Average Wait Time (minutes) (#1)	1:04	2:05	1:00	2:00
• % Calls Abandoned (#1)	8.7%	7.73%	5.0%	6.0%
TRIPS				
• Passenger Trips Completed (#1)	578,355	650,060	684,336	725,396
• Cost per Revenue Mile (#4)	\$4.30	\$4.30	\$4.30	\$4.30
• Unlinked Passenger Trip/Revenue Hour (#1)	2.08	2.00	2.00	2.00
• Average # Revenue Vehicles Inspected per month (#1)	40	40	40	40

2013 Highlights

- ◆ Achieved over 4 million trip requests without denial (2007)
- ◆ Continued strong ridership growth 5.7% increase
- ◆ Maintained better than 90% total on-time performance
- ◆ Renewed contracts with primary contracted service providers
- ◆ Booked 5.3% of trips through Web/IVR

Operations Division

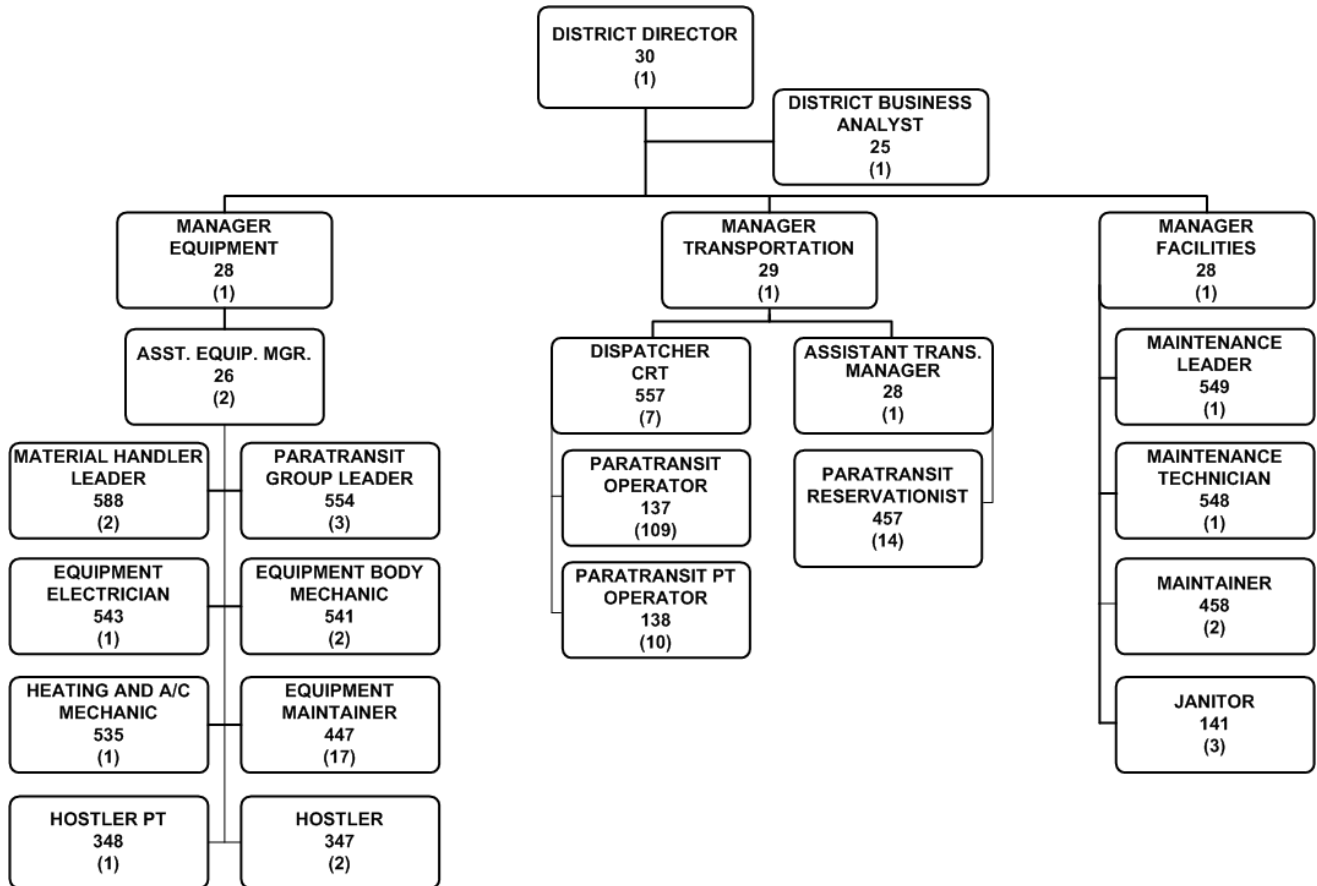
Below are budget and staffing highlights of the Paratransit District Department

Object Class	Description	2011 Actual	2012 Actual	2013 Estimate	2014 Budget
501100	BUS OPERATORS' LABOR	5,042,587.86	5,156,432.98	5,162,757.91	5,408,801.99
501110	OVERTIME - BUS OPERATORS	940,539.80	967,098.92	839,159.01	600,000.00
501200	HOURLY EMPLOYEES PAYROLL	2,315,426.66	2,430,537.19	2,591,120.99	2,722,347.69
501210	OVERTIME - HOURLY EMPLOYEES	206,540.15	247,332.44	267,913.79	200,000.00
501300	LABOR - SALARIED EMPLOYEES	883,931.61	864,333.56	836,228.17	1,000,573.15
501310	OVERTIME - SALARIED EMPLOYEES	38,642.71	46,831.31	49,469.13	30,000.00
502000	FRINGE BENEFITS	3,199,573.28	3,329,730.12	3,531,752.73	3,604,168.29
502071	W. C. - INJURIES & DAMAGES	2,989.22	1,534.86	1,434.86	0.00
503000	SERVICES	160,168.67	244,373.25	39,466.17	500.00
503042	VENDOR IN-HOUSE SERVICE (NAPA)	0.00	0.00	146,004.00	180,000.00
503052	OTHER MAINTENANCE CONTRACTS	0.00	0.00	450.00	82,600.00
504000	MATERIAL & SUPPLIES	424,165.21	693,569.56	18,279.84	49,322.50
504031	GASOLINE - STORAGE TANKS	1,017.39	674.20	609.13	3,300.00
504032	PROPANE FUEL	0.00	0.00	140,000.00	140,000.00
504081	VENDOR IN-HOUSE PARTS (NAPA)	0.00	0.00	714,427.00	564,000.00
508020	PURCHASED TRANSPORTATION - SUBURBAN	4,019,678.00	5,907,354.00	6,345,503.25	6,360,000.00
508027	PURCHASED TRANSPORTATION - TAXI	0.00	0.00	0.00	0.00
509000	MISCELLANEOUS EXPENSES	(35.00)	4,926.55	8,858.42	11,200.00
512000	LEASES & RENTALS	(30.00)	0.00	1,347.47	2,860.00
DEPT TOTAL		17,235,195.56	19,894,728.94	20,694,781.87	20,959,673.62

Staffing Comparison

Grade	Job Name	2011	2012	2013	2014
01	0137 Paratransit Operator	109.0	109.0	109.0	109.0
	0138 Paratransit Operator – PT	10.0	10.0	10.0	10.0
	0141 Janitor	3.0	3.0	3.0	3.0
02	0203 Clerk/Typist	0.0	1.0	0.0	0.0
03	0347 Hostler	2.0	2.0	2.0	2.0
	0348 Hostler – PT	2.0	0.0	2.0	1.0
04	0447 Equipment Maintainer	17.0	17.0	18.0	17.0
	0457 Paratransit Reservations Op	12.0	12.0	14.0	14.0
	0458 Maintainer	2.0	2.0	2.0	2.0
05	0535 Heating A/C Mechanic	1.0	1.0	1.0	1.0
	0541 Equipment Body Mechanic	1.0	1.0	1.0	2.0
	0543 Equipment Electrician	1.0	1.0	1.0	1.0
	0548 Maintenance Technician	1.0	1.0	1.0	1.0
	0549 Maintenance Leader	1.0	1.0	1.0	1.0
	0554 Paratransit Group Leader	3.0	3.0	3.0	3.0
	0557 Dispatcher – Paratransit	6.0	6.0	7.0	7.0
	0588 Material Handler	2.0	2.0	2.0	2.0
25	1085 District Business Analyst	1.0	1.0	1.0	1.0
26	1069 Asst. Supt. Paratran Equip	2.0	2.0	2.0	2.0
28	0761 Manager Facilities	1.0	1.0	1.0	1.0
	0851 Manager Equipment	1.0	1.0	1.0	1.0
	1084 Assistant Manager	1.0	1.0	1.0	1.0
29	0786 Manager Transportation	1.0	1.0	1.0	1.0
30	0777 District Director	1.0	1.0	1.0	1.0
Total		181.0	181.0	185.0	184.0

Operations Division



Operations Division

2014 OPERATING BUDGET SUMMARY Department 32 – Rail District

DENNIS REHFUSS, DISTRICT DIRECTOR

Department Priorities for 2014

- ◆ Continue the Heavy Rail Vehicle (Red Line) Interior Overhaul project.
- ◆ Continue to aggressively replace cross ties.
- ◆ Develop strategic plan for capital improvements to entire infrastructure to include stations, substations, track, signals and equipment.
- ◆ Continued implementation of LEAN programs to improve efficiency and reduce costs.
- ◆ Continue to support the Rail Clean Corridor program for graffiti removal.
- ◆ Aggressively perform signal system maintenance during relay testing, junction box replacement, and double bonding to mitigate track circuit failure, reduce service delays, and ensure a safe system.
- ◆ In conjunction with Engineering, continue rebuilding the Fairhill Substation and develop an implementation plan for subsequent transformer and rectifier replacement.
- ◆ Install Blue/Green LED lights on Light Rail Vehicles to designate train route.
- ◆ Design and build new microprocessors for HRV's to improve reliability and safety.
- ◆ Support 2014 Operations Division initiatives and projects as assigned.

Mission Statement

The mission of the Rail District is to provide safe, reliable, clean, and effective rapid transit services to GCRTA customers and to effectively manage all facilities, track infrastructure, and vehicle maintenance functions related to District operations.

	2011 Actual	2012 Actual	2013 Estimate	2014 Budget
Passenger Car Revenue Miles (#1)	2,214,763	2,688,367	4,376,144	4,101,983
% Deadhead miles (#1)	1.2%	0.8%	1.2%	1.2%
Cost per Passenger Trip (#4)	\$5.08	\$4.58	\$4.13	\$4.30
Average Passenger Trips per Revenue Hour (#1)	50.96	30.46	32.00	40.00
# Preventable Accidents per 100,000 miles (#1)	0.45	0.00	0.05	0.00
% Vehicles completed in HRV Exterior Overhaul (#1)	60%	100%	N/A	N/A
% Vehicles completed in HRV Interior Overhaul (#1)	N/A	N/A	0.0%	50%
Miles Between Service Interruptions (#1)	111,861	14,353	91,632	45,500
Annual Delay (Hours) (#1)	22.39	18.00	21.45	19.00

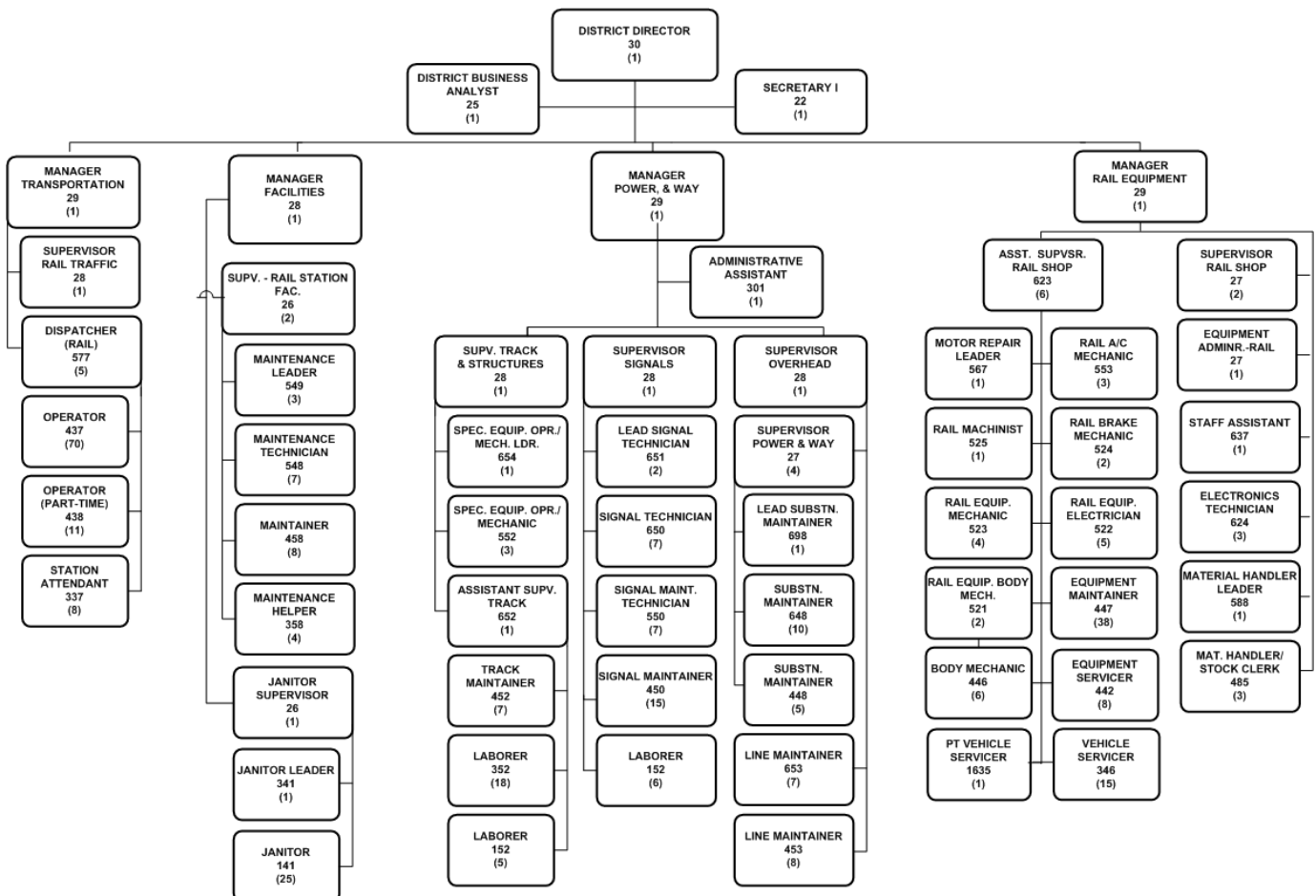
2013 Highlights

- ◆ Reconditioned Airport tunnel and rebuilt the Red Line S-curve.
- ◆ Exceeded TEAM (Together Everyone Achieves More) goal (8,500 miles) for miles between service interruptions.
- ◆ Completed installation of destination signs to enhance rider information.
- ◆ Broke ground on a new station in Little Italy.
- ◆ Replaced nearly 8,000 deteriorated railroad ties throughout the system.
- ◆ Installed new wheel lathe and trained personnel on its use to improve customer ride.
- ◆ Implemented maintenance root cause analysis to increase performance and reliability.
- ◆ Applied cellular manufacturing to reduce motor rebuild time by 16%.
- ◆ Installed sensitive edges on all Heavy Rail Vehicles, thus reducing door injuries.

Operations Division

Below are budget and staffing highlights of the Rail District Department

Obj. Class	Description	2011 Actual	2012 Actual	2013 Projection	2014 Budget
501100	Rail Operator Labor	4,152,965.17	4,319,393.03	4,713,330.70	5,118,714.00
501110	Overtime – Rail Operators	251,726.87	246,008.98	419,602.54	295,912.00
501200	Hourly Employees Payroll	10,388,189.61	11,104,678.07	11,240,205.79	12,003,396.72
501210	Overtime – Hourly Employees	1,520,197.31	2,002,375.15	1,428,510.11	650,000.00
501300	Labor – Salaried Employees	2,080,987.11	2,150,655.56	2,201,543.45	2,404,581.57
501310	Overtime – Salaried Employees	106,200.29	115,717.92	135,200.05	75,000.00
502000	Fringe Benefits	6,119,809.75	6,596,651.50	7,244,588.89	7,434,158.23
502071	W.C. – Injuries & Damages	7,902.07	5,171.52	1,996.19	0.00
503000	Services	2,778,747.24	2,685,518.53	519,153.05	275,000.00
503052	Other Maintenance Contracts	0.00	0.00	1,753,835.67	2,762,161.00
504000	Materials & Supplies	702,680.36	1,135,987.13	607,360.19	882,500.00
504090	Tires & Tubes	(806.00)	0.00	6,501.00	3,000.00
505000	Utilities	379,303.09	373,505.98	(73,801.23)	0.00
505010	Propulsion Power	3,158,502.29	2,397,094.95	2,199,704.11	3,341,000.00
505020	Sewers	0.00	0.00	3,299.56	3,000.00
505021	Electricity	0.00	0.00	382,169.24	530,000.00
509000	Miscellaneous Expenses	73,948.25	57,420.64	36,773.77	75,100.00
512000	Leases & Rentals	1,200.00	1,049.08	881.19	7,000.00
Total:		31,721,553	33,191,228	32,820,854	35,860,524



Operations Division

Grade	Job Name	2011	2012	2013	2014
00	9943 HRV Overhaul Leaders	5.0	5.0	0.0	0.0
01	0141 Janitor	25.0	25.0	25.0	25.0
	0152 Laborer	11.0	11.0	11.0	11.0
03	0301 Administrative Assistant	0.0	1.0	1.0	1.0
	0308 Stenographer	1.0	0.0	0.0	0.0
	0337 Station Attendant	8.0	8.0	8.0	8.0
	0341 Janitor Leader	1.0	1.0	1.0	1.0
	0346 Vehicle Servicer	15.0	15.0	15.0	15.0
	0352 Laborer	18.0	18.0	18.0	18.0
	0358 Maintenance Helper	4.0	4.0	4.0	4.0
	1635 Vehicle Servicer – PT	1.0	1.0	1.0	1.0
04	0437 Operator	58.0	58.0	60.0	70.0
	0438 Operator – PT	15.0	15.0	15.0	11.0
	0442 Equipment Servicer	0.0	0.0	0.0	8.0
	0446 Body Mechanic	6.0	6.0	6.0	6.0
	0447 Equipment Maintainer	45.0	45.0	38.0	30.0
	0448 Substation Maintainer	5.0	5.0	5.0	5.0
	0450 Signal Maintainer	15.0	15.0	15.0	15.0
	0452 Track Maintainer	7.0	7.0	7.0	7.0
	0453 Line Maintainer	8.0	8.0	8.0	8.0
	0455 Upholsterer	1.0	1.0	0.0	0.0
	0458 Maintainer	8.0	8.0	8.0	8.0
	0485 Mat Handler/Stock Clerk	3.0	3.0	3.0	3.0
05	0521 Rail Equip Body Mechanic	5.0	5.0	5.0	2.0
	0522 Rail Equip Electrician	5.0	5.0	5.0	5.0
	0523 Rail Equipment Mechanic	3.0	3.0	3.0	4.0
	0524 Rail Brake Mechanic	2.0	2.0	2.0	2.0
	0525 Rail Machinist	2.0	1.0	2.0	1.0
	0548 Maintenance Technician	7.0	7.0	7.0	7.0
	0549 Maintenance Leader	3.0	3.0	3.0	3.0
	0550 Signal Maint Technician	7.0	7.0	7.0	7.0
	0552 Special Equip Op/Mechanic	3.0	3.0	3.0	3.0
	0553 Rail A/C Mechanic	3.0	3.0	3.0	3.0
	0567 Motor Repair Leader	1.0	1.0	1.0	1.0
	0577 Dispatcher	5.0	5.0	5.0	5.0
	0588 Material Handler Leader	1.0	1.0	1.0	1.0
06	0623 Asst Supervisor Rail Shop	5.0	5.0	5.0	6.0
	0624 Electronics Technician	3.0	3.0	3.0	3.0
	0637 Staff Assistant	1.0	1.0	1.0	1.0
	0648 Substation Maintainer	10.0	10.0	10.0	10.0
	0650 Signal Technician	6.0	7.0	7.0	7.0
	0651 Lead Signal Technician	3.0	2.0	2.0	2.0
	0652 Asst Supervisor Track	1.0	1.0	1.0	1.0
	0653 Line Maintainer	7.0	7.0	7.0	7.0
	0654 Spec Equip Op/Mech Ldr	1.0	1.0	1.0	1.0
	0698 Lead Substn Maintainer	1.0	1.0	1.0	1.0
22	0721 Secretary I	1.0	1.0	1.0	1.0
25	1085 District Business Analyst	1.0	1.0	1.0	1.0
26	0799 Supv Rail Station Fac	2.0	2.0	2.0	2.0
	0837 Maintenance Planner	3.0	0.0	0.0	0.0
	0900 Janitor Supervisor	1.0	1.0	1.0	1.0
27	0762 Supervisor – Power & Way	4.0	4.0	4.0	4.0
	1178 Equipment Administrator	1.0	1.0	1.0	1.0
	1252 Supervisor Rail Shop	2.0	2.0	2.0	2.0
28	0761 Manager Facilities	1.0	1.0	1.0	1.0
	0895 HRV Project Manager	1.0	1.0	0.0	0.0
	1234 Supervisor Signals	1.0	1.0	1.0	1.0
	1239 Supervisor Overhead	1.0	1.0	1.0	1.0
	1249 Supervisor Rail Traffic	1.0	1.0	1.0	1.0
	1273 Supervisor Track and Stru	1.0	1.0	1.0	1.0
29	0786 Manager Transportation	1.0	1.0	1.0	1.0
	0792 Manager Rail Equipment	1.0	1.0	1.0	1.0
	1526 Manager Power & Way	1.0	1.0	1.0	1.0
30	0777 District Director	1.0	1.0	1.0	1.0
Total		383.0	364.0	353.0	359.0

Operations Division

2014 OPERATING BUDGET SUMMARY Department 34 – Transit Police

JOHN P. JOYCE, DIRECTOR OF SECURITY / CHIEF

Department Priorities for 2014

- ◆ Continue providing Proof of Payment – Fare Enforcement to deter fare evasion.
- ◆ Address serious crimes through participation in multi-agency task forces.
- ◆ Increase Transit Police visibility on revenue vehicles and at passenger facilities to address quality of life issues.
- ◆ Continue to conduct Threat and Vulnerability analysis for all GCRTA properties with assistance from the U.S. Department of Homeland Security.
- ◆ Implement plan to fill (2) open Lieutenant Positions.
- ◆ Complete project to replace Computer Aided Dispatch / Records Management System and train personnel on new system.
- ◆ Implement process for replacing retired/separated Full-Time Officers and bringing FEO positions to full strength.

Mission Statement

The mission of the Greater Cleveland Regional Transit Authority (GCRTA) Transit Police Department is to provide a safe and orderly environment within the transit system, to promote the confidence of the riding public, and to enhance the use of the entire system. Central to this is the protection of life and property through the prevention of crime and terrorism. The TP will work in collaboration within the GCRTA and with our regional partners to respond and recover from man-made and natural disasters.

	2011 Actual	2012 Actual	2013 Actual	2014 Budget
Quality of Life Crimes				
Misconduct on Public Transit (#1)	3,827	3,329	3,672	4,289
Aggravated Disorderly Conduct (D/C) (#1)	4	7	5	8
Disorderly Conduct (D/C) (#1)	135	99	146	173
Disorderly Conduct (D/C) / Intoxication (#1)	106	155	193	241
Open Container (#1)	260	292	338	465
Trespassing (#1)	44	49	52	69
Soliciting (#1)	1	0	0	0
Fare Evasion Citations – HealthLine (#1)	1,541	1,549	1,626	2,205
Fare Evasion Citations – Red Line (#1)	2,180	1,764	2,016	2,713

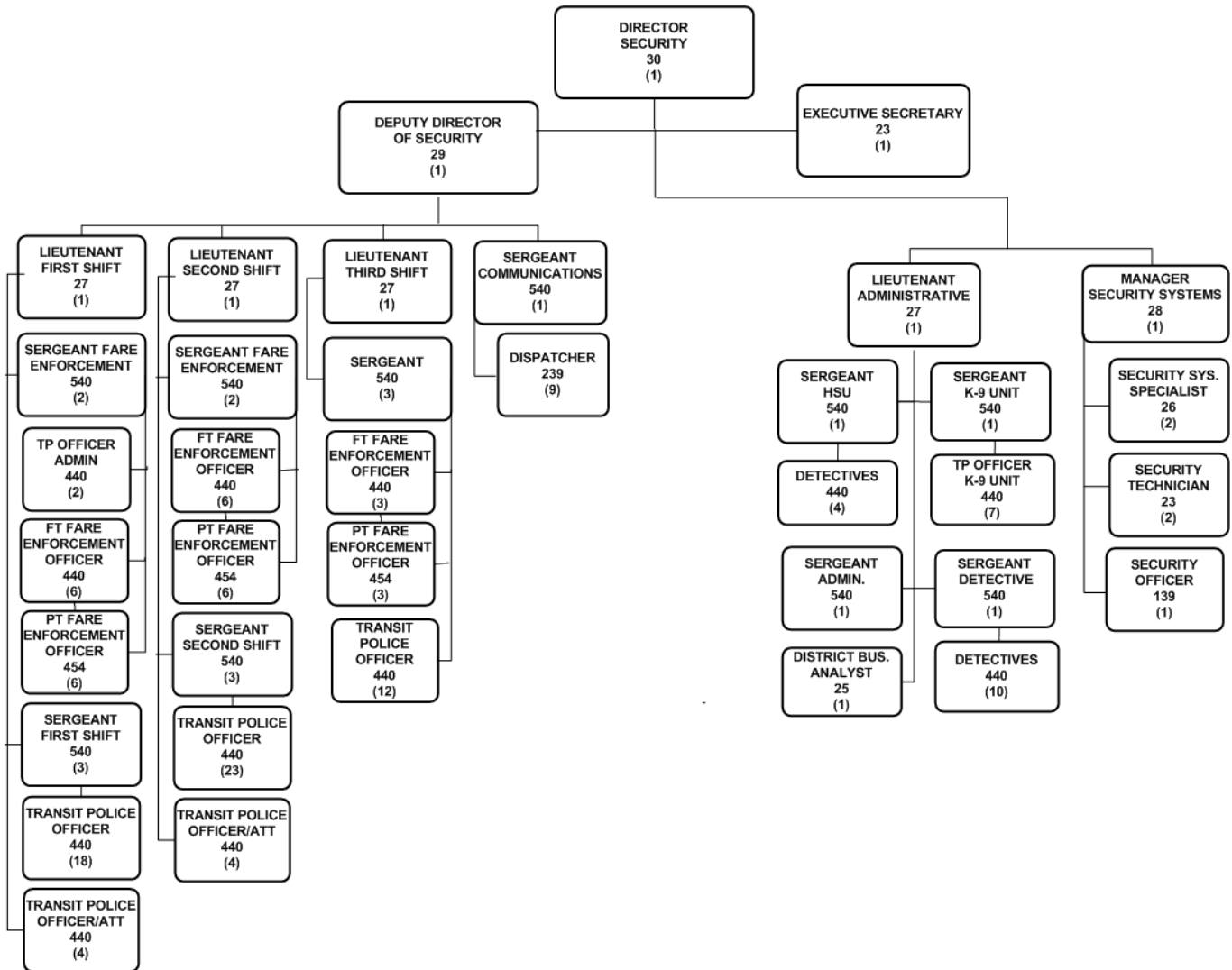
Operations Division

Below are budget and staffing highlights of the Transit Police Department

Obj. Class	Description	2011 Actual	2012 Actual	2013 Projection	2014 Budget
501200	Hourly Employees Payroll	6,302,370.00	6,608,537.29	6,741,816.76	7,870,375.41
501210	Overtime – Hourly Employees	367,554.00	340,166.59	434,379.97	561,200.00
501300	Labor – Salaried Employees	531,927.00	652,774.97	740,658.63	815,174.41
501310	Overtime – Salaried Employees	11.00	14.88	0.00	10,000.00
502000	Fringe Benefits	2,530,453.00	2,597,390.01	2,884,308.62	3,349,107.85
503000	Services	0.00	18,527.58	11,762.38	0.00
504000	Materials & Supplies	504,471.00	395,477.99	437,047.20	251,950.00
506000	Casualty & Liability Costs	75,257.00	81,210.14	43,644.48	134,000.00
509000	Miscellaneous Expenses	6,500.00	4,680.00	6,160.00	7,500.00
512000	Leases & Rentals	47,184.00	32,629.20	42,876.47	78,600.00
Total:		10,370,218	10,736,639	11,347,424	13,085,908

Grade	Job Name	2011	2012	2013	2014
01	0139 Security Officer	1.0	1.0	1.0	1.0
02	0239 Dispatcher Transit Police	9.0	9.0	9.0	9.0
04	0404 Administrative Assistant	0.0	0.0	0.0	0.0
	0440 Transit Police Officer	84.0	84.0	84.0	84.0
	0440 FT Transit Police Fare Enforcement	0.0	0.0	15.0	15.0
	0454 PT Transit Police Fare Enforcement	26.0	26.0	15.0	15.0
05	0540 Transit Police Sergeant	12.0	18.0	18.0	18.0
23	0725 Executive Secretary	1.0	1.0	1.0	1.0
	1079 Security Technician	1.0	0.0	0.0	2.0
25	1085 District Business Analyst	0.0	1.0	1.0	1.0
26	1665 Security Systems Specialist	0.0	0.0	2.0	2.0
27	1060 Lieutenant	4.0	4.0	4.0	4.0
	1065 Supervisor – Security	1.0	0.0	0.0	0.0
28	0840 Manager Security	1.0	1.0	1.0	1.0
29	1248 Commander	2.0	0.0	0.0	0.0
	1356 Dpty Dir Security/Police	1.0	1.0	1.0	1.0
30	1151 Director Security/COP	1.0	1.0	1.0	1.0
Total		148.0	149.0	153.0	155.0

Operations Division



Operations Division

2014 OPERATING BUDGET SUMMARY Department 35 – Service Management

ALAN ERENICH, DIRECTOR
Department Priorities for 2014

- ◆ Implement the 2014 Service Management Plan.
- ◆ Continue to improve the cost effectiveness and efficiency of service delivery.
- ◆ Continue to focus on customer communications and quality of service delivery.
- ◆ Complete launch of HASTUS Bid/Dispatch System.
- ◆ Continue programs to electronically provide real-time service information to customers.
- ◆ Expand utilization of TransitMaster software to monitor schedule adherence and make real-time service adjustments as necessary.
- ◆ Assess all bus stops for safety and spacing.
- ◆ Continue to replace all bus stop signs with new design.
- ◆ Identify and implement workflow and operating efficiencies and aggressively enforce energy conservation and sustainability initiatives.
- ◆ Support employee training and development programs.
- ◆ Continue all facility models in UltraMain.
- ◆ Develop appropriate preventive maintenance programs and monitor compliance.
- ◆ Continue operation of the HealthLine & perform routine maintenance of stations, properties, and shelters on the Euclid Corridor.

Mission Statement

The Service Management Department plans, monitors, and adjusts all rail, bus and van pool services. The Department works with District Management to ensure safe, reliable, and effective service for all passengers. The Department also provides centralized facility maintenance services for the Authority and manages the signage and shelter programs.

	2011 Actual	2012 Actual	2013 Estimate	2014 Budget
Vehicle Revenue Miles				
Bus (Including van pool) (#1)	12,652,581	15,855,476	16,395,300	17,330,500
Heavy Rail (#1)	1,531,616	2,164,503	2,599,200	2,661,800
Light Rail (#1)	683,147	937,480	876,400	880,400
Vehicle Revenue Hours				
Bus (Including van pool) (#1)	1,028,947	1,262,446	1,325,500	1,432,300
Heavy Rail (#1)	76,549	98,791	132,400	123,300
Light Rail (#1)	43,666	76,075	63,200	59,200

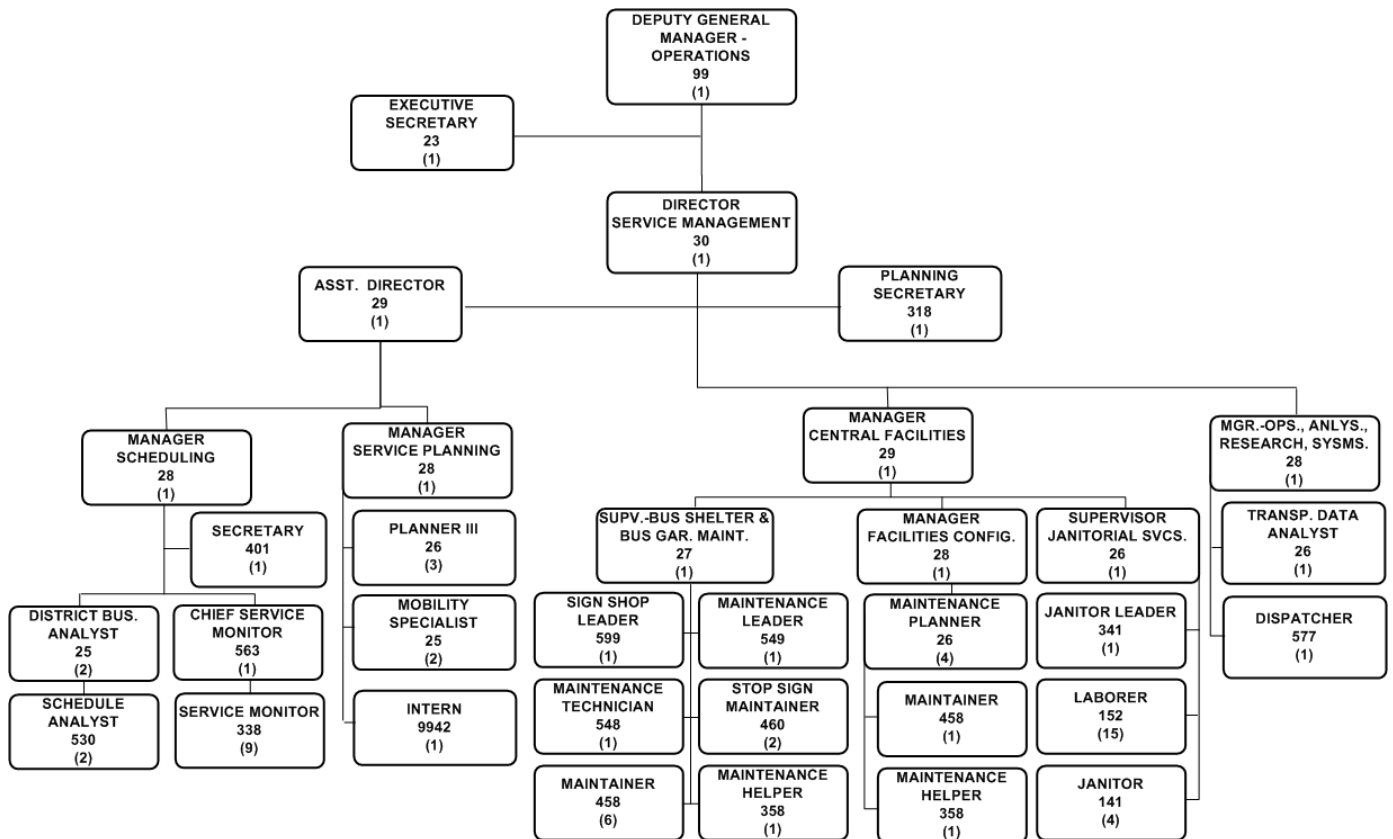
2013 Highlights

- Installed, accepted, and utilized HASTUS Bid/Dispatch module.
- Began installation of new design of Bus Stop signs
- Implemented new services
 - #2 and #16 extension to Steelyard Commons
 - Reestablished Waterfront rail service to 7 days per week.

Operations Division

Below are budget and staffing highlights of the Service Management Department

Obj. Class	Description	2010 Actual	2011 Actual	2012 Projection	2013 Budget
501200	Hourly Employees Payroll	1,570,677	1,706,423	1,705,676	1,796,194
501210	Overtime – Hourly Employees	44,927	38,198	39,942	40,000
501300	Labor – Salaried Employees	1,391,090	1,648,488	1,819,479	1,795,469
501310	Overtime – Salaried Employees	4,171	2,164	554	1,000
502000	Fringe Benefits	1,117,863	1,274,089	1,364,701	1,314,304
502071	W/C –Injuries and Damages to Employees	0	451	214	0
503000	Services	1,544,128	1,195,131	497,571	211,120
503052	Other Maintenance Contracts	0	0	909,818	1,596,624
504000	Materials & Supplies	208,068	233,845	148,224	403,800
505000	Utilities	0	0	0	0
505020	Sewers	0	0	0	0
505021	Electricity	(176,117)	(241,207)	(49,193)	0
508024	Purchased Transportation – Work Access	1,139,575	864,000	839,668	1,200,00
509000	Miscellaneous Expenses	13,814	28,016	13,109	23,900
512000	Leases & Rentals	0	0	0	500
Total:		6,858,197	6,749,598	7,289,762	8,382,911



Operations Division

Grade	Job Name	2011	2012	2013	2014
01	9942 Service Management Intern	0.0	1.0	1.0	1.0
	0141 Janitor	4.0	4.0	4.0	4.0
	0152 Laborer	15.0	15.0	15.0	15.0
03	0318 Planning Secretary	1.0	1.0	1.0	1.0
	0338 Service Monitor	10.0	10.0	9.0	9.0
	0341 Janitor Leader	1.0	1.0	1.0	1.0
	0358 Maintenance Helper	2.0	2.0	2.0	2.0
04	0401 Secretary	1.0	1.0	1.0	1.0
	0447 Equipment Maintainer	1.0	0.0	0.0	0.0
	0458 Maintainer	7.0	7.0	7.0	7.0
	0460 Stop Sign Maintainer	2.0	2.0	2.0	2.0
05	0530 Schedule Analyst	2.0	2.0	2.0	2.0
	0548 Maintenance Technician	1.0	1.0	1.0	1.0
	0549 Maintenance Leader	1.0	1.0	1.0	1.0
	0563 Chief Service Monitor	1.0	1.0	1.0	1.0
	0577 Dispatcher	1.0	1.0	1.0	1.0
23	0725 Executive Secretary	1.0	1.0	1.0	1.0
25	0836 Mobility Specialist	2.0	2.0	2.0	2.0
	1085 District Business Analyst	0.0	2.0	2.0	2.0
26	0837 Maintenance Planner	2.0	4.0	4.0	4.0
	0881 Systems Admin CITME	1.0	1.0	1.0	1.0
	0887 Transportation Data Analyst	2.0	2.0	1.0	1.0
	1691 ITS Specialist	0.0	0.0	2.0	0.0
	0900 Supv Janitorial Service	1.0	1.0	1.0	1.0
	1274 Planner III	2.0	1.0	3.0	3.0
	1625 Performance Leader Ops	0.0	2.0	0.0	0.0
27	0867 Bus Shltr/Grg Maint Supv	1.0	1.0	1.0	1.0
28	0854 Mgr Oper Analysis/Res/Sys	1.0	1.0	1.0	1.0
	1346 Mgr Service Planning	0.0	1.0	1.0	1.0
	1436 Manager Scheduling	1.0	1.0	1.0	1.0
29	0791 Mgr Central Facilities	1.0	1.0	1.0	1.0
	1621 Asst. Dir – Service Mgmt	1.0	1.0	1.0	1.0
30	0775 Director	1.0	1.0	1.0	1.0
99	9921 DGM Operations	0.0	1.0	1.0	1.0
Total		72.0	74.0	75.0	73.0

Operations Division

2014 OPERATING BUDGET SUMMARY Department 38 – Service Quality Management

ANTHONY RICHARDSON, ACTING DIRECTOR

Department Priorities for 2014

- ◆ Continue efforts for operating efficiencies.
- ◆ Continue efforts for goal of 80% on-time service delivery.
- ◆ Work with the supervisory teams assigned to mini-transit centers to stabilize and ensure the timeliness of the services originating from each location.
- ◆ Identify and target under-performing lines of service to facilitate resource allocations while working toward lowering percentage of early departures and arrivals.
- ◆ Continue effective deployment of the Mobile Clean Team
- ◆ Provide all staff with high quality training opportunities.
- ◆ Work with the Safety Department and the service Districts to define, identify and review accident-prone operators in an effort to identify any common underlying causal factors and use such information to develop more effective pre-selection techniques, training programs, and preventative measures.
- ◆ Continue use of performance management system for supervisors which assigns point values to supervisory work behaviors/tasks; which not only establishes a quantifiable basis for performance assessments, but also creates an indirect method for managers to set work priorities in response to the dynamics of a changing work environment.
- ◆ Continue use of Commuter Alerts Program. This Program allows for the transmission of certain service status information to rail customers via e-mail and text. A comparable service is planned for bus customers in the future.
- ◆ Effective roll-out and use of new Tour Guard System in conjunction with Transit Police.

Mission Statement

The Service Quality Department ensures that the Authority's various service offerings are safely provided, on-time, and courteously delivered. The Department is comprised of supervisors and managers, and utilizes a radio system for real-time communications. Primary internal customers include the Bus and Rail Districts and the Service Management Department.

	2011 Actual	2012 Actual	2013 Estimate	2014 Budget
On-Time Service (#1)	77%	78%	79%	79%
Overtime per pay (#4)	\$10,577	\$10,233	\$12,700	\$8,000
Absence Rate (#1 & 4)	3.55%	4.97%	4.00%	4.00%
High Accident Route Contacts (per month) (#1 & 5)	2,876	4,103	4,800	4,500
Safety Rule of the Month Contacts (per month) (#1 & 5)	3,569	4,763	5,300	5,000
Pull-out Checks/Paratransit Checks/Block Checks (per month) (#1)	4,269	5,662	6,300	6,000

2013 Highlights

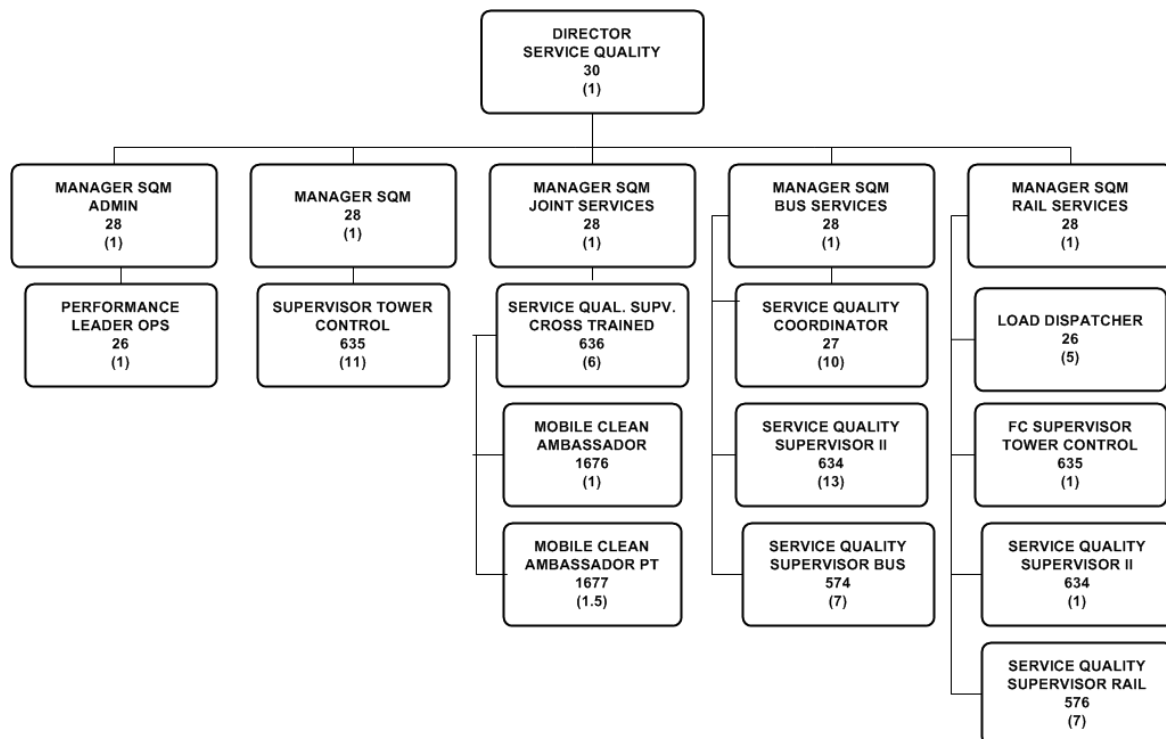
- ◆ Achieved 80% System On-Time Performance for three straight months (January, February, and March).
- ◆ Continued work with Service Management Department to adjust time points.
- ◆ Successfully procured new Tour Guard System to track and analyze supervisor tours.
- ◆ Successfully launched the innovative Mobile Clean Team, which is designed to conduct standard "pit stop" type cleaning for buses that are currently in service.

Operations Division

Below are budget and staffing highlights of the Service Quality Management Department

Obj. Class	Description	2011 Actual	2012 Actual	2013 Projection	2014 Budget
501200	Hourly Employees Payroll	0.00	0.00	26,462.68	69,370.40
501210	Overtime – Hourly Employees	0.00	0.00	0.00	100.00
501300	Labor – Salaried Employees	3,763,945.98	3,887,876.25	4,015,572.37	4,459,671.03
501310	Overtime – Salaried Employees	293,514.96	313,164.40	348,339.26	270,800.00
502000	Fringe Benefits	1,455,204.92	1,478,230.98	1,608,861.55	1,736,626.98
503000	Services	795.00	(700.00)	0.00	1,000.00
504000	Materials & Supplies	4,318.18	7,386.13	(4,829.63)	6,200.00
509000	Miscellaneous Expenses	4,814.38	5,301.17	5,901.22	16,625.00
Total:		5,522,693	5,691,259	6,000,307	6,560,393

Grade	Job Name	2011	2012	2013	2014
01	1676 Mobile Clean Ambassador	0.0	0.0	1.0	1.0
	1677 Mobile Clean Ambassador - PT	0.0	0.0	1.5	1.5
03	0301 Administrative Assistant	1.0	0.0	0.0	0.0
05	0574 Service Quality Supervisor I	8.0	7.0	7.0	7.0
	0576 Service Quality Supervisor	7.0	7.0	7.0	7.0
06	0634 Service Quality Supervisor II	17.0	14.0	14.0	14.0
	0635 Supervisor Control Tower	12.0	12.0	12.0	12.0
	0636 Supervisor Cross Trained	0.0	6.0	6.0	6.0
	0658 Paratransit Road Supervisor	1.0	0.0	0.0	0.0
26	1137 Load Dispatcher	3.0	5.0	5.0	5.0
	1625 Performance Leader Ops	0.0	1.0	1.0	1.0
27	1147 Service Quality Coordinator	10.0	10.0	10.0	10.0
28	0890 Manager Service Quality	5.0	5.0	5.0	5.0
30	1351 Director Service Quality	1.0	1.0	1.0	1.0
Total		68.0	68.0	70.5	70.5



Operations Division

2014 OPERATING BUDGET SUMMARY Department 39 – Fleet Management

RONALD BARON, DIRECTOR

Department Priorities for 2014

- ◆ Refine preventive maintenance program by revising frequencies and expanding the tasks involved to coincide with changes in the fleet.
- ◆ Use Computer Integrated Transit Maintenance Environment (CITME) to streamline inventory and maintenance processes.
- ◆ Provide technical support to departments within the Authority to support the progress of product reliability and sound maintenance practices.
- ◆ Administer Quality Assurance/Warranty program to ensure the receipt of quality goods/services and warranty recovery.
- ◆ Improve vehicle reliability and miles between service interruptions through data analysis; improve maintenance procedures and communication with the bus districts.
- ◆ Administer and control provision and delivery of materials within the inventory materials and supplies budget to all user departments.
- ◆ Manage the purchase of new vehicles and ensure the delivery of quality built vehicles that meet the needs of the Authority.
- ◆ Continue to improve efficiencies through the use of TransitStat data to control labor and material costs while maintaining Fleet Management operations.
- ◆ Complete Inventory benchmarking project and utilize findings to improve Inventory Key Factor Performance.

Mission Statement

The Fleet Management Department provides management support for the maintenance of the Authority's bus fleet. Its primary objective is to provide sufficient, safe, operable, clean, and attractive buses to meet the Authority's scheduled service requirements by maintaining and repairing vehicles and overseeing the Authority's central inventory account.

	2011 Actual	2012 Actual	2013 Estimate	2014 Budget
% of Active Fleet Available (#1)	82%	82%	82%	82%
Heavy Maint. Overhauls Completed (#1)	69	74	75	72
Problem Identification Corrective Action (PICA) completed (#1)	45	61	70	75
Q/A First Article Inspections (#1)	19	18	20	60
Warranty Dollars Recovered (#4)	\$1,075,090	\$651,680	\$750,000	\$750,000
Facilities PM Maintenance On-Time (#1)	75%	85%	88%	90%
On-the-Job Injury Rate (#4)	7.63	8.5	12.0	11.75
Inventory Service Level (#4)	95.0%	93.5%	95.4%	95%

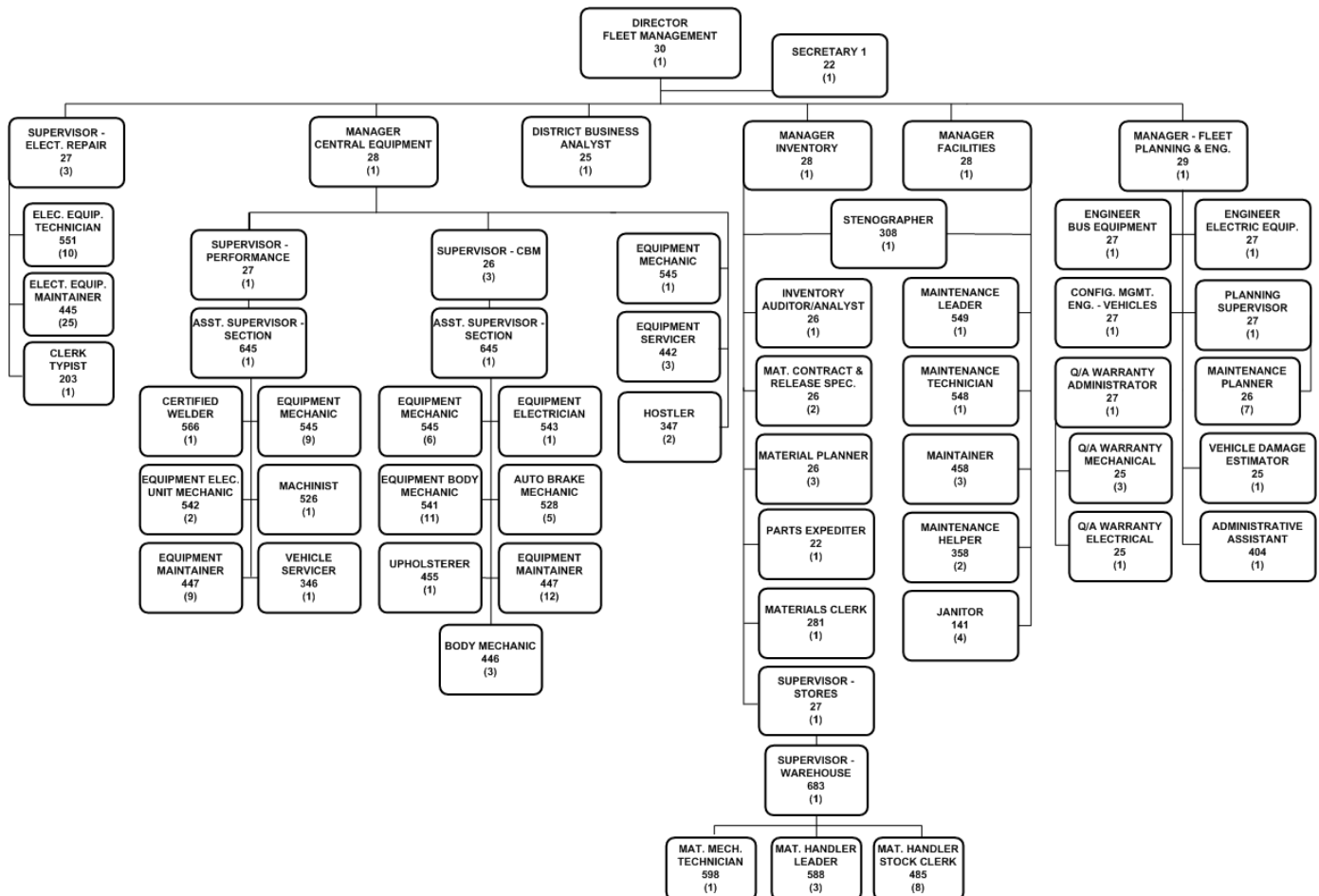
2013 Highlights

- ◆ Designed and installed an object detection system, a 'STOP' LED sign, and a decal module on 50 buses to reduce rear-end collisions and other vehicles overtaking the bus on left-hand accidents
- ◆ Successfully completed Farebox defect and Not-In-Stock parts TransitStat projects, which resulted in greatly improved key factor performance and ultimately better service to our customers
- ◆ Began the implementation of an FTA-approved Environmental and Sustainability Management System at the Central Bus Maintenance facility
- ◆ Successfully implemented the first round of the Non-Revenue Vehicle leasing program, the first of its kind at RTA

Operations Division

Below are budget and staffing highlights of the Fleet Management Department

Obj. Class	Description	2011 Actual	2012 Actual	2013 Projection	2014 Budget
501200	Hourly Employees Payroll	5,487,449.16	5,642,126.50	5,642,005.80	6,644,266.28
501210	Overtime – Hourly Employees	291,633.17	380,605.52	265,664.47	250,000.00
501300	Labor – Salaried Employees	2,132,081.95	2,423,179.04	2,425,220.50	2,915,843.11
501310	Overtime – Salaried Employees	2,790.22	9,557.59	2,162.05	8,000.00
502000	Fringe Benefits	2,844,414.53	3,035,344.30	3,277,724.72	3,552,208.70
502071	W.C. – Injuries & Damages	967.04	924.26	1,782.98	0.00
503000	Services	470,406.06	424,699.20	293,449.83	204,000.00
503052	Other Maintenance Contracts	0.00	0.00	8,020.89	307,190.00
504000	Materials & Supplies	241,168.28	295,889.11	372,172.77	315,500.00
201009	Materials & Supplies – Inventory	8,840,708.15	10,737,137.73	12,150,000.00	11,072,500.00
504020	Diesel Fuel	9,918,864.48	12,632,036.19	13,977,752.41	14,182,500.00
504021	Compressed Natural Gas	(695.57)	(2,037.46)	0.00	0.00
504031	Gasoline	486,818.59	514,229.60	418,022.76	536,250.00
504090	Tires & Tubes	1,061,173.12	812,842.57	1,200,287.27	1,435,814.00
507050	State Fuel Tax	1,334,436.39	1,381,581.42	1,356,283.98	1,448,520.69
509000	Miscellaneous Receipts	32,471.02	27,707.85	35,757.05	44,300.00
512000	Leases & Rentals	0.00	151.20	0.00	0.00
Total:		33,144,686.59	38,315,974.62	41,426,307.48	42,916,892.79
Total (Net Inventory):		24,303,978.44	27,578,836.89	29,276,307.48	31,844,392.79



Operations Division

Grade	Job Name	2011	2012	2013	2014
01	0110 Revenue Clerk	1.0	0.0	0.0	0.0
	0141 Janitor	4.0	4.0	4.0	4.0
02	0203 Clerk Typist	0.0	1.0	1.0	1.0
	0281 Materials Clerk	2.0	2.0	1.0	1.0
03	0308 Stenographer	1.0	1.0	1.0	1.0
	0347 Hostler	3.0	3.0	3.0	3.0
	0358 Maintenance Helper	2.0	2.0	2.0	2.0
04	0404 Administrative Assistant	0.0	0.0	1.0	1.0
	0442 Equipment Servicer	0.0	3.0	3.0	3.0
	0445 Elec Equipment Maintainer	19.0	19.0	21.0	25.0
	0446 Body Mechanic	2.0	2.0	3.0	3.0
	0447 Equipment Maintainer	25.0	23.0	21.0	21.0
	0455 Upholsterer	1.0	1.0	1.0	1.0
	0458 Maintainer	3.0	3.0	3.0	3.0
05	0485 Mat Handler/Stock Clerk	10.0	9.0	8.0	8.0
	0526 Machinist	1.0	1.0	1.0	1.0
	0528 Automotive Brake Mechanic	5.0	5.0	5.0	5.0
	0537 Administrative Assistant	1.0	1.0	0.0	0.0
	0541 Equipment Body Mechanic	11.0	11.0	11.0	11.0
	0542 Equip Elec Unit Mechanic	2.0	2.0	2.0	2.0
	0543 Equipment Electrician	1.0	1.0	1.0	1.0
	0545 Equipment Mechanic	16.0	15.0	16.0	16.0
	0548 Maintenance Technician	2.0	2.0	3.0	3.0
	0549 Maintenance Leader	1.0	1.0	1.0	1.0
	0551 Elec Equipment Technician	10.0	10.0	10.0	12.0
	0566 Certified Welder	1.0	1.0	0.0	1.0
	0588 Material Handler Leader	2.0	2.0	2.0	2.0
0598 Material Mechanic Tech	1.0	1.0	0.0	0.0	
06	0645 Asst Supervisor Section	2.0	2.0	2.0	2.0
	0683 Supervisor Warehouse	1.0	2.0	2.0	2.0
	0685 Dock Supervisor	1.0	0.0	0.0	0.0
22	0721 Secretary I	1.0	1.0	1.0	1.0
25	1047 QA/Warranty Electrical	1.0	1.0	1.0	1.0
	1048 QA/Warranty Mechanical	3.0	3.0	3.0	3.0
	1062 Vehicle Damage Estimator	1.0	1.0	1.0	1.0
	1085 District Business Analyst	0.0	1.0	1.0	1.0
	0837 Maintenance Planner	7.0	7.0	7.0	7.0
26	0863 Mat Cont & Release Spec	2.0	2.0	2.0	2.0
	0874 Inventory Auditor/Analyst	1.0	1.0	1.0	1.0
	0889 Material Planner	3.0	3.0	3.0	3.0
	1258 Supervisor CBM	3.0	3.0	3.0	3.0
	0753 Supervisor Elec Repair	3.0	3.0	3.0	3.0
27	0883 Config Mgmt Eng Fac	1.0	1.0	0.0	0.0
	0884 Config Mgmt Eng Vehicles	1.0	1.0	1.0	1.0
	1050 Supervisor Performance	1.0	1.0	1.0	1.0
	1173 Supervisor Stores	1.0	1.0	1.0	1.0
	1251 QA/Warranty Administrator	1.0	1.0	1.0	1.0
	1327 Equip Engineer Electrical	1.0	1.0	1.0	1.0
	1341 Engineer Bus Equipment	1.0	1.0	1.0	1.0
	0759 Mgr Central Equipment	1.0	1.0	1.0	1.0
28	0761 Manager Facilities	1.0	1.0	1.0	1.0
	0774 Manager Inventory	1.0	1.0	1.0	1.0
	0768 Mgr Fleet Planning & Eng	1.0	1.0	1.0	1.0
29	0779 Director	1.0	1.0	1.0	1.0
Total		174.0	168.0	167.0	174.0

Operations Division

2014 OPERATING BUDGET SUMMARY Department 43 – Pass Thrus

MICHAEL YORK
DEPUTY GENERAL MANAGER – OPERATIONS

Mission Statement

Federal and State financial assistance is passed through the City of Brunswick for eligible transit projects.

Department Priorities for 2014

- ◆ Administer the agreement with the City of Brunswick (Brunswick Transit Alternative) to ensure that Federal and State financial assistance is passed through for eligible projects.

Obj. Class	Description	2011 Actual	2012 Actual	2013 Projection	2014 Budget
509000	Miscellaneous Expenses	\$269,627.91	\$245,142.10	\$111,716.01	\$284,343.00
	Total:	\$269,627.91	\$245,142.10	\$111,716.01	\$284,343.00

Operations Division

2014 OPERATING BUDGET SUMMARY Department 46 – Hayden District

DR. FLOUN'SAY CAVER, ACTING DISTRICT DIRECTOR

Department Priorities for 2014

- ◆ Continue to aggressively support all safety programs designed to reduce collisions and passenger accidents.
- ◆ Maximize revenue collection efforts through operator training, preventive maintenance procedures, and improving collection procedures.
- ◆ Implement a robust quality assurance program with the goal of reducing defects and increasing vehicle reliability.
- ◆ Actively change the maintenance culture to become a preventive maintenance focused operation. Analyze and find root causes to vehicle defects.
- ◆ Hire the Assistant Equipment Managers for Quality Assurance.
- ◆ Support the HealthLine.
- ◆ Support the 2014 Operations Division initiatives and projects as assigned.
- ◆ Continue to utilize and maximize the CITME program for facility and vehicle maintenance plans.
- ◆ Support participation in the TransitStat program.
- ◆ Implement a “new operator” on-road review program with Training, Triskett, and Service Quality.
- ◆ Enhance customer service communications through operators, service delivery monitoring, field supervision, accident investigation, and performance analysis.

Mission Statement

The mission of the Hayden District is to provide high quality, on-time, efficient, safe, and clean RTV and bus transportation services for the eastern and southeastern portions of the GCRTA service area, and effectively manage all facilities and vehicle maintenance functions related to District operations.

	2011 Actual	2012 Actual	2013 Estimate	2014 Budget
Vehicle Miles (#1)	8,571,500	9,147,207	9,080,755	9,414,300
Preventable Collisions per 100,000 miles (#4)	0.74	0.96	1.37	0.91
Collision Accidents per 100,000 miles (#4)	3.00	3.73	4.55	3.00
Miles Between Service Interruptions (#1)	5,321	4,615	4,683	8,000
Absence Rate (#4)	7.12%	5.69%	6.06%	4.50%

2013 Highlights

- ◆ CLEAN:
 - Implemented the new vehicle cleaning SOP, which increased Hostler productivity and the number of vehicles cleaned each day.
 - Created performance measures to ensure that facility cleanliness meets expectations.
- ◆ ON-TIME:
 - Aggressively monitored on-time service, with an emphasis on reducing early departures.
- ◆ SAFE:
 - Reduced OJIs by communicating with employees, conducting all tool-box talks, and completing all job hazard analyses (JHAs).
 - Participated in the cost benefit analysis for the Drive for Excellence Program.

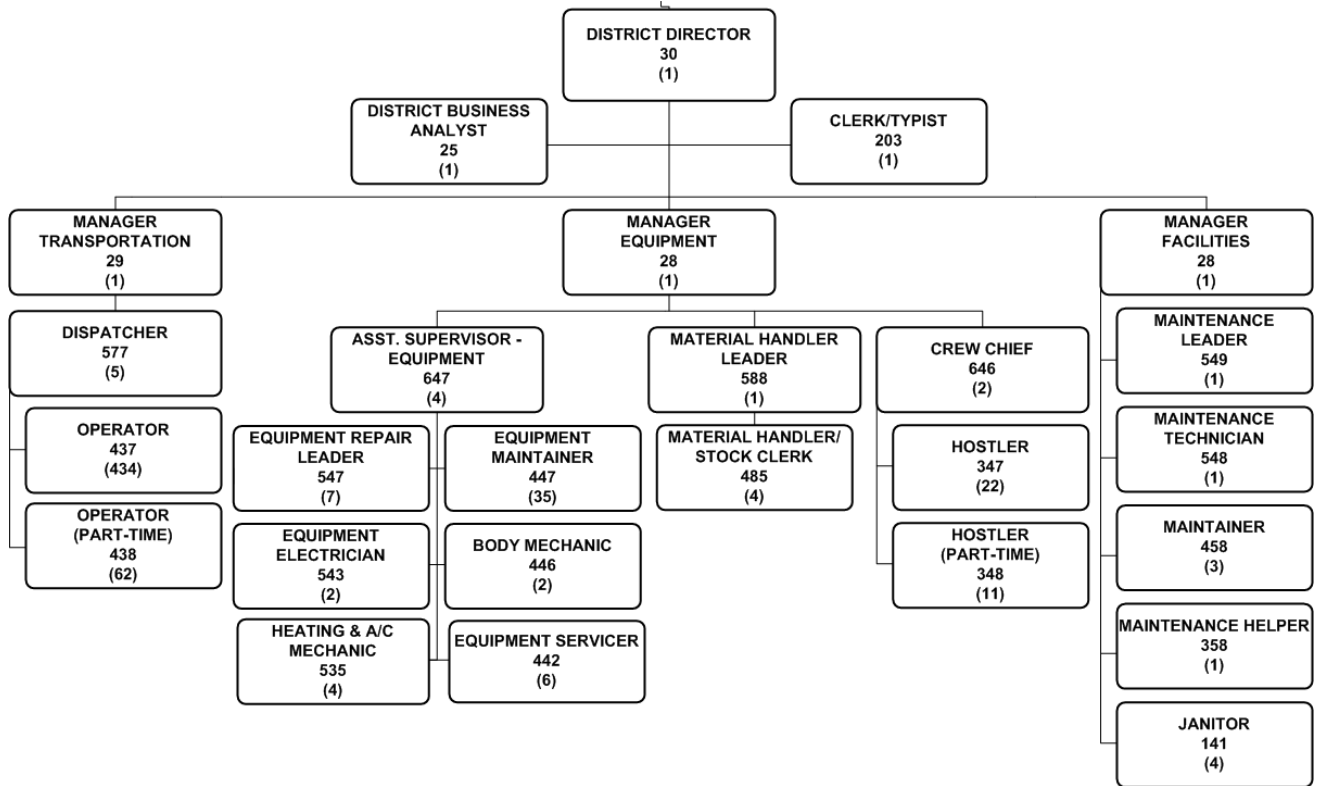
Operations Division

Below are budget and staffing highlights of the Hayden District Department

Obj. Class	Description	2011 Actual	2012 Actual	2013 Projection	2014 Budget
501100	Operator Labor	21,931,885.62	22,385,561.27	23,197,339.41	23,987,111.00
501110	Overtime – Bus Operators	1,311,855.45	1,542,919.09	2,017,159.95	1,418,258.00
501200	Hourly Employees Payroll	4,869,662.17	5,097,737.70	5,423,765.40	5,209,142.57
501210	Overtime – Hourly Employees	244,716.14	718,228.42	502,401.39	235,000.00
501300	Labor – Salaried Employees	924,563.65	1,028,657.06	903,662.72	1,084,893.21
501310	Overtime – Salaried Employees	69,140.72	95,022.63	96,253.33	80,000.00
502000	Fringe Benefits	10,420,724.58	10,957,884.38	11,782,059.56	11,582,866.18
502071	W.C. – Injuries & Damages	12,897.93	9,490.66	3,803.35	0.00
503000	Services	18,183.71	12,681.17	33,425.00	35,600.00
504000	Materials & Supplies	70,034.19	89,106.13	72,589.49	96,720.00
509000	Miscellaneous Expenses	7,352.81	1,663.08	5,246.38	13,520.00
512000	Leases & Rentals	0.00	0.00	500.00	2,000.00
Total:		39,881,016.97	41,938,951.59	44,038,205.98	43,745,110.96

Grade	Job Name	2011	2012	2013	2014
01	0141 Janitor	4.0	4.0	4.0	4.0
02	0203 Clerk/Typist	1.0	1.0	1.0	1.0
03	0347 Hostler	22.0	22.0	22.0	22.0
	0348 Hostler PT	11.0	11.0	11.0	11.0
	0358 Maintenance Helper	1.0	1.0	1.0	1.0
04	0437 Operator	425.0	425.0	426.0	434.0
	0438 Operator PT	64.0	64.0	63.0	62.0
	0442 Equipment Servicer	0.0	6.0	6.0	6.0
	0446 Body Mechanic	2.0	2.0	2.0	2.0
	0447 Equipment Maintainer	42.0	36.0	35.0	35.0
	0458 Maintainer	3.0	3.0	3.0	3.0
	0485 Mat Handler/Stock Clerk	3.0	3.0	4.0	4.0
05	0535 Heating/AC Mechanic	5.0	5.0	4.0	4.0
	0543 Equipment Electrician	2.0	2.0	2.0	2.0
	0547 Equipment Repair Leader	7.0	7.0	7.0	7.0
	0548 Maintenance Technician	1.0	1.0	1.0	1.0
	0549 Maintenance Leader	1.0	1.0	1.0	1.0
	0577 Dispatcher	5.0	5.0	5.0	5.0
	0588 Material Handler Leader	1.0	1.0	1.0	1.0
06	0646 Crew Chief	1.0	2.0	2.0	2.0
	0647 Asst Supervisor Equip	4.0	4.0	4.0	4.0
25	1085 District Business Analyst	1.0	1.0	1.0	1.0
26	0889 Material Planner	1.0	0.0	0.0	0.0
28	0761 Manager Facilities	1.0	1.0	1.0	1.0
	0851 Manager Equipment	1.0	1.0	1.0	1.0
29	0786 Manager Transportation	1.0	1.0	1.0	1.0
30	0777 District Director	1.0	1.0	1.0	1.0
Total		611.0	611.0	610.0	617.0

Operations Division



Operations Division

2014 OPERATING BUDGET SUMMARY Department 49 – Triskett District

CATHERINE EATON, ACTING DISTRICT DIRECTOR

Department Priorities for 2014

- ◆ Continue to instill a Safety Culture orientation within all Operations Division organizational units.
- ◆ Support participation in TransitStat program to reduce costs and improve the Authority's business practices and services.
- ◆ Implement the MAP-21 Safety and State of Good Repair standards.
- ◆ Continue to aggressively enforce energy conservation and sustainability initiatives.
- ◆ Conduct cost/benefit analysis for the Operator/Vehicle Performance demonstrations (i.e., Green Road, Drive Cam and Smart Drive) and recommend disposition (i.e., Procure or not).
- ◆ Continue priority focus on improving customer communications and service delivery.
- ◆ Support the Operations Division initiatives and projects as assigned.

Mission Statement

The mission of the Triskett District is to provide high quality public transportation services that are customer-friendly, on-time, efficient, and safe for the downtown, western, and southwestern portions of the GCRTA service area, and effectively manage all facilities and vehicle maintenance functions related to District operations.

	2011 Actual	2012 Actual	2013 Estimate	2014 Budget
Vehicle Miles (#1)	6,144,000	6,572,478	6,595,058	7,276,200
Preventable Collisions per 100,000 miles (#4)	0.93	1.19	1.0	0.91
Collision Accidents per 100,000 miles (#4)	3.00	2.92	3.0	2.9
Miles Between Service Interruptions (#1)	8,500	6,727	8,500	8,500
Absence Rate (#4)	4.50%	4.8%	5.0%	4.8%

2013 Highlights

- ◆ Reduced the absenteeism rate at the district through creative approaches and by tracking the absenteeism rate on a monthly basis.
- ◆ Safe driving competition: a TEAM-based incentive program offering a reward to members of the team with the lowest number of accidents.
- ◆ Reduced vehicle tows by evaluating each tow and road call as not to duplicate towing
- ◆ Restructured work schedules to reduce days between bus washes from 22 days to 10 days, on average.

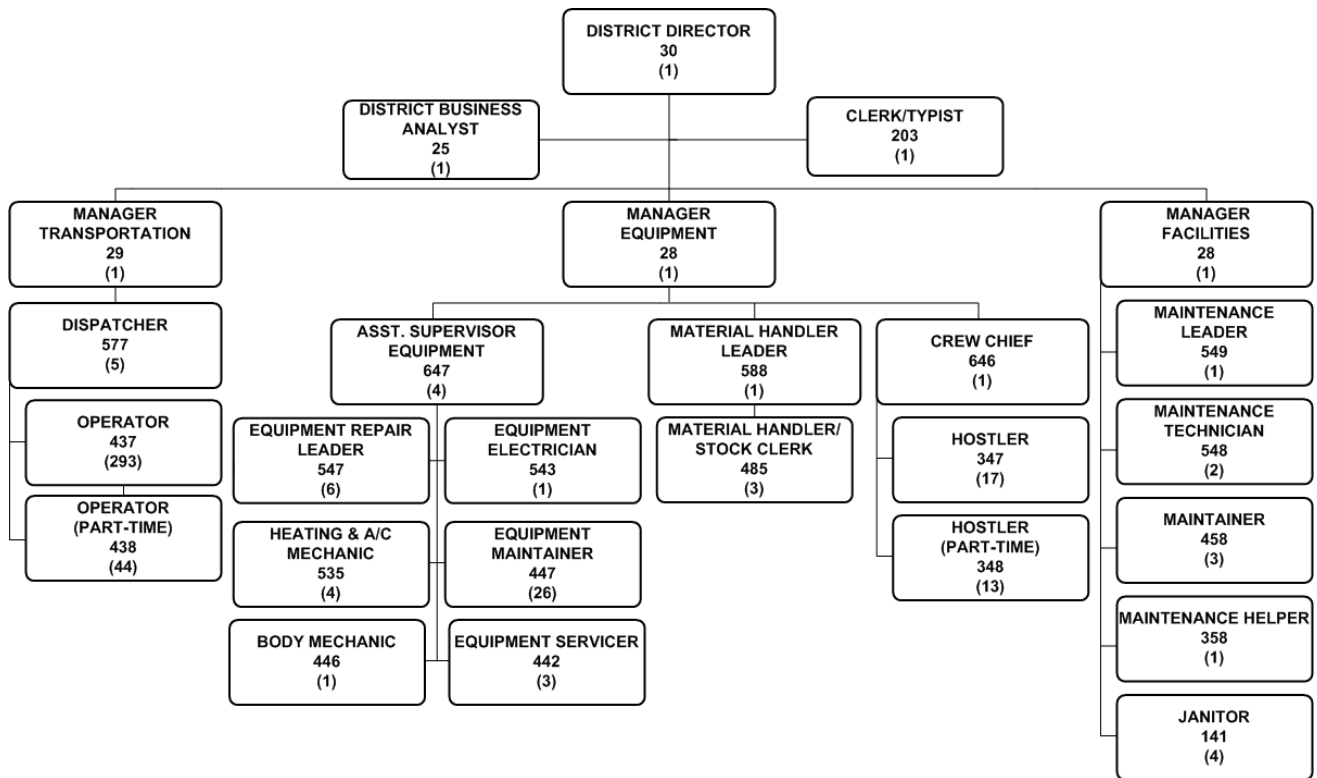
Operations Division

Below are budget and staffing highlights of the Triskett District Department

Obj. Class	Description	2011 Actual	2012 Actual	2013 Projection	2014 Budget
501100	Operator Labor	13,995,545.37	15,115,932.70	16,063,943.38	16,519,415.00
501110	Overtime – Bus Operators	786,114.58	1,114,646.83	1,399,738.52	1,188,256.00
501200	Hourly Employees Payroll	3,800,143.83	3,863,314.36	4,014,295.79	4,158,470.40
501210	Overtime – Hourly Employees	277,696.19	570,466.15	458,862.98	200,000.00
501300	Labor – Salaried Employees	1,008,312.61	1,018,041.03	1,033,031.43	1,031,715.78
501310	Overtime – Salaried Employees	84,763.61	125,178.75	157,200.49	55,000.00
502000	Fringe Benefits	7,102,160.77	7,691,134.38	8,447,856.68	8,376,743.16
502071	W.C. – Injuries & Damages	4,890.96	6,880.17	1,273.80	0.00
503000	Services	16,962.50	34,276.85	25,874.50	48,425.00
503049	Temporary Help	0.00	0.00	3,599.38	0.00
504000	Materials & Supplies	78,021.49	64,735.78	70,736.12	63,440.00
509000	Miscellaneous Expenses	1,290.28	1,739.79	0.00	13,900.00
512000	Leases & Rentals	0.00	325.00	1,984.68	1,500.00
Total:		27,155,902.19	29,606,671.79	31,678,397.75	31,656,865.34

Grade	Job Name	2011	2012	2013	2014
01	0141 Janitor	4.0	4.0	4.0	4.0
02	0203 Clerk/Typist	1.0	1.0	1.0	1.0
03	0347 Hostler	17.0	17.0	17.0	17.0
	0348 Hostler PT	12.0	13.0	13.0	13.0
	0358 Maintenance Helper	1.0	1.0	1.0	1.0
04	0437 Operator	278.0	278.0	276.0	293.0
	0438 Operator PT	43.0	43.0	45.0	44.0
	0442 Equipment Servicer	0.0	3.0	3.0	3.0
	0446 Body Mechanic	1.0	1.0	1.0	1.0
	0447 Equipment Maintainer	27.0	24.0	26.0	26.0
	0458 Maintainer	3.0	3.0	3.0	3.0
	0485 Mat Handler/Stock Clerk	3.0	3.0	3.0	3.0
05	0535 Heating/AC Mechanic	4.0	4.0	4.0	4.0
	0543 Equipment Electrician	1.0	1.0	1.0	1.0
	0547 Equipment Repair Leader	6.0	6.0	6.0	6.0
	0548 Maintenance Technician	2.0	2.0	2.0	2.0
	0549 Maintenance Leader	1.0	1.0	1.0	1.0
	0577 Dispatcher	5.0	5.0	5.0	5.0
	0588 Material Handler Leader	1.0	1.0	1.0	1.0
06	0646 Crew Chief	1.0	1.0	1.0	1.0
	0647 Asst Supervisor Equip	4.0	4.0	4.0	4.0
25	1085 District Business Analyst	1.0	1.0	1.0	1.0
26	0889 Material Planner	1.0	0.0	0.0	0.0
28	0761 Manager Facilities	1.0	1.0	1.0	1.0
	0851 Manager Equipment	1.0	1.0	1.0	1.0
29	0786 Manager Transportation	1.0	1.0	1.0	1.0
30	0777 District Director	1.0	1.0	1.0	1.0
Total		336.0	421.0	423.0	439.0

Operations Division



Finance & Administration Division

Division Summary

Loretta Kirk, Deputy General Manager

The Finance and Administration Division is responsible for the Authority's financial management and critical support functions. This Division performs financial management functions, accounting, financial reporting, cash management, debt management, and passenger fare collection and processing. Other critical support functions are also performed, such as: purchasing, contract administration, grants management, records management, mail, reproduction services, administrative services, and outreach efforts for DBE contracting opportunities with the GCRTA.

Mission Statement

As an integrated group of professions, the Finance and Administration Division contributes to the organizational success by managing the financial resources of the Authority efficiently and in strict compliance with government regulations, generally accepted financial management principles and Authority policies and by providing timely delivery of administrative services to internal and external customers.

2013 Achievements

- ◆ Upgraded and replaced distributed network and client server applications.
- ◆ Supported telecommunications services, including audio, video and data.
- ◆ Expedited procurement and delivery of goods and services to user departments utilizing a functional work team structure.
- ◆ Monitored procurement processes to reduce time required to process payments to vendors and employees by revising the payments process and streamlining procedures.
- ◆ Continued implementation of Fare Collection System.
- ◆ Received Certificate of Achievement for Excellence in Financial Reporting for the Comprehensive Annual Financial Report (CAFR) from the Government Finance Officer's Association (GFOA).
- ◆ Maintained and improved cash handling processes, fare collection security and vaulting process.
- ◆ Administered the Authority's Disadvantaged Business (DBE) Program to include certification of firms as a DBE contractor, compliance with federal regulations.
- ◆ Implemented regulations for Disadvantaged Business Enterprises.
- ◆ Managed Authority's Records Management Program.
- ◆ Administered 2013 Capital Grant Application process.
- ◆ Completed upgrade to Oracle computer systems.
- ◆ Implemented process improvements within Finance & Administration Division.
- ◆ Assisted with Energy Price Risk Management Program.
- ◆ Supported ongoing development of short and long range Information Technology (IT) Strategic Plans and IT Governance.

Finance & Administration Division

2014 Priorities

- ◆ Upgrade, maintain and replace distributed network and client server applications.
- ◆ Maintain, support, upgrade and replace telecommunications services, including audio, video and data, as required.
- ◆ Support ongoing development of short and long range Information Technology (IT) Strategic Plans and IT Governance.
- ◆ Expedite procurement and delivery of goods and services to user departments utilizing a functional work team structure.
- ◆ Monitor procurement processes to reduce time required to process payments to vendors and employees by revising the payments process and streamlining procedures.
- ◆ Support and maintain Fare Collection System.
- ◆ Maintain and improve cash handling processes, fare collection security and vaulting process.
- ◆ Prepare Comprehensive Annual Financial Report (CAFR) conforming to the requirements outlined by the Government Finance Officers' Association (GFOA).
- ◆ Administer the Authority's Disadvantaged Business (DBE) Program to include certification of firms as a DBS contractor, establishing DBE goals on contracts, and ensuring compliance with federal regulations.
- ◆ Implemented regulations for Disadvantaged Business Enterprises.
- ◆ Assist departments in minimizing the Authority's overall administration costs.
- ◆ Continue support and monitoring of Authority's Records Management.
- ◆ Continue to assist with Energy Risk Management Program.
- ◆ Administer 2014 Capital Grant Application process.
- ◆ Implement upgrade to Oracle computer systems.
- ◆ Implement process improvement within Finance & Administration Division

Finance & Administration Division

This page left intentionally
blank

Finance & Administration Division

2014 OPERATING BUDGET SUMMARY Department 10 – Office of Business Development

STEVEN SIMMS, DIRECTOR

Department Priorities for 2014

- ◆ Administer GCRTA's Disadvantaged Business Enterprise (DBE) program to include certification of firms as a DBE contractor, establishing goals on contracts and ensuring compliance with Federal regulations.
- ◆ Encourage strong business ties between GCRTA and women - and minority-owned firms by supporting avenues to communicate procurement opportunities.
- ◆ Increase the number of businesses, and overall spending that women- and minority-owned firms represent in all procurement opportunities including small purchases.
- ◆ Assist and support women- and minority-owned firms through sponsoring workshops, training, and information sessions.
- ◆ Encourage and monitor the utilization of women and minority workers on RTA construction projects to ensure required participation levels are achieved.
- ◆ Actively seek to identify and certify DBE firms.

Mission Statement

The mission of the Office of Business Development is to engage, support, and assist the local disadvantaged business community, and help ensure fair and representative participation in procurement opportunities at GCRTA within the community at-large.

	2011 Actual	2012 Actual	2013 Estimate	2014 Budget
Conduct on-site construction compliance reviews (#4)	16	16	22	16
Host contract information sessions for DBE and prime contractors regarding RTA procurements (#4,5)	2	2	1	2
Sponsor and support business-focused workshops and training sessions for women and minority business owners (#4,5)	4	4	7	4
Conduct DBE certification workshops (#4,5)	2	2	1	2

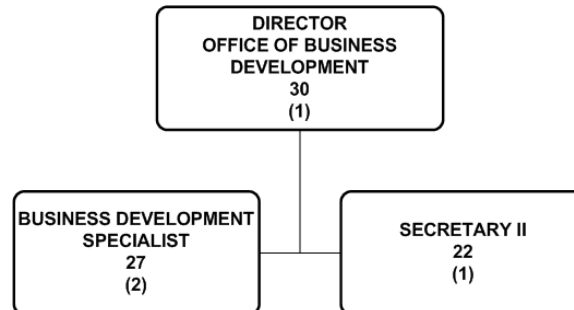
Finance & Administration Division

Below are budget and staffing highlights of the Office of Business Development Department

Obj. Class	Description	2011 Actual	2012 Actual	2013 Projection	2014 Budget
501300	Labor – Salaried Employees	259,831.27	225,205.44	269,103.49	280,260.55
501310	Overtime – Salaried Employees	(21.45)	0.00	(44.59)	0.00
502000	Fringe Benefits	95,846.93	87,252.88	100,038.64	101,398.74
503020	Advertising Fees	0.00	241.78	275.00	1,100.00
504000	Materials & Supplies	0.00	1,390.22	125.00	500.00
509000	Miscellaneous Expenses	3,711.48	1,561.14	2,616.80	7,250.00
Total:		359,368.23	315,651.46	372,114.34	390,509.30

Staffing Comparison

Grade	Job Name	2011	2012	2013	2014
22	0723 Secretary II	1.0	1.0	1.0	1.0
27	0879 Business Dev Specialist	2.0	2.0	2.0	2.0
30	0872 Director	1.0	1.0	1.0	1.0
Total		4.0	4.0	4.0	4.0



Finance & Administration Division

2014 OPERATING BUDGET SUMMARY Department 60 – Accounting

LORETTA KIRK, DEPUTY GENERAL MANAGER

Department Priorities for 2014

- ◆ Continue to reduce time required to process payments to vendors and employers by revising payment processes and streamlining procedures.
- ◆ Continue to improve department performance to eliminate audit citations and expedite workflow.
- ◆ Coordinate completion of the 2013 Financial Audit
- ◆ Prepare and submit Comprehensive Annual Financial Report (CAFR) to the Government Finance Officers Association (GFOA).
- ◆ Coordinate completion of the 2013 Single Audit Report.
- ◆ Continue to assist with implementation of Oracle R-12 Project Costing Module.
- ◆ Complete Grant Reconciliations of Capital Grants.

Mission Statement

The mission of the Accounting Department is to maintain accurate and timely accounting records of the Authority, process accurate voucher and payroll checks for both our internal and external customers, and develop, monitor, and maintain an effective internal control system that safeguards the Authority's financial assets.

	2011 Actual	2012 Actual	2013 Estimate	2014 Budget
Days to process Cash Disbursement Reports (#1,4)	1	1	1	1
Days to complete Month-End closings (#1,4)	5	5	5	5
Average Days to Process Invoices (#1,4)	5	5	5	4

Obj. Class	Description	2011 Actual	2012 Actual	2013 Projection	2014 Budget
501300	Labor – Salaried Employees	1,040,964.45	1,256,631.30	1,386,377.96	1,666,685.51
501310	Overtime – Salaried Employees	23,951.84	30,292.44	36,805.85	36,850.00
502000	Fringe Benefits	368,175.56	413,188.05	480,765.57	616,342.05
503000	Services	67,756.28	103,361.50	51,280.87	60,000.00
503049	Temporary Help	31,631.92	46,678.08	73,678.98	0.00
504000	Materials & Supplies	11,852.69	13,973.20	16,563.78	17,300.00
509000	Miscellaneous Expenses	10,387.77	268,487.14	11,430.00	29,500.00
Total:		1,554,720.51	2,132,611.71	2,056,903.01	2,426,677.56

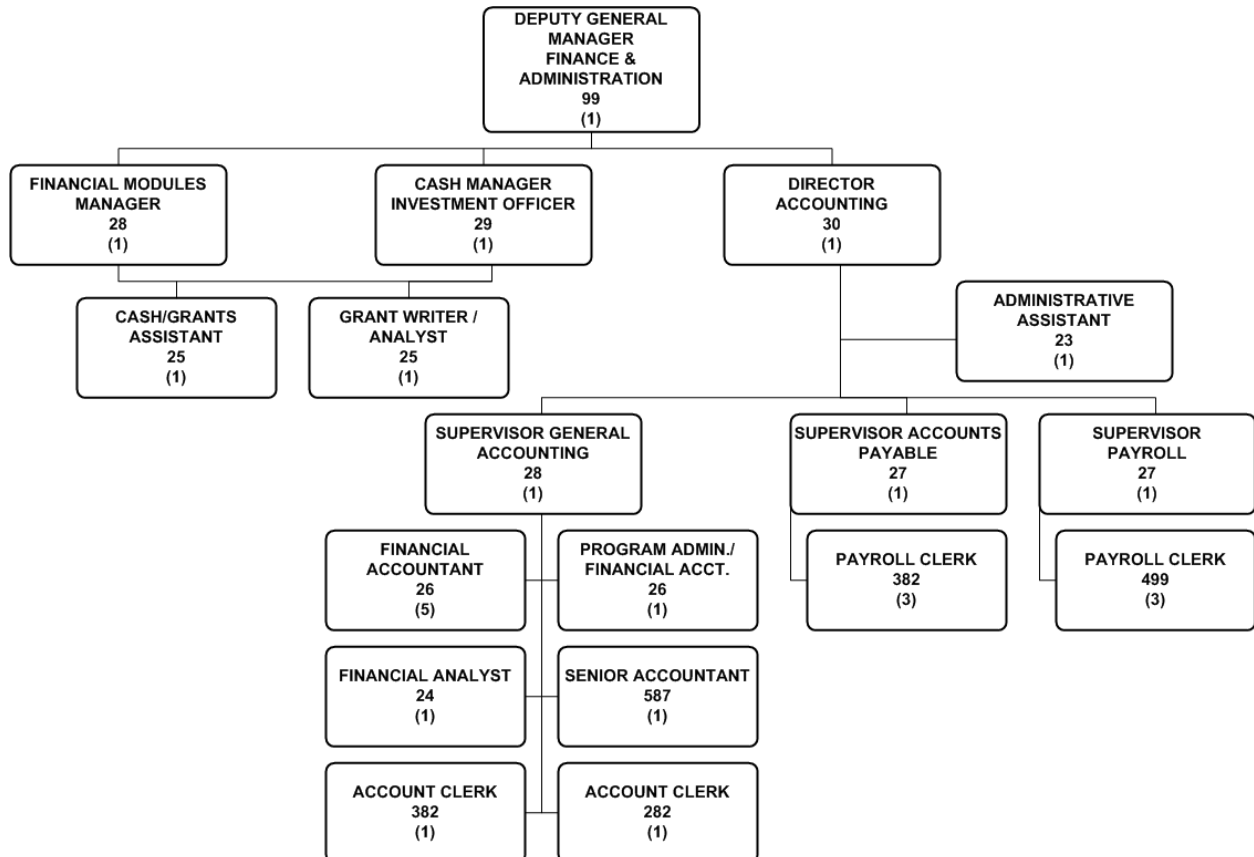
2013 Highlights:

- ◆ Reduced time required to process payments to vendors and employees by revising the payments process and streamlining procedures.
- ◆ Improved department performance to eliminate audit citations and expedite workflow
- ◆ Prepared Comprehensive Annual Financial Report (CAFR), conforming to the requirements outlined by the Government Finance Officers Association.
- ◆ Participated in the implementation of Oracle R-12 Project Costing Module.
- ◆ Completed the 2012 Financial Audit.
- ◆ Completed the 2012 Single Audit Report.
- ◆ Completed Grant Reconciliations of Capital Grants.

Finance & Administration Division

Below are budget and staffing highlights of the Accounting Department

Grade	Job Name	2011	2012	2013	2014
02	0282 Account Clerk	1.0	1.0	1.0	1.0
03	0301 Administrative Assistant	1.0	1.0	0.0	0.0
	0382 Account Clerk	5.0	4.0	4.0	4.0
04	0499 Payroll Clerk	3.0	3.0	3.0	3.0
05	0587 Senior Accountant	1.0	1.0	1.0	1.0
23	0725 Executive Secretary	0.0	1.0	1.0	1.0
	0757 Administrative Assistant	1.0	1.0	1.0	1.0
24	1959 Financial Analyst	0.0	0.0	1.0	1.0
25	0765 Grants Writer/Analyst	0.0	1.0	1.0	1.0
26	1080 Financial Accountant	4.0	4.0	5.0	5.0
	26X Program Administrator	0.0	0.0	0.0	1.0
27	0765 Grants Manager	1.0	0.0	0.0	0.0
	1162 Supv Accounts Payable	1.0	1.0	1.0	1.0
	1163 Supervisor Payroll	1.0	1.0	1.0	1.0
28	1161 Supv General Accounting	1.0	1.0	1.0	1.0
	1670 Financial Modules Manager	0.0	1.0	1.0	1.0
29	1263 Cash Manager	1.0	1.0	1.0	1.0
30	1427 Director	1.0	1.0	1.0	1.0
99	9941 DGM Finance & Administration	0.0	1.0	1.0	1.0
Total		22.0	24.0	25.0	26.0



Finance & Administration Division

2014 OPERATING BUDGET SUMMARY Department 61 – Information Technology

In 2014, the employees and responsibilities of this Department were re-assigned to a new Department, Intelligent Transportation Systems (ITS), in the Executive Division. This realignment is in response to an assessment and recommendations to improve the existing environment and organizational structure of the Authority. The study was conducted to identify improvements and optimizations of all of the technology systems used within the Authority.

Grade	Job Name	2011	2012	2013	2014
04	0466 Help Desk Operator	1.0	0.0	0.0	0.0
21	1630 IT Intern Tech	1.0	0.0	0.0	0.0
24	0760 Database Analyst	1.0	1.0	1.0	0.0
25	0751 Network Administrator	2.0	2.0	2.0	0.0
	0960 PC Software/Support Spec	2.0	2.0	2.0	0.0
	25X Web Specialist	0.0	1.0	1.0	0.0
	25X Information Technology Specialist	0.0	1.0	1.0	0.0
26	1072 Telecom Specialist	2.0	2.0	2.0	0.0
	1077 Business Appl Analyst	1.0	1.0	1.0	0.0
	1082 System Administrator	3.0	3.0	3.0	0.0
	Supervisor Hardware	0.0	0.0	0.0	0.0
	1155 Sr. Programmer/Analyst	3.0	3.0	3.0	0.0
	1244 Project Leader	1.0	0.0	0.0	0.0
27	0756 Network Engineer	2.0	2.0	2.0	0.0
28	0783 Manager User Support	1.0	1.0	1.0	0.0
	0846 Manager Technical Support	1.0	1.0	1.0	0.0
	1070 Database Administrator	1.0	1.0	1.0	0.0
	1324 Mgr Systems & Programming	1.0	1.0	1.0	0.0
30	1419 Director	1.0	1.0	1.0	0.0
Total		23.0	23.0	23.0	0.0

Obj. Class	Description	2011 Actual	2012 Actual	2013 Projection	2014 Budget
501300	Labor – Salaried Employees	1,354,915	1,357,100	1,505,031	0
501310	Overtime – Salaried Employees	650	889	1,000	0
502000	Fringe Benefits	501,770	526,918	560,618	0
503000	Services	1,479,188	1,317,367	1,653,840	0
504000	Materials & Supplies	71,126	84,286	121,000	0
505000	Utilities	542,176	546,356	572,250	0
509000	Miscellaneous Expenses	7,866	7,855	8,250	0
512000	Leases & Rentals	39,564	45,713	25,700	0
Total:		3,853,875	3,997,255	3,886,484	0

This page intentionally left
blank

Finance & Administration Division

2014 OPERATING BUDGET SUMMARY Department 62 – Support Services

EDDINE F. DALTON, MANAGER

Department Priorities for 2014

- Records Management Program – Ongoing process to update GCRTA Records Retention Schedules; Convert to electronic system; Coordinate purging of obsolete records to reduce storage cost
- Continue tracking department usage and spending on products, material, and services to measure, analyze, and control for cost effectiveness
- Replace broken, old, or outdated office furniture and equipment to reduce cost of repair and maintenance
- Evaluate GCRTA paper recycling program – Implement ways to optimize efficiency and educate with emphasis on Reduce, Reuse, Recycle congruent with our sustainability initiatives. Solicit new contract for Office paper and other paper type material.

Mission Statement

Support Services provides high-tech duplicating services, mail management, and mail and package delivery to our facilities and other business establishments, high-speed offset printing at our Print Shop, timetable production and distribution, vending machine services, office furniture, office supplies, recycling services, and a Records Management Program.

Our Mission is to provide relevant, courteous, and timely “Quality” service to all of our internal and external customers in a manner consistent with the GCRTA performance standards.

”Customer Service is only as Good as the Customer feels it is.”

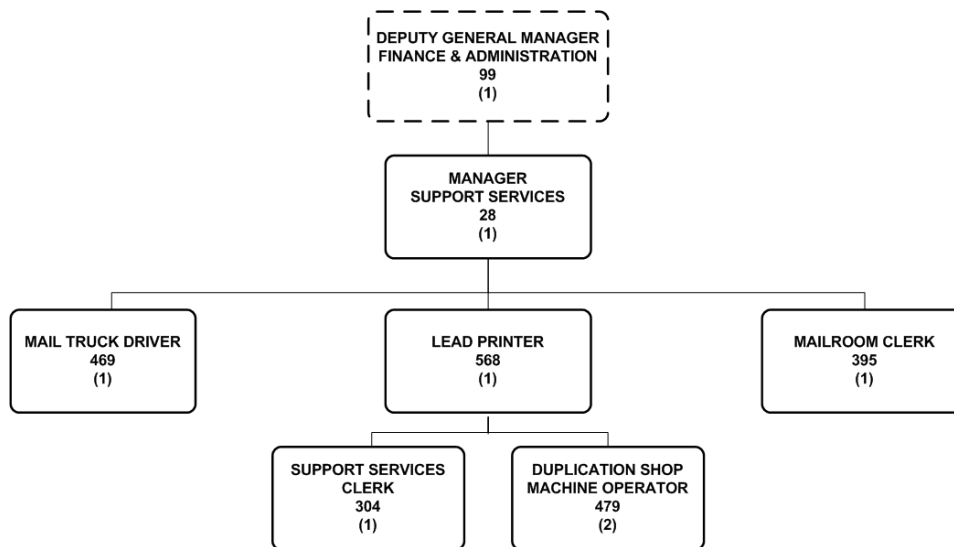
	2011 Actual	2012 Actual	2013 Actual	2014 Budget
Print & Distribute Timetables	10,000,000	10,000,000	10,200,000	10,200,000
Duplicate Copies	11,500,000	11,500,000	11,730,000	11,500,000

Finance & Administration Division

Obj. Class	Description	2011 Actual	2012 Actual	2013 Projection	2014 Budget
501200	Hourly Employees Payroll	49,858.27	51,798.58	52,702.00	56,376.84
501210	Overtime – Hourly Employees	917.64	145.97	0.00	1,317.00
501300	Labor – Salaried Employees	241,635.53	252,281.86	287,794.86	311,770.32
501310	Overtime – Salaried Employees	4,894.91	3,814.47	1,540.67	7,270.00
502000	Fringe Benefits	108,074.97	112,038.30	129,167.38	136,303.06
503000	Services	88,196.20	121,979.86	159,820.04	120,600.00
503052	Other Maintenance Contracts	0.00	0.00	1,757.23	44,000.00
504000	Materials & Supplies	74,894.12	14,290.72	27,917.08	84,600.00
504051	Postage Expense	121,146.72	77,456.16	93,906.91	96,250.00
504052	Duplicating Material & Supplies	98,158.13	147,334.37	88,875.82	114,000.00
509000	Miscellaneous Expenses	224.38	204.55	1,474.44	2,000.00
512000	Leases & Rentals	44,449.50	60,504.99	30,000.00	49,200.00
Total:		832,450.37	841,849.83	874,956.43	1,023,687.23

Below are budget and staffing highlights of the Service Management Department

Grade	Job Name	2011	2012	2013	2014
03	0304 Support Services Clerk	1.0	1.0	1.0	1.0
	0395 Mailroom Clerk	1.0	1.0	1.0	1.0
04	0469 Mail Truck Driver	1.0	1.0	1.0	1.0
	0479 Dup Shop Machine Operator	2.0	2.0	2.0	2.0
05	0568 Lead Printer	1.0	1.0	1.0	1.0
28	0868 Mgr Building Support Serv	1.0	1.0	1.0	1.0
Total		7.0	7.0	7.0	7.0



Finance & Administration Division

2014 OPERATING BUDGET SUMMARY Department 64 – Procurement

FRANK POLIVKA, DIRECTOR

Department Priorities for 2014

- ◆ Implement, monitor and improve procurement acquisition process to reduce procurement turnaround time.
- ◆ Expedite procurement and delivery of goods and services to user departments utilizing a functional work team structure.
- ◆ Finalize the dashboard development for RTA.
- ◆ Implement National Institute of Governmental Purchasing (NIGP) Department Accreditation.
- ◆ Expand the use of P-Card usage.
- ◆ Implement Oracle modules.
- ◆ Restructure the Department

Mission Statement

The mission of the Procurement Department is to efficiently procure the Authority's goods, services, and capital improvements in a manner consistent with GCRTA Board Policy, Federal Regulations, State Law, and Generally Accepted Business Practices, and to efficiently administer all purchases and service contracts.

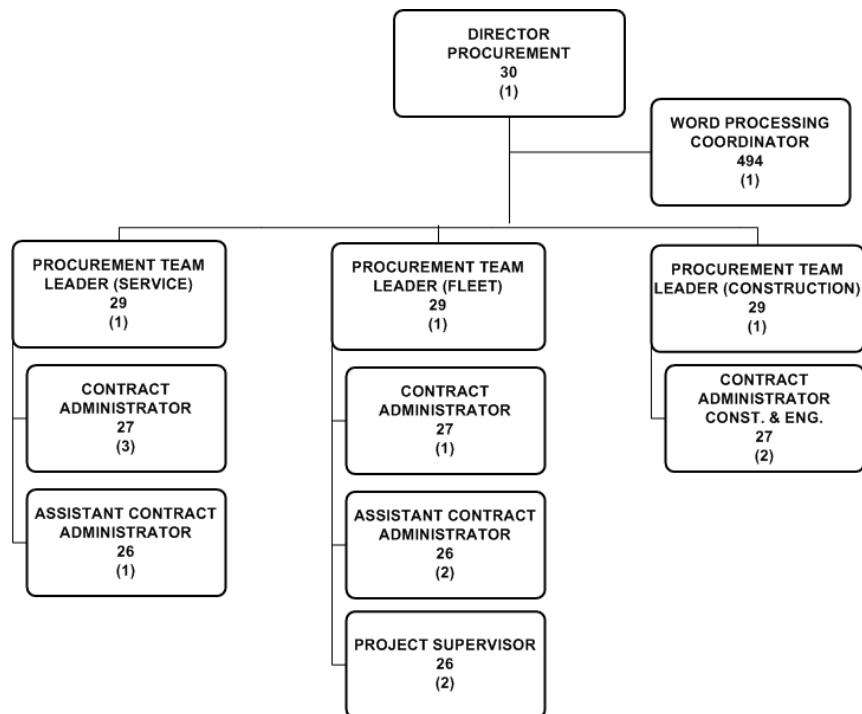
	2011 Actual	2012 Actual	2013 Actual	2014 Estimate
Number of Work Days to Complete Purchases Under 100K – this category was 25K prior to 2009	10	10	10	10
Number of Work Days to Complete Bids over 100K	60	60	60	60
Number of Work Days to Complete Proposals over 100K	90	90	90	90

Below are budget and staffing highlights of the Procurement Department

Obj. Class	Description	2011 Actual	2012 Actual	2013 Projection	2014 Budget
501300	Labor – Salaried Employees	1,067,295.18	1,089,617.96	1,134,237.91	1,201,492.01
502000	Fringe Benefits	394,336.99	401,546.64	428,627.27	434,701.86
503000	Services	4,660.33	4,977.60	5,176.70	5,700.00
503020	Advertising Fees	1,574.19	15,984.92	16,500.00	16,500.00
504000	Materials & Supplies	3,379.88	3,896.89	2,998.13	5,000.00
509000	Miscellaneous Expenses	23,134.53	4,565.71	13,088.05	19,700.00
Total:		1,494,381.10	1,520,589.72	1,600,628.06	1,683,093.87

Finance & Administration Division

Grade	Job Name	2011	2012	2013	2014
04	0494 Word Processing Coord	1.0	1.0	1.0	1.0
26	1138 Project Supervisor	2.0	2.0	2.0	2.0
	0830 Assistant Contract Administrator	0.0	0.0	2.0	2.0
27	1049 Supervisor Purchasing	1.0	1.0	1.0	1.0
	1160 Contract Administrator	5.0	5.0	4.0	4.0
	1171 Contr Admin Contr & Eng	2.0	2.0	2.0	2.0
29	0787 Procurement Team Leader	4.0	4.0	4.0	3.0
30	1609 Director	1.0	1.0	1.0	1.0
Total		16.0	16.0	17.0	16.0



Finance & Administration Division

2014 OPERATING BUDGET SUMMARY Department 65 - Revenue

SCOTT UHAS, DIRECTOR

Department Priorities for 2014

- ◆ Continue to prepare employee transition plan.
- ◆ Continue to work with both GFI and ACS toward the successful completion of the installation of the automated fare collection equipment, software, and peripherals.
- ◆ Ensure that farecards and passes are available for distribution to outlets and the general public.
- ◆ Work on continuous improvement of the cash handling, fare collection equipment security, and the farebox vaulting process.
- ◆ Direct implementation of fare policies and continue to seek ways to improve education to the public.
- ◆ Continue to streamline the process and agreement with Cleveland Metropolitan School District.
- ◆ Monitor activity of the newly installed CSK at the Federal Building.

Mission Statement

The mission of the Revenue Department is to maximize, collect, and safeguard passenger revenues from fare boxes, retail outlets, automated, and non-automated fare collection equipment. Other responsibilities include administering sales of fare cards and passes, coordination of pass programs with various educational institutions, generating ridership reports, oversight of all vending equipment, and the review and integration of new fare policies and collection techniques as they are adopted.

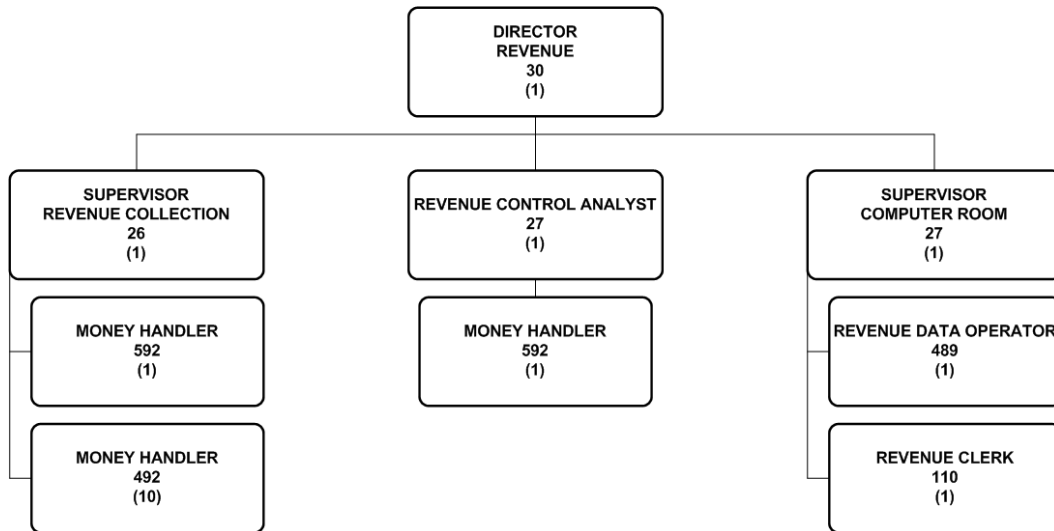
	2011 Actual	2012 Actual	2013 Estimate	2014 Budget
Number of Ticket and Pass Outlets (#1)	160	160	150	130
Percentage Increase in Total Revenue (#4)	(2%)	1%	1.5%	1.5%
Average Number of Monthly Passes Sold (#1)	10,000	9,500	9,500	10,000
Average Number of Seven Day Passes Sold (#1)	35,000	30,000	30,000	30,000
Average Number of Farecards Sold Monthly (#1)	240,000	245,000	240,000	240,000
Average Monthly On-Line Fare Sales in Dollars (#1)	30,000	30,000	31,000	31,000
Farebox Revenue Sources by Percentage (#1)				
Cash On Board				
• Single Fare	50%	47%	53%	50%
• Farecards	15%	15%	9%	12%
• Passes (Weekly and Monthly Combined)	35%	38%	38%	38%

Finance & Administration Division

Below are budget and staffing highlights of the Fleet Management Department

Obj. Class	Description	2011 Actual	2012 Actual	2013 Projection	2014 Budget
501300	Labor – Salaried Employees	898,886.00	919,326.01	1,003,908.71	1,032,547.04
501310	Overtime – Salaried Employees	16,700.00	24,910.05	19,453.15	33,000.00
502000	Fringe Benefits	338,564.00	347,025.78	386,904.55	385,516.73
502071	W.C. – Injuries & Damages	104.00	696.52	638.41	0.00
503000	Services	439,721.00	462,770.95	429,040.65	470,000.00
504000	Materials & Supplies	277,467.00	257,824.87	282,134.58	305,400.00
509000	Miscellaneous Receipts	3,823.00	6,140.38	8,448.43	12,275.00
Total:		1,975,265.00	2,018,694.56	2,130,528.48	2,238,738.77

Grade	Job Name	2011	2012	2013	2014
01	0110 Revenue Clerk	1.0	1.0	1.0	1.0
04	0489 Revenue Data Operator	1.0	1.0	1.0	1.0
	0492 Money Handler	10.0	10.0	10.0	10.0
05	0592 Money Handler	2.0	2.0	2.0	2.0
26	0955 Supv Revenue Collection	1.0	1.0	1.0	1.0
27	0750 Revenue Control Analyst	1.0	1.0	1.0	1.0
	0832 Supervisor Computer Room	1.0	1.0	1.0	1.0
30	1429 Director	1.0	1.0	1.0	1.0
Total		18.0	18.0	18.0	18.0



This page intentionally left
blank

Engineering & Project Management Division

Division Summary

Michael Schipper, Deputy General Manager

The Engineering and Project Management Division is responsible for RTA's planning, real estate, and capital project design and construction administrative activities.

Mission Statement

The mission of the Engineering and Project Management Division is to ensure the successful completion of capital improvement projects through professional planning, design, right-of-way, and construction services.

2013 Achievements

- ◆ Completed construction of the Airport Tunnel and Red Line S-Curve projects before the Senior Olympics.
- ◆ Received environmental approvals for the Clifton Boulevard Transit Enhancement, Little Italy – University Circle Station, and Brookpark Station projects.
- ◆ Completed the design and majority of construction of the Bus State of Good Repair projects at Hayden, Central Bus, and Paratransit.
- ◆ Completed the design and began construction of the Clifton Boulevard Transit Enhancement Project.
- ◆ Completed the design and began construction of the Little Italy – University Circle Station project.
- ◆ Completed the design of the Shaker Square/Van Aken Rail Grade Crossings.
- ◆ Completed the implementation of the Red Line Paging System Upgrade.
- ◆ Completed the design and construction of the Bus State of Good Repair pavement projects at Brookpark and Windermere Stations.
- ◆ Completed the construction of parking lot expansion at Southgate and rehabilitations at Sprague/Fair, Euclid, Westpark, Westlake, and East 55th.
- ◆ Completed the construction of the Windermere Station vestibule.
- ◆ Completed the construction of four Waterfront Line station rehabilitation projects.
- ◆ Completed the construction of Central Rail Service Building Roof replacement.
- ◆ Completed the Paratransit lift replacement.
- ◆ Completed the re-design of the Lee / Van Aken ADA Station rehabilitation.
- ◆ Completed the construction of three at-grade rail crossing upgrades on the Light Rail System (Phase 3 of 3).
- ◆ Completed the five county regional on-board transit survey.
- ◆ Completed the West 25th Street Station Area Plan.
- ◆ Began the Alternatives Analysis for the Red Line / HealthLine Extension
- ◆ Completed the design of the Brookpark Station.
- ◆ Continued the implementation of the Sustainability Program.

Engineering & Project Management Division

2014 Objectives

- ◆ Complete the construction of the University Circle – Cedar Station
- ◆ Complete the construction of the Clifton Boulevard Transit Enhancement project and initiate the Westside Express BRT service.
- ◆ Complete the construction of the Central Rail Shop Roof Replacement.
- ◆ Complete the construction of the Shaker Square Rail Grade Crossings.
- ◆ Complete the design of the Tower City escalator replacements
- ◆ Complete the design of the East 81st and East 83rd Street Track Bridge rehabilitations.
- ◆ Complete construction of the Red Line over East Boulevard Bridge rehabilitation.
- ◆ Complete construction of the Red Line Track rehabilitation from Kinsman to Cedar.
- ◆ Complete the Alternatives Analysis for the Red Line/HealthLine Extension Study.
- ◆ Complete the modeling update for the five county regional transit survey.
- ◆ Award contract for the RTA Signage Manual update.
- ◆ Award public art contracts for the Clifton Boulevard and Little Italy – University Circle Station projects.
- ◆ Begin construction of the Lee/Van Aken Station ADA Rehabilitation.
- ◆ Begin design of the Rail Car Wash Rack and Transfer Table rehabilitation projects.
- ◆ Begin design of the East 92nd Truss Bridge Rehabilitation over CSX Railway.
- ◆ Begin the environmental documentation and design of the East 116th Street, Lee-Shaker, and East 34th Street Station ADA rehabilitations.
- ◆ Complete construction of the repairs to the Central Rail Access Roadway Bridges over Norfolk Southern Railway.
- ◆ Complete construction of remaining Facility State of Good Repair grant projects.
- ◆ Acquire land and complete construction of the Independence Park and Ride Lot.
- ◆ Begin construction of the Compressed Natural Gas Fueling Station and installation of monitoring equipment at the Hayden Garage.
- ◆ Complete construction of the Warrensville Blue Line Station platforms.
- ◆ Complete design and construction of the Windermere Bus Loop Improvements.
- ◆ Complete design and construction of the electric Repair Shop at Woodhill
- ◆ Continue the implementation of the Sustainability Program and the Carbon Footprint measurement for the Authority.
- ◆ Complete the ESMS ISO 14001 training and implementation at Central Bus.
- ◆ Obtain competitive grants from FTA, ODOT, and NOACA.

Engineering & Project Management Division

This page left intentionally
blank.

Engineering & Project Management Division

2014 OPERATING BUDGET SUMMARY Department 55 – Project Support

PAUL BURLIJ, MANAGER

Department Priorities for 2014

- ◆ Conduct quality assurance audits.
- ◆ Review GCRTA plans and specifications for construction projects.
- ◆ Review third party plans and specifications for construction crossing or adjoining GCRTA facilities.
- ◆ Provide engineering assistance as needed.
- ◆ Develop procedures to track on call service contracts.
- ◆ Coordinate work of construction inspectors and support staff.

Mission Statement

The mission of the Project Support Department is to provide quality assurance oversight and program review services in support of the Authority's capital and development activities.

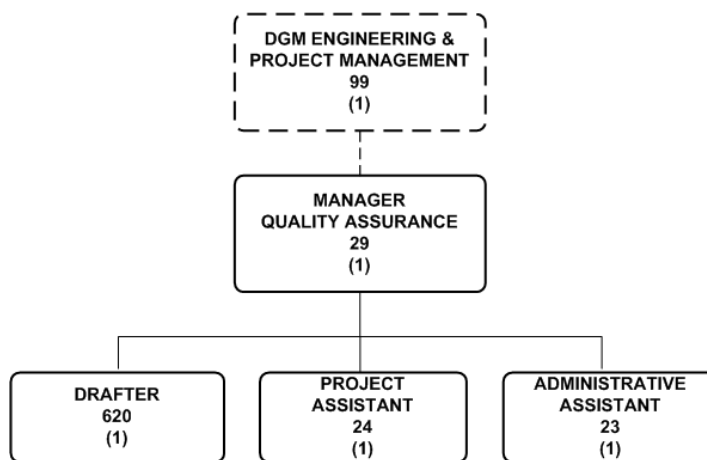
	2011 Actual	2012 Actual	2013 Estimate	2014 Budget
Quality Assurance Audits Completed (#1,5)	27	38	18	24
Plans, Specifications, QC Plans and Reports Reviewed (#5)	59	49	40	50
Daily Field Reports Completed (#1,5)	130	150	140	150
Bridges Inspected (#1,3,5)	140	152	152	152
Projects Meetings (#3,5)	12	12	12	12

Below are budget and staffing highlights of the Project Support Department

Obj. Class	Description	2011 Actual	2012 Actual	2013 Projection	2014 Budget
501300	Labor – Salaried Employees	294,833.03	252,114.54	217,488.69	261,712.09
501310	Overtime – Salaried Employees	15,439.21	9,082.19	19,783.17	28,000.00
502000	Fringe Benefits	111,455.93	86,599.23	92,096.26	104,818.33
503000	Services	(1,547.04)	0.00	0.00	4,000.00
504000	Materials & Supplies	0.00	0.00	0.00	11,504.00
509000	Miscellaneous Expenses	0.00	0.00	700.00	3,500.00
Total:		420,181.13	347,795.96	330,068.12	413,534.42

Engineering & Project Management Division

Grade	Job Name	2011	2012	2013	2014
05	0519 Construction Inspector	1.0	0.0	0.0	0.0
06	0620 Drafter	1.0	1.0	1.0	1.0
23	0757 Administrative Assistant	1.0	1.0	1.0	1.0
24	0860 Project Assistant	1.0	1.0	1.0	1.0
29	1439 Mgrn – Quality Assurance	1.0	1.0	1.0	1.0
Total		5.0	4.0	4.0	4.0



Engineering & Project Management Division

2014 OPERATING BUDGET SUMMARY Department 57 – Programming & Planning

MARIBETH FEKE, DIRECTOR

Department Priorities for 2014

- ◆ Continue marketing RTA real estate assets for lease, sale, and joint development activities.
- ◆ Execute Strategic Plan Update recommendations.
- ◆ Begin NEPA documents including Section 106 compliance for the East 116th, Lee-Shaker, and East 34th Station projects.
- ◆ Submit competitive grants for capital improvement program funding.
- ◆ Complete land acquisition for proposed construction projects, which include the Brookpark Station and Independence Park-N-Ride Lot.
- ◆ Complete modeling for the Five County Regional On-Board Transit Survey.
- ◆ Continue Transit Waiting Environment (TWE) Program.
- ◆ Continue implementation of the Arts in Transit Program.
- ◆ Continue supporting the Sustainability Program implementation.
- ◆ Complete the Red Line/HealthLine Extension Alternatives Analysis study.
- ◆ Begin the Signage Manual Update.
- ◆ Continue implementation of new enhancement programs and projects.

Mission Statement

The Department of Programming and Planning is responsible for initiating studies and long-term projects designed to maintain and improve transit ridership through project viability studies, joint venture identification, station area, and land use planning. The Department is also responsible for the oversight of the Authority's real estate property holdings, transit waiting environment, arts-in-transit and sustainability programs.

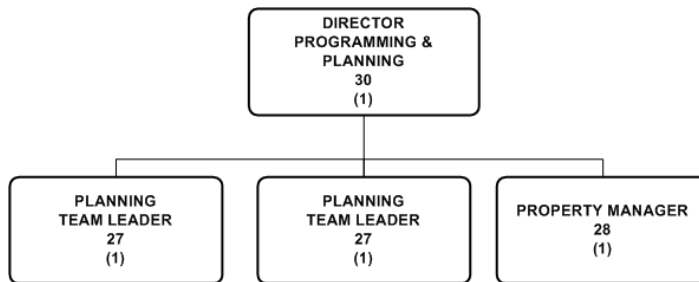
	2011 Actual	2012 Actual	2013 Estimate	2014 Budget
Number of Rapid Transit Stations Under Design (#3)	3	2	3	3
Number of Transit Centers Under Design (#3)	1	0	0	0
Number of Park-N-Ride Lots Under Design (#3)	0	1	1	1
Number of Planning Studies Underway (#3)	2	5	4	2
Number of Planning Studies Completed (#3)	2	4	3	3
Number of TWE Projects Completed (#3)	2	3	4	4
Number of Joint Developments Underway (#3)	0	0	0	1
Number of Public Art Awards (#5)	3	2	2	2
Number of New Leased RTA Properties (#3,4)	3	2	2	1
Number of RTA Properties Marketed (#3,4)	8	5	3	3
Number of RTA Properties Sold (#3,4)	3	3	2	2
Number of competitive grants submitted (#3,4)	5	4	4	4
Number of competitive grants received (#3,4)	4	2	2	2

Engineering & Project Management Division

Below are budget and staffing highlights of the Programming & Planning Department

Obj. Class	Description	2011 Actual	2012 Actual	2013 Projection	2014 Budget
501300	Labor – Salaried Employees	288,419.06	267,361.51	252,006.16	311,729.91
502000	Fringe Benefits	105,216.07	98,454.61	94,728.09	112,784.41
503000	Services	1,475.00	11,643.75	4,437.50	26,000.00
504000	Materials & Supplies	353.08	429.67	392.00	400.00
507030	Property Taxes	44,925.60	46,146.91	145,711.79	213,270.00
509000	Miscellaneous Expenses	50,376.55	4,840.86	3,004.46	25,350.00
512000	Leases & Rentals	188,073.02	47,523.24	116,821.85	121,023.72
Total:		678,838.38	476,400.55	617,101.85	810,558.04

Grade	Job Name	2011	2012	2013	2014
27	0838 Planning Team Leader	1.0	1.0	1.0	2.0
	0845 Project Officer	1.0	1.0	0.0	0.0
28	0794 Property Manager	1.0	0.0	1.0	0.0
30	0788 Director	1.0	1.0	1.0	1.0
Total		4.0	4.0	4.0	4.0



Engineering & Project Management Division

2014 OPERATING BUDGET SUMMARY Department 80 – Engineering & Project Development

JOSEPH SHAFFER, DIRECTOR

Department Priorities for 2014

- ◆ Manage design and construction of capital projects.
- ◆ Provide project support, quality assurance, and program management services in support of capital projects and development activities.

Mission Statement

The Engineering & Project Development Department mission is to design and manage construction of the Authority's capital improvement and rehabilitation programs, safely, on budget, on schedule, as well as involvement in quality control, and quality assurance services.

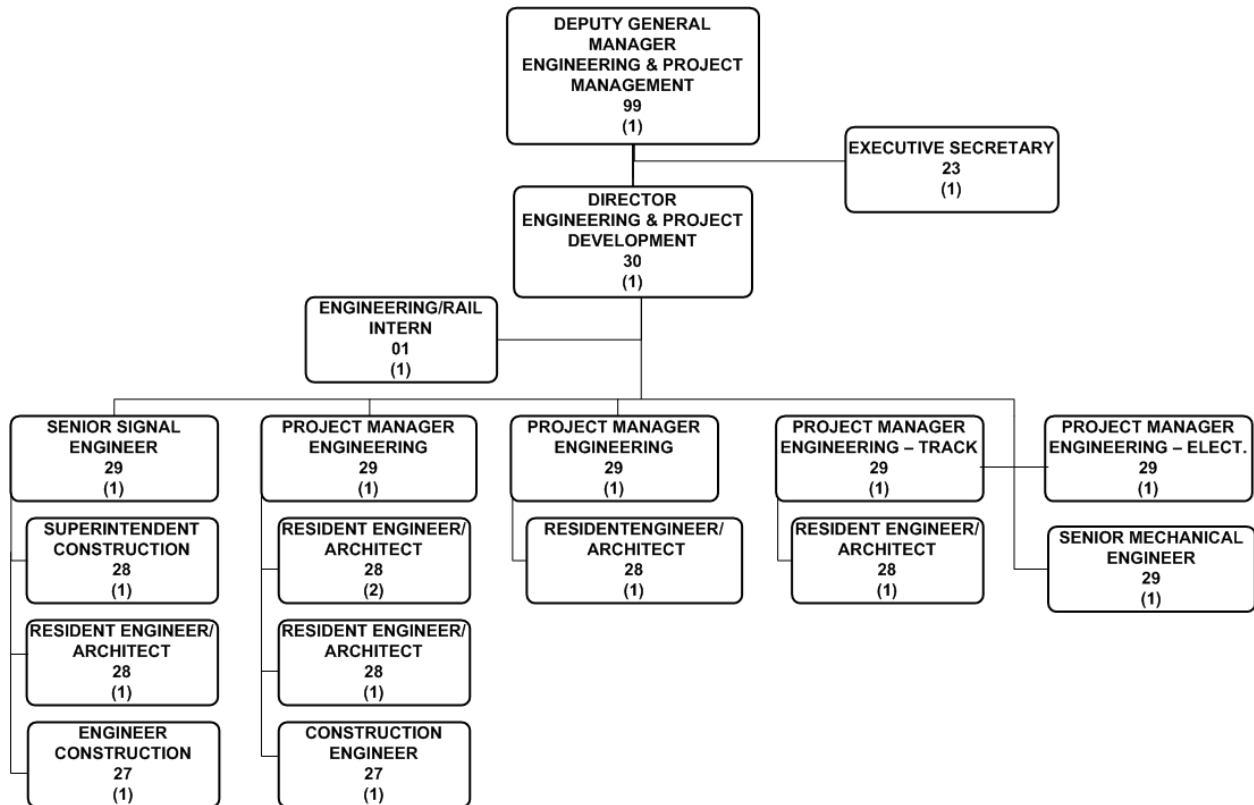
Estimated percentage completion of some of the Authority's Capital projects	2011 Actual	2012 Actual	2013 Estimate	2014 Budget
Fairhill Substation Design (#5)	90%	100%		
Airport Tunnel Rehabilitation Final Design (#5)	90%	100%		
Lighting Controls and Fixture Replacements (#5)	90%	100%		
Westlake Park-N-Ride Expansion Construction (#5)	50%	100%		
Woodhill Station Reconstruction (#5)	50%	100%		
Transit Police/Rail Headquarters Roof Replacement (#5)	10%	100%		
Rail Grade Crossing Construction – Phase II (#5)		100%		
Clifton Transit Enhancement Design (#5)	30%	80%	100%	
Red Line Paging System Upgrade (#1,5)	25%	80%	100%	
Bus State of Good Repair Grant Program – Facilities (#5)	10%	75%	100%	
Little Italy – University Circle Station and Bridge Design (#5)	30%	45%	100%	
Bus State of Good Repair Grant Program – Pavements (#5)		40%	100%	
Airport Tunnel and Ventilation Replacement (#5)		10%	100%	
Rail Grade Crossing Construction – Phase III (#5)		5%	100%	
Red Line S-Curve Rehabilitation (#5)		5%	100%	
Shaker Square / Shaker & Van Aken Crossing Design (#5)			100%	
Southgate Transit Center Parking Lot Expansion (#5)			100%	
Waterfront Line Station Rehabilitation Program (#5)		25%	90%	100%
West 65 th Street Substation Design (#5)		5%	90%	100%
University Circle – Cedar Station Reconstruction (#5)		10%	60%	100%
Central Rail Mntn. Facility & Service Bldg. Roof Repairs (#5)			90%	100%
Fairhill Substation Reconstruction (#5)			50%	100%
Tower City Escalator Replacement Design (#5)				100%
Red Line Kinsman to University Track Rehabilitation				100%
Red Line Track Bridge over East Boulevard Rehabilitation				100%
Light Rail Bridges over East 81 st and East 83 rd Design				100%
Central Rail High Mast Lighting Replacement				100%
Central Rail Wash Track and Transfer Table Rehab Design				100%
Little Italy – University Circle Sta. & Bridge Construction (#5)			5%	70%
East 92 nd Truss Bridge Rehab over CSX Railway				50%
West 116 th Street Station Design				50%
Lee / Van Aken Station Reconstruction (#5)				30%

Engineering & Project Management Division

Below are budget and staffing highlights of the Engineering & Project Development Department

Obj. Class	Description	2011 Actual	2012 Actual	2013 Projection	2014 Budget
501300	Labor – Salaried Employees	998,550.47	1,259,511.33	1,221,449.26	1,587,890.69
502000	Fringe Benefits	368,741.90	429,689.78	434,398.85	574,501.56
503000	Services	3,948.76	20,383.76	8,602.70	15,000.00
504000	Materials & Supplies	2,196.22	2,378.69	3,183.61	2,725.00
509000	Miscellaneous Expenses	6,979.13	14,764.22	11,205.84	33,600.00
Total:		1,380,416.48	1,726,727.78	1,678,840.26	2,213,717.25

Grade	Job Name	2011	2012	2013	2014
01	99XX Rail-Engineering Intern	0.0	0.0	0.0	1.0
23	0725 Executive Secretary	1.0	1.0	1.0	1.0
27	1192 Construction Engineer	1.0	2.0	2.0	2.0
28	1250 Supt Construction	1.0	1.0	1.0	1.0
	1329 Sr Eng Signal & Power	1.0	1.0	0.0	0.0
	1355 Resident Eng/Architect	6.0	2.0	2.0	2.0
29	0796 Manager Eng Project	2.0	4.0	4.0	4.0
	1660 Senior Mechanical Engineer	0.0	2.0	2.0	3.0
	1329 Project Manager Electrical	0.0	0.0	1.0	1.0
	1518 Senior Engineer Signal	1.0	0.0	1.0	1.0
30	0789 Director	1.0	1.0	1.0	1.0
99	9931 DGM Eng & Project Mgmt	0.0	1.0	1.0	1.0
Total		14.0	16.0	17.0	19.0



This page left intentionally
blank

Legal Affairs Division

Division Summary

Sheryl King Benford, Deputy General Manager

The Legal Affairs Division is comprised of the Legal, Safety, and Risk Management Departments and the Office of Equal Opportunity.

The Legal Department provides legal counsel and representation to the Board of Trustees and the Authority. Legal represents the GCRTA on major projects, personal injury, property damage, employment, labor, civil rights, debt collection, and contract lawsuits and provides expertise on procurement, general contract and real estate law, personnel policies, liability, and labor negotiations. The Office of Equal Opportunity enforces EEO/ADA compliance and the workplace harassment policy. The Safety Department provides accident prevention, bus system safety, industrial safety, facilities, and rail system safety programs. The Risk Management Department provides workers' compensation and insurance expertise for the Authority and protects the Authority against future and catastrophic losses. Risk Management investigates and purchases liability and property insurance consistent with GCRTA's level of self-insurance.

Mission Statement

The mission of the Legal Affairs Division is to provide professional, cost-effective legal, safety, and risk management services as well as ensure equal opportunity access and treatment to all stakeholders of the Authority.

2013 Achievements

- ◆ Provided efficient and cost-effective legal representation in all GCRTA litigation, transactional and administrative matters.
- ◆ Managed the Authority's ADA/EEO programs to ensure compliance with Federal, State, and local laws regarding employment practices, facilities, and services.
- ◆ Coordinated the development and monitoring of the Authority's Affirmative Action Plan.
- ◆ Implemented Safety Training Observation Program (STOP).
- ◆ Developed a Bus Observation Safety Committee (BOSCO).
- ◆ Enhanced a safety culture through discussion points at the Quarterly Management Meetings and other sessions.
- ◆ Represented GCRTA in labor arbitrations.
- ◆ Supported energy management initiatives.
- ◆ Continued a proactive approach to reducing bus and rail incidents.
- ◆ Acquired a Casualty Insurance Broker.
- ◆ Presented quarterly updates on Workers' Compensation/On-the-Job-Injuries at TransitStat.
- ◆ Met organizational goals on frequency regarding Workers' Compensation and On-the-Job Injuries.
- ◆ Completed first full year of the newly created Remain at Work program, which showed successful progress.

Legal Affairs Division

2014 Objectives

- ◆ Provide efficient and cost-effective legal representation in all GCRTA litigation, transactional, and administrative matters.
- ◆ Continue legal information program to apprise GCRTA departments of public sector legal issues that affect the Authority.
- ◆ Support construction projects including the Mayfield Rapid Station.
- ◆ Support energy management initiatives.
- ◆ Develop safety performance measures for managers and supervisors.
- ◆ Continue a proactive approach to reducing bus and rail incidents.
- ◆ Continue the management of the Authority's ADA program to ensure compliance with Federal, State, and local laws regarding employment practices, facilities, and services.
- ◆ Continue to investigate allegations of discrimination or non-compliance with equal opportunity policies and procedures.
- ◆ Continue to develop and monitor the Authority's Affirmative Action Plan.
- ◆ Ensure compliance with all Federal, State, and local legislation and regulations and serve as a liaison between the Authority and regulatory agencies.
- ◆ Continue the implementation of the Workers' Compensation Action Plan with a focus on strengthening and expanding the Remain-At-Work program.
- ◆ Complete review and staffing of Claims Section.
- ◆ Continue to negotiate the best terms and conditions available in the marketplace and most cost-effective renewal of GCRTA insurance programs.
- ◆ Continue to monitor data entry and reporting requirements.
- ◆ Support the implementation of MAP-21 and launch of the new ISO 14001 program.

Legal Affairs Division

This page left intentionally
blank.

Legal Affairs Division

2014 OPERATING BUDGET SUMMARY Department 15 – Safety

ROBERT HUYCK, DIRECTOR

Department Priorities for 2014

- ◆ Continue a proactive approach to reducing incidents.
- ◆ Continue to enhance the safety culture within the Authority.
- ◆ Support the implementation of MAP 21 and launch of the ISO 14001 program at Central Bus Maintenance Facility.
- ◆ Continue Safety and Security Certification in support of new station construction and rehabilitation.
- ◆ Review APTA standards and update standard operating procedures.

Mission Statement

The mission of the Safety Department is to provide a proactive approach towards the prevention of collisions and injuries, and the enhancement of employee and passenger safety. In addition, the Safety Department is committed to protecting the environment.

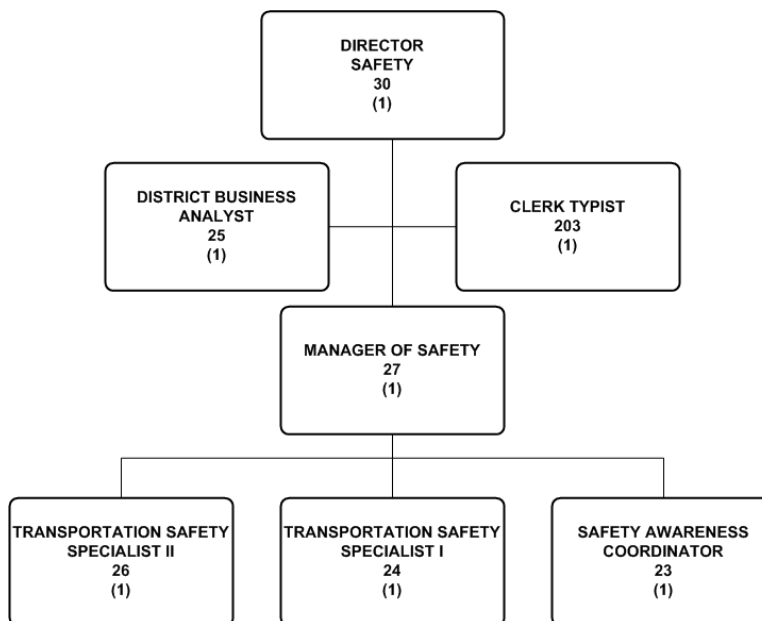
	2011 Actual	2012 Actual	2013 Estimate	2014 Budget
Total Collisions per 100,000 miles (#1)	3.31	2.90	3.30	3.20
Total Preventable Collisions (#1)	0.94	0.96	1.19	1.00
Total Injuries (#1)	246	210	190	190
Total Recordable Injuries (#1)	171	178	160	150
Internal Rail Audits (#1)	6	8	13	14
Bus/Rail Car Safety Inspections (#1)	119	69	55	55
Facility Inspections (#1)	72	108	108	108
Radar Audits (#1)	25	5	25	25
Ride Checks (#1)	56	10	50	50
Fire Drills/Train Evacuations (#1)	54	40	40	40
BMV Checks Authority Wide (#1)	2 runs	4 runs	4 runs	4 runs
CDLs (#1)	12 runs	12 runs	12 runs	12 runs
Universal Waste (fluorescent tubes, batteries) (lbs) (#1)	77,948	76,594	78,000	78,000
Hazardous Waste (lbs) (#1)	4,640	8,353	4,000	4,000
Non-Hazardous Waste (pit sludge, antifreeze, used oil) (#1) (in thousands)	804	1,017	800	800
Material Safety Data Sheet Evaluation (#1)	45	77	65	65
Job Hazard Analysis (#1)	25	45	38	32
Bus Incident Investigations (#1)	25	30	20	25
Rail Incident Investigations (#1)	19	24	35	35
Total Investigations (#1)	44	54	55	55
Grade Crossing (#1)	18	0	10	25
Work Zones (#1)	9	5	6	25

Legal Affairs Division

Obj. Class	Description	2011 Actual	2012 Actual	2013 Projection	2014 Budget
501200	Hourly Employees Payroll	0.00	5,061.51	0.00	0.00
501210	Overtime – Hourly Employees	0.00	0.55	0.00	0.00
501300	Labor – Salaried Employees	303,705.00	327,816.63	375,410.22	418,514.95
501310	Overtime – Salaried Employees	2,500.00	2,750.00	3,289.23	2,500.00
502000	Fringe Benefits	115,069.00	113,983.23	150,225.96	152,323.93
503000	Services	274,823.00	271,267.36	205,412.67	101,200.00
503049	Temporary Help	10,000.00	42,703.50	3,871.50	0.00
503052	Other Maintenance Contracts	0.00	0.00	0.00	193,300.00
504000	Materials & Supplies	17,541.00	42,194.75	8,229.34	39,700.00
509000	Miscellaneous Expenses	53,626.00	27,286.99	29,713.19	46,100.00
Total:		777,264.00	833,064.52	776,152.11	953,638.88

Below are budget and staffing highlights of the Safety Department

Grade	Job Name	2011	2012	2013	2014
02	0203 Clerk/Typist	1.0	1.0	1.0	1.0
23	1151 Safety Awareness Crd	1.0	0.5	1.0	1.0
24	1195 Trans Safety Spec I	1.0	1.0	1.0	1.0
25	1085 District Business Analyst	0.0	1.0	1.0	1.0
26	1196 Trans Safety Spec II	1.0	1.0	1.0	1.0
27	0782 Manager of Safety	1.0	1.0	1.0	1.0
30	1443 Director	1.0	1.0	1.0	1.0
Total		6.0	6.5	7.0	7.0



Legal Affairs Division

2014 OPERATING BUDGET SUMMARY Department 21 – Legal

SHERLYL KING BENFORD, DEPUTY GENERAL MANAGER

Department Priorities for 2014

- ◆ Provide legal service to the Authority including tort claims, contract claims, workers' compensation cases, and associated lawsuits, Federal, state, and local administrative proceedings and hearings, grievance hearings, and labor negotiations.
- ◆ Conduct training sessions on significant legal topics affecting the Authority.
- ◆ Conduct investigations on all EEO and ADA allegations.
- ◆ Provide legal support for all phases of development projects, land use, and acquisition.
- ◆ Provide legal support for the development, drafting, and revision of policies and procedures, including those for Procurement and contract and personnel forms.

Mission Statement

The mission of the Legal Department is to provide comprehensive and effective legal services to the Authority including representing the Authority in lawsuits, administrative and arbitration hearings, preparing legal opinions, documents, and providing advice in labor negotiations.

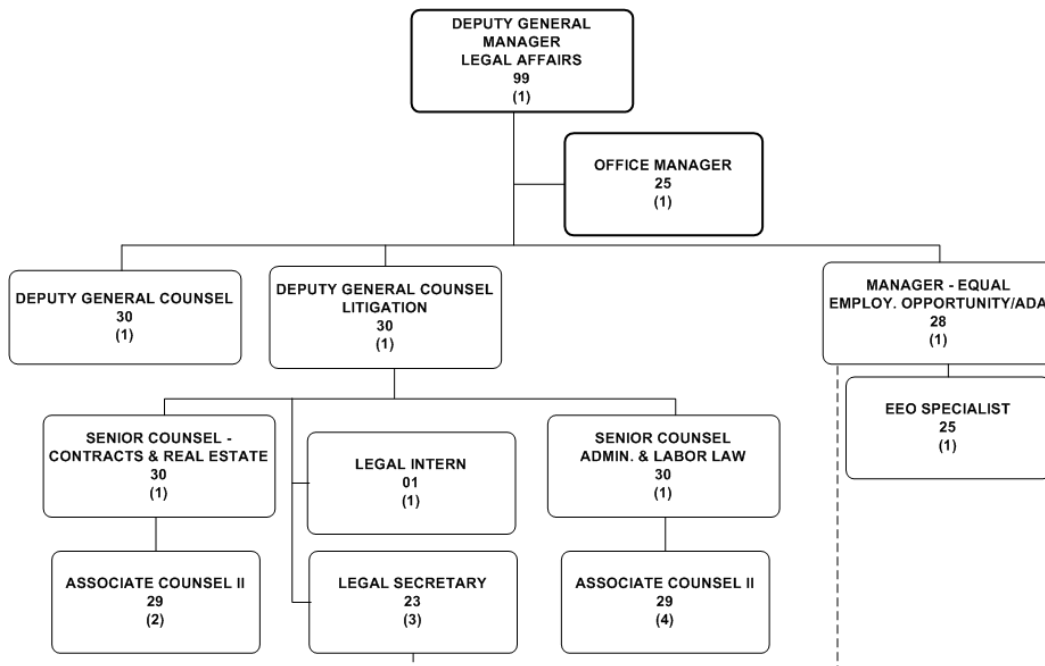
	2011 Actual	2012 Actual	2013 Estimate	2014 Budget
Depositions Scheduled (#1,4)	117	70	129	120
Court Hearings (#1,4)	177	135	157	150
Court Arbitration Cases (#1,4)	2	1	1	2
Scheduled Trials (#1,4)	3	1	8	5
Bureau of Workers' Compensation Hearings (#1,4)	599	694	480	480
Labor Arbitration Cases (#1,4)	28	14	12	20
Bureau of Employment Service Hearings (#1,4)	13	10	12	12
Public Records Requests (#1,4)	121	157	468	480
Contract Reviews & Property Issues (#1,4)	140	123	240	250
Contracts Negotiated and Drafted (#1,4)	190	45	40	45
Legal Opinions (#1,4)	68	60	199	210
Subpoenas Processed (#1,4)	1,091	868	975	990
Resolutions Reviewed (#1,4)	100	113	120	120
New Lawsuits Filed (#1,4)	93	81	85	90
ADA Paratransit Appeals (#1)	83	39	62	60
Number of Lawsuits Closed (#1,4)	124	93	65	80
ADA/OEO Complaints Received (#1,4)	44	35	33	36
Appellate Cases (#1,4)	2	3	5	5

Legal Affairs Division

Below are budget and staffing highlights of the Legal Department

Obj. Class	Description	2011 Actual	2012 Actual	2013 Projection	2014 Budget
501200	Hourly Employees Payroll	0.00	0.00	17,449.05	31,200.00
501300	Labor – Salaried Employees	922,330.99	1,084,374.31	1,161,636.68	1,222,289.68
501310	Overtime – Salaried Employees	278.42	0.00	0.00	0.00
502000	Fringe Benefits	345,808.11	363,856.98	419,521.28	453,514.70
503000	Services	167,741.33	(4,093.67)	(16,513.40)	275,000.00
503049	Temporary Help	6,960.00	46,987.00	3,800.00	0.00
504000	Materials & Supplies	1,431.61	1,250.50	3,316.43	3,625.00
509000	Miscellaneous Expenses	17,894.72	15,716.97	26,643.21	29,700.00
512000	Leases & Rentals	4,640.00	14,345.66	12,154.47	15,000.00
Total:		1,467,085.18	1,522,437.75	1,628,007.72	2,030,329.38

Grade	Job Name	2011	2012	2013	2014
01	9944 Legal Intern	1.0	1.0	1.0	1.0
04	0409 Legal Stenographer	1.0	0.0	0.0	0.0
23	0724 Legal Secretary	2.0	3.0	3.0	3.0
	0725 Executive Secretary	1.0	1.0	1.0	0.0
	25X EEO Specialist	0.0	0.0	0.0	1.0
25	1675 Office Manager	0.0	0.0	0.0	1.0
28	0880 Manager EEO & ADA	1.0	1.0	1.0	1.0
29	1440 Assoc Counsel Cont & Re	1.0	1.0	1.0	0.0
	1440 Assoc Counsel II	0.0	0.0	0.0	6.0
	1442 Assoc Counsel Admin & Lbr	4.0	4.0	4.0	0.0
30	1612 Sr Counsel Admin & Lbr	1.0	1.0	1.0	0.0
	1613 Sr Counsel Contr & Re	1.0	1.0	1.0	0.0
	1618 Dpty Cnsl / Litigation	1.0	1.0	1.0	1.0
	1680 Deputy General Counsel	0.0	0.0	0.0	1.0
99	9951 DGM Legal Affairs	0.0	1.0	1.0	1.0
Total		14.0	15.0	15.0	16.0



Legal Affairs Division

2014 OPERATING BUDGET SUMMARY Department 22 – Risk Management Development

JUDY LINCOLN, DIRECTOR
Department Priorities for 2014

- ◆ Hold the focus on workplace injuries and the frequency and cost reductions as well as the increased accountability by District personnel. Incorporate more frequent district meetings.
- ◆ Negotiate the best terms and conditions and most cost effective renewal for property / casualty insurance programs for GCRTA.
- ◆ In accordance with Project Charter, work with Information Systems, CSC (outside vendor), and Project Team to implement upgrade of Risk Management Information System to web-based version.
- ◆ Complete transition in Claims Section including new Director and senior adjuster positions and incorporation of updated departmental procedures.

Mission Statement

The mission of the Risk Management Department is to protect the assets of the Authority from catastrophic losses through risk identification and analysis, risk avoidance, mitigation, and risk transfer. The Department is also responsible for managing the Authority's property and casualty insurance and self-insurance programs, Liability Claims, and Workers' Compensation section the Department.

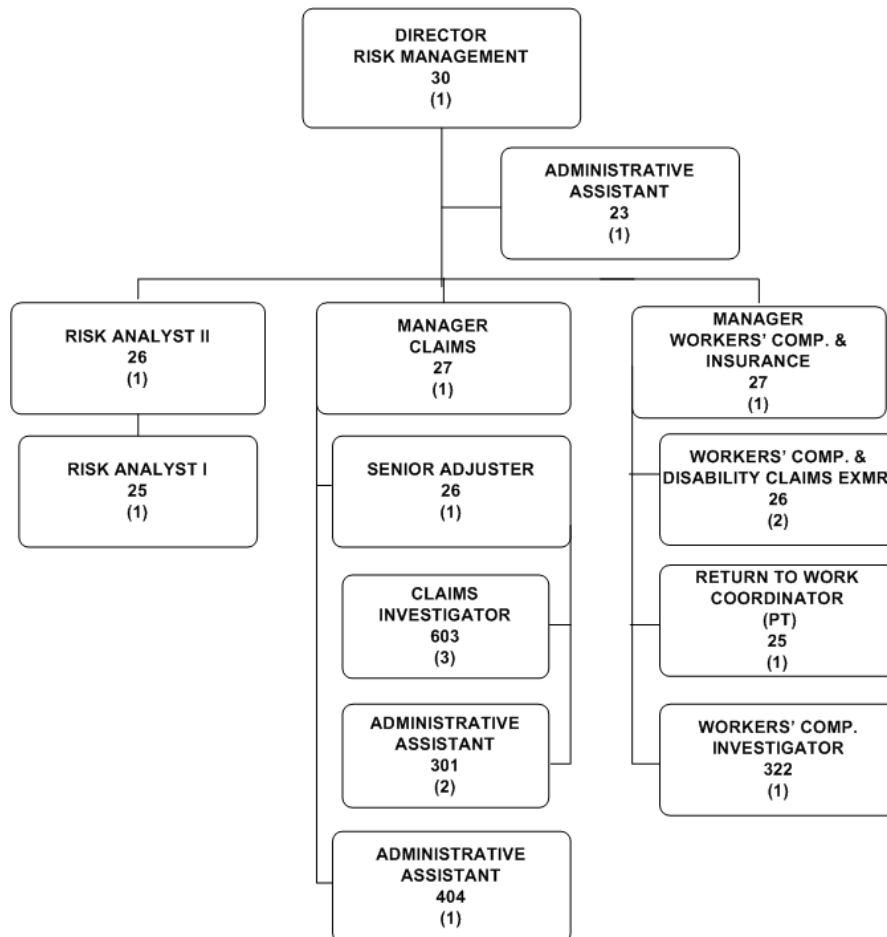
	2011 Actual	2012 Actual	2013 Estimate	2014 Budget
Third Party Liability Claims				
Total Events Resulting in Claims in Calendar Year (#1,4)	815	815	881	824
Total # Claims in Calendar Year (#1,4)	1,086	1,054	1,161	1,107
Average Cost per Claim (excluding large losses) (#1,4)	\$2,626	\$3,144	\$2,622	\$2,665
Workers' Compensation				
Total # of Claims in Calendar Year (#1,4)	246	209	203	225
Average Cost per Employee (excluding large losses) (#1,4)	\$1,373	\$1,289	\$1,213	\$1,380
Average Cost per Claim (excluding large losses) (#1,4)	\$12,524	\$13,914	\$12,384	\$12,700

Below are staffing highlights of the Risk Management Department

Obj. Class	Description	2011 Actual	2012 Actual	2013 Projection	2014 Budget
501200	Hourly Employees	0.00	50,408.12	27,065.81	35,663.96
501210	Overtime – Hourly Employees	0.00	0.00	0.00	0.00
501300	Labor – Salaried Employees	898,672.00	876,221.70	826,323.12	924,864.71
501310	Overtime – Salaried Employees	3,575.74	5,329.26	4,089.54	5,500.00
502000	Fringe Benefits	331,977.25	344,548.01	322,352.12	349,510.82
502071	W.C. – Injuries & Damages	1,679,062.34	1,200,595.14	1,170,117.96	1,425,000.00
502082	W.C. – Medical Payments	977,072.05	855,557.60	821,030.79	965,000.00
503000	Services	265,516.95	219,269.23	303,027.33	365,000.00
503030	Workers Comp Administration Fee	529,476.85	437,478.08	655,011.09	388,449.00
503049	Temporary Help	4,216.32	10,000.00	41,849.30	0.00
504000	Materials & Supplies	3,529.07	1,351.09	3,471.36	6,000.00
506000	Casualty & Liability Costs	276,913.17	283,771.75	470,307.77	596,815.00
506010	Physical Damage Insurance	476,613.00	659,107.00	886,240.00	730,700.00
506040	Liability & Property Damage Claims	1,949,883.66	1,579,571.36	1,634,636.13	1,605,580.00
506200	W. C. – Settlement & Lawsuit Expense	71,800.00	53,175.00	114,950.00	175,000.00
509000	Miscellaneous Expenses	14,335.27	20,234.04	6,811.07	13,750.00
Total:		7,482,643.67	6,596,617.38	7,287,283.39	7,586,833.49

Legal Affairs Division

Grade	Job Name	2011	2012	2013	2014
03	0301 Administrative Assistant	2.0	2.0	2.0	2.0
	0322 Workers Comp Investigator	1.0	1.0	1.0	1.0
04	0404 Administrative Assistant	1.0	1.0	1.0	1.0
06	0603 Claims Investigator	3.0	3.0	3.0	3.0
23	0757 Administrative Assistant	1.0	1.0	1.0	1.0
25	0885 Risk Analyst I	1.0	1.0	1.0	1.0
	1627 RTW – Transitional Coord	0.5	0.5	0.5	0.5
26	0876 Senior Adjustor (Claims)	0.0	1.0	1.0	1.0
	0905 Risk Analyst II	1.0	1.0	1.0	1.0
	1165 Workers Comp/Dis Clm Exam	2.0	2.0	2.0	2.0
27	0773 Manager Claims	1.0	1.0	1.0	1.0
	0894 Mgr Workers' Comp & Ins	1.0	1.0	1.0	1.0
30	0771 Director	1.0	1.0	1.0	1.0
Total		16.5	16.5	16.5	16.5



This page left intentionally
blank

Human Resources Division

Division Summary

Bruce E. Hampton, Deputy General Manager

The Human Resources Division is responsible for the organization, coordination, and administration of labor and employee relations; recruitment, compensation and benefits of personnel; training and employee development; and medical and wellness programs, as well as ensuring equal opportunities in the Authority's employment practices.

Mission Statement

The Human Resources Division provides personnel services, benefits, compensation, labor, and employee relations, training, and employee development to support the Authority.

2013 Achievements

- ◆ Continued the development of long-term strategic planning to lower healthcare costs, optimize benefits, and increase wellness activities, including Family Health & Wellness Day and other wellness programs throughout the Authority.
- ◆ Finalized negotiations of fair, but cost-effective labor agreements with the ATU Local 268 Union.
- ◆ Continued to track and monitor attendance trends and comply with revised Family Medical Leave Act (FMLA), thereby reducing absence duration and lowering employer costs.
- ◆ Completed the enhancements of Oracle Standard Benefits and Employee self-service modules to provide decision support information for employees and managers in an accurate and timely fashion.
- ◆ Implemented Oracle Learning Management.
- ◆ Continued Positive Discipline and Labor Relations supervisory training.
- ◆ Completed implementation of a comprehensive training plan to address the needs of the Rail District.
- ◆ Implemented Federal grant for 90 employees to participate in the Public Transit Management Academy (PTMA) at Cleveland State University, with graduation of the first cohort in December 2012.
- ◆ Published the first Human Resources newsletter to keep the Authority informed of information regarding the Human Resources Division.
- ◆ Hired/Rehired/Reinstated over 164 operators.
- ◆ Launched iRecruitment online employment application system.
- ◆ Re-engaged the Hispanic Employee Recruitment Group.
- ◆ Established a recruitment partnership with the Cuyahoga County Veterans Service Commission.

Human Resources Division

2014 Objectives

- ◆ Administration of contract to ensure compliance and a cost-effective labor agreement with Amalgamated Transit Union Local 268. Begin process for 2014 negotiations with the ATU and FOP/OLC.
- ◆ Continue to track and monitor attendance trends and comply with revised Family Medical Leave Act (FMLA), thereby reducing absence duration and lowering employer costs.
- ◆ Continue enhancements of Oracle Standard Benefits and Employee Self-Service modules to provide policy information and decision support information to employees and managers in a timely fashion.
- ◆ Continue Positive Discipline and Labor Relations supervisory training.
- ◆ Continue to expand the Diversity Awareness training program. Program instructors will provide monthly training schedules to accommodate Diversity Training program needs.
- ◆ Continue the development of the HR Business Partner model to include the expansion of individual HR job responsibilities to provide prompt, efficient, and personalized service to the operating districts.
- ◆ Begin building a formal succession planning program and continue to partner with directors, managers, and supervisors to implement succession planning activities that prepare employees to fill future leadership positions (e.g. Management Development Program).

Human Resources Division

This page left intentionally
blank.

Human Resources Division

2014 OPERATING BUDGET SUMMARY

Department 14 – Human Resources

ANGELA SMITH, DIRECTOR

Department Priorities for 2014

- ◆ Continue development of a long-term strategic plan to continue to lower healthcare costs and optimize benefits design and wellness activities.
- ◆ Continue development of the HR Business Partner to include the expansion of individual HR job responsibilities, to provide prompt, efficient, and personalized service to the Operating Districts.
- ◆ Continue to partner with directors, managers, and supervisors to implement succession planning activities that prepare employees to fill future leadership positions (e.g. Management Development Program).
- ◆ Continue development and monitoring of Oracle system security plan and enhancing Quality Assurance metrics.
- ◆ Continue training for Oracle HRMS, Kronos, and Discoverer users in the areas of reporting, data analysis, metrics, and increased functionality.
- ◆ Achieve optimal staffing Operator staffing levels to improve service.
- ◆ Fill vacancies so total number of vacancies at end of year are less than 100.
- ◆ Continue increasing HR's visibility throughout Authority by visiting Districts at least once per week.
- ◆ Increase recruitment outreach activities by attending at least 2 events per month.

Mission Statement

The Human Resources Department provides personnel services, benefits, wellness, and compensation to support the Authority.

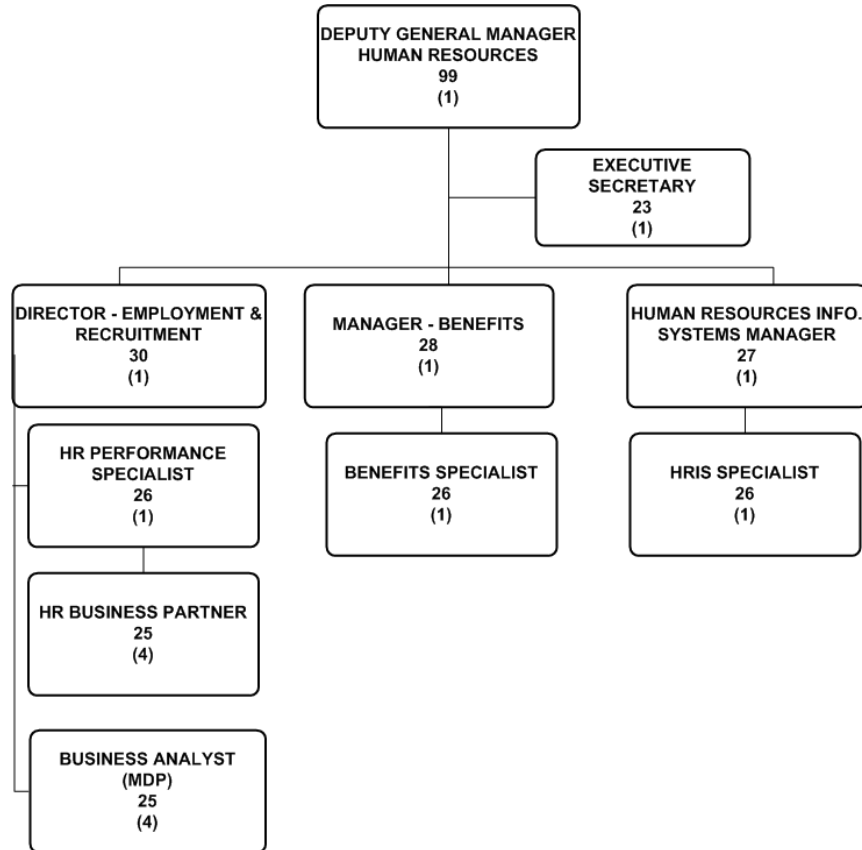
	2011 Actual	2012 Actual	2013 Estimate	2014 Budget
Total Number of New Hires (#1,3)	114	215	200	
Total Number of Promotions (#1,3)	51	52	50	
Operators Hired (#1,3)		81	90	
End of Year Vacancies (#1,3)		146.6	110	
Number of Visits to Districts		40	55	

Below are budget and staffing highlights of the Human Resources Department

Grade	Job Name	2011	2012	2013	2014
23	0725 Executive Secretary	0.0	1.0	1.0	1.0
25	1081 Business Analyst	2.0	4.0	4.0	4.0
	1640 HR Business Partner	6.0	6.0	4.0	4.0
26	1624 HR Performance Specialist	1.0	1.0	1.0	1.0
	1690 HRIS Specialist	0.0	0.0	1.0	1.0
	1700 Benefits Specialist	0.0	0.0	1.0	1.0
27	0904 HRIS Manager	1.0	1.0	1.0	1.0
28	0842 Mgr Employment & Recruitment	1.0	1.0	0.0	0.0
	0844 Benefits Manager	1.0	1.0	1.0	1.0
30	1444 Director of Employment & Recruitment	0.0	0.0	1.0	1.0
99	9971 DGM Human Resources	0.0	1.0	1.0	1.0
Total		12.0	16.0	16.0	16.0

Human Resources Division

Obj. Class	Description	2011 Actual	2012 Actual	2013 Projection	2014 Budget
501200	Hourly Employees	0.00	0.00	0.00	99,800.00
501204	Hourly Employees/Light Duty Wages	116,239.80	120,036.30	187,036.00	60,000.00
501210	Overtime – Hourly Employees	99.75	49.55	6,722.79	0.00
501300	Labor – Salaried Employees	617,365.34	787,504.85	878,954.55	985,378.47
502000	Fringe Benefits	268,730.97	296,257.13	358,837.10	414,327.52
502071	W. C. – Injuries & Damages	0.00	8,650.00	0.00	0.00
503000	Services	51,000.00	262.50	44,550.00	192,492.05
503020	Advertising Fees	44,896.45	23,624.20	20,994.16	35,000.00
503049	Temporary Help	5,888.65	(5,888.65)	0.00	0.00
504000	Materials & Supplies	18,860.02	34,738.02	74,971.85	22,425.00
509000	Miscellaneous Expenses	6,676.70	15,148.82	8,867.75	29,300.00
Total:		1,129,757.68	1,280,382.72	1,580,934.20	1,838,723.05



Human Resources Division

2014 OPERATING BUDGET SUMMARY

Department 18 – Labor & Employee Relations

SCOTT FERRARO, DIRECTOR

Department Priorities for 2014

- ◆ Provide advice, training, and counsel to managers, supervisors, and employees on discipline, grievances, policies, contracts, and labor laws.
- ◆ Negotiate ATU contract in 2014.
- ◆ Negotiate FOP contract in 2014.
- ◆ Serve as last step grievance hearing officer, prior to arbitration.
- ◆ Administer unemployment compensation benefits process and monitor funds.
- ◆ Ensure Operators receive biennial exams prior to their expiration.
- ◆ Perform drug tests on at least 25% and alcohol tests on at least 10% of safety-sensitive pool.
- ◆ Continue performance management under the Positive Discipline Policy.
- ◆ Chair or facilitate various Labor Management committees.
- ◆ Administer Drug & Alcohol policies and process all FMLA requests.
- ◆ Continue to administer and monitor the on line uniform ordering process.
- ◆ Implement Kronos Attendance and Leave tracking module.
- ◆ Continue to chair the OPTA HR committee.

Mission Statement

The mission of the Labor & Employee Relations Department is to build and support the continuous relationship between labor unions and the Authority. The Department also administers the Occupational Health & Wellness programs of the Authority to enhance attendance and the well-being of all employees.

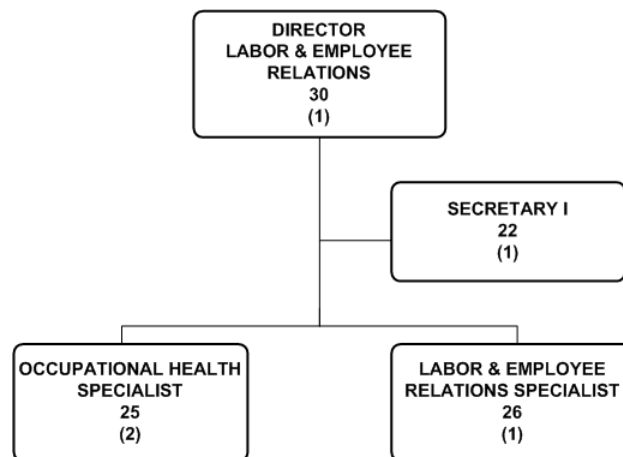
	2011 Actual	2012 Actual	2013 Estimate	2014 Budget
Number of 4 th Step Grievance Hearings Held (#1,4)	46	35	50	45
Number of Labor Management Committees (#1)	8	9	9	8
Number of Discipline Actions Approved (#1,4)	56	54	61	60
Total Number of Drug & Alcohol Tests (#1,4)	2,178	2,159	2,280	2,300
FMLA Requests Processed (#1,4)	830	826	900	900
Separations subject to unemployment claims (#1,4)	383	203	210	210
Biennials/Follow-ups (#1,4)	630	653	635	650

Human Resources Division

Obj. Class	Description	2011 Actual	2012 Actual	2013 Projection	2014 Budget
501300	Labor – Salaried Employees	248,169.63	262,358.01	271,119.40	298,388.56
502000	Fringe Benefits	72,732.96	73,313.21	88,378.28	107,957.49
502070	Unemployment Compensation	419,867.28	145,063.43	130,799.21	250,000.00
503000	Services	264,001.40	205,736.25	185,160.15	311,976.00
504000	Materials & Supplies	501.27	275.48	648.04	400.00
509000	Miscellaneous Expenses	6,391.95	9,396.45	3,971.98	8,500.00
Total:		1,011,664.49	696,142.83	680,077.06	977,222.05

Below are budget and staffing highlights of the Labor & Employee Relations Department

Grade	Job Name	2011	2012	2013	2014
22	0721 Secretary I	1.0	1.0	1.0	1.0
24	Human Resources Assistant	0.0	0.0	0.0	0.0
25	0899 Occupational Health Speci	2.0	2.0	2.0	2.0
26	0902 Lbr & Emp Relations Spec	1.0	1.0	1.0	1.0
30	1342 Director	1.0	1.0	1.0	1.0
Total		5.0	5.0	5.0	5.0



Human Resources Division

2014 OPERATING BUDGET SUMMARY Department 30 – Training & Employee Development

GEORGE FIELDS, DIRECTOR

Department Priorities for 2014

- ◆ Continue to ensure the timely completion of all training requirements (annual, biennial) for bus, rail, facilities, maintenance, and other applicable GCRTA employees.
- ◆ Continue the implementation and evaluation of training initiatives such as Human Trafficking Awareness, De-escalation and Conflict Resolution, Disability Awareness, Customer Service, and Diversity training to positively impact the customer experience.
- ◆ Continue the implementation of a driver behavior performance monitoring system on bus fleet to enhance safety and operator training.
- ◆ Continue the implementation of a Bike/Bus Safety Committee to ensure that Operators safely and responsibly share the road with bicyclists.
- ◆ Continue development and implementation of Railcar Maintenance Apprenticeship Program and National Signal Training Consortium participation.

Mission Statement

The mission of the Training & Employee Development Department is to provide growth and development opportunities for all GCRTA employees by improving their skills, knowledge, and abilities in support of the Authority's goals.

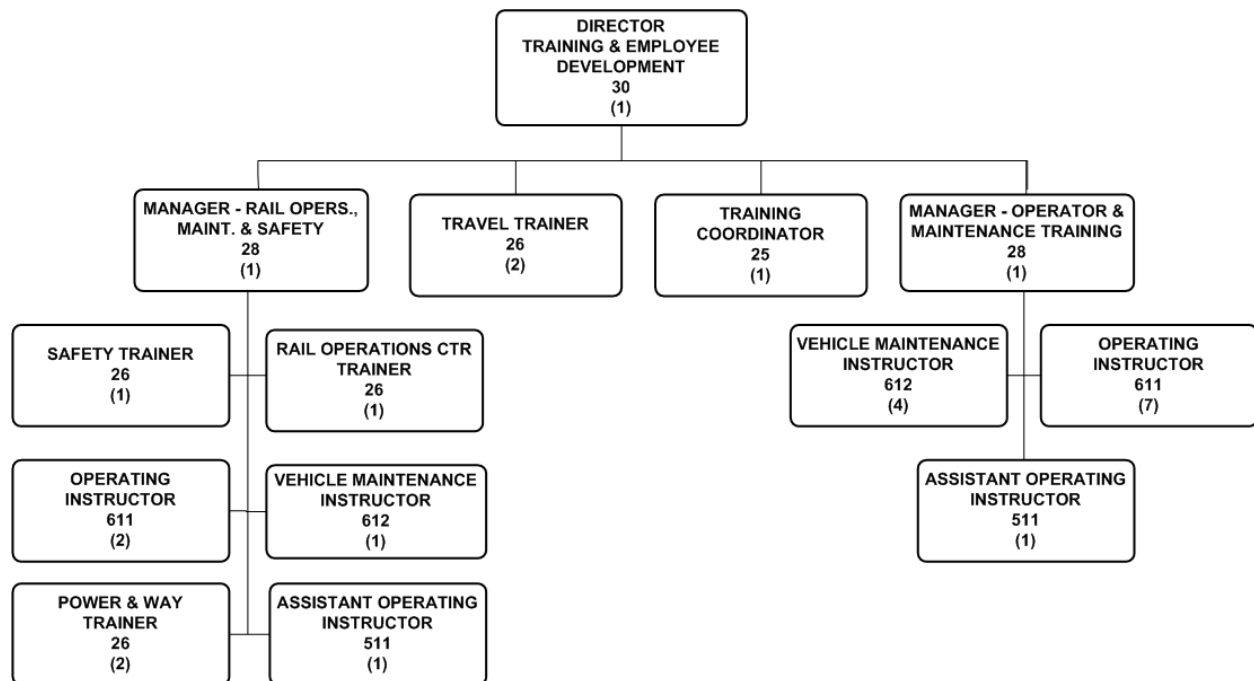
	2011 Actual	2012 Actual	2013 Estimate	2014 Budget
Biennial Bus Operator Recertification (#1)	741	363	358	370
Biennial Rail Operator Recertification (#1)	43	34	41	40

Below are budget and staffing highlights of the Training & Employee Development Department

Obj. Class	Description	2011 Actual	2012 Actual	2013 Projection	2014 Budget
501300	Labor – Salaried Employees	1,287,442.79	1,439,379.49	1,611,845.57	1,708,629.47
501310	Overtime – Salaried Employees	22,499.02	30,991.93	22,447.29	25,000.00
502000	Fringe Benefits	481,036.48	536,054.05	616,107.90	627,230.10
502148	Tuition Reimbursement	29,022.49	22,681.56	28,848.72	60,000.00
503000	Services	16,678.71	28,900.00	32,225.51	255,700.00
503052	Other Maintenance Contracts	0.00	0.00	(2,225.00)	0.00
504000	Materials & Supplies	4,037.01	5,799.98	794.65	17,600.00
509000	Miscellaneous Expenses	297,500.28	180,766.33	91,523.78	278,500.00
Total:		2,138,216.78	2,244,573.34	2,401,568.42	2,972,659.57

Human Resources Division

Grade	Job Name	2011	2012	2013	2014
05	0511 Assistant Operating Instr	2.0	2.0	2.0	2.0
06	0611 Operating Instructor	9.0	9.0	9.0	9.0
	0612 Vehicle Maint Instructor	5.0	5.0	5.0	5.0
25	1658 Training Coordinator	0.0	0.0	1.0	1.0
26	1194 Safety Trainer	1.0	1.0	1.0	1.0
	1619 Travel Trainer	2.0	2.0	2.0	2.0
	1622 Power/Way Rail Trainer	2.0	2.0	2.0	2.0
	1631 Rail Ops Ctr Trainer	1.0	1.0	1.0	1.0
28	0870 Mgr Oper/Main Training	1.0	1.0	1.0	1.0
	0886 Mgr Training Rail Oper	1.0	1.0	1.0	1.0
30	1430 Director	1.0	1.0	1.0	1.0
Total		25.0	25.0	26.0	26.0



This page left intentionally
blank

Executive Division

Division Summary

Joseph A. Calabrese, CEO/General Manager And Secretary/Treasurer

The Executive Division is responsible for the overall management of the organization, including strategic leadership, finance, operations, human resources, marketing, media and government relations, planning, project management, and engineering.

The focus of RTA's business plan was to enhance customer service, improve our image, strengthen financial resources, and execute a 2013 Budget that would result in a balanced budget without service reductions, fare increases, or employee layoffs.

Mission Statement

The Mission Statement of the Executive Division is to plan, execute, and manage the efficient, effective, and safe delivery of quality public transportation services to the residents of Greater Cleveland.

2013 Achievements

- ◆ Developed the 2012 Budget, which includes increased levels of transit service and related positions at RTA. Execution of this budget resulted in an ending balance \$15 million better than budget.
- ◆ Developed a 2013 budget that also includes increased levels of service to address capacity issues, and established a reduced fare for K-12 students to make using RTA more affordable.
- ◆ Established Rolling Stock Replacement Fund with \$7 million in 2012 and budgeted an additional \$6 million in 2013 to assist upcoming bus replacements.
- ◆ Realized increased ridership on all modes to include bus, rail, the HealthLine and on Paratransit services.
- ◆ Raised funds and implemented Trolley expansion to evenings and weekends, with NOACA funding and 14 additional business contributors.
- ◆ Reached agreement on a new labor contract with ATU in May 2012 that ties future wage increases to RTA's ability to pay.
- ◆ Funded and brought to contract two major Red Line improvement projects: Airport Tunnel and S-Curve; both have a completion date in June 2013.

Enhanced Customer Service

- ◆ Opened the \$3.3 million Buckeye-Woodhill Rapid Transit Station. This station serves the Blue and Green Lines on Light Rail. This station has a unique system of ramps that eliminated the need for elevators, while still effectively serving the ADA community.
- ◆ Held a groundbreaking of the Cedar-University Heavy Rail station with FTA Administrator Rogoff. This is a \$19 million project scheduled to be completed in two years
- ◆ Opening of the Westlake Park-N-Ride expansion at a cost of \$980,000.

Executive Division

- ◆ RTA social media efforts increased; launched Next Connect – RTA’s Real Time bus and train information website; More than 13,000 people ‘Like’ RTA on Facebook, making it the second-most ‘liked’ transit Facebook page. More than 1,400 people follow RTA on Twitter.
- ◆ Paratransit offers 92% on-time performance, even with a whopping 13% increase in passenger trips during 2012.
- ◆ Paratransit’s last trip denial: April ’07: Since then, approximately 2.5 million trips have been accommodated!

Improved Our Image

- ◆ Hosted 17 HealthLine visits, including delegations from Detroit, Portland, Brazil, Las Vegas, North Carolina, Kansas City, Disney, Australia, Albuquerque, and Nashville, along with dozens of journalists from around the world (including the Wall Street Journal)
- ◆ RTA Transit Police K-9 teams, in addition to regular RTA duties, assisted other law enforcement, civic and business entities in the community 75 times in 2012, to clear buildings when explosives were suspected or threatened.
- ◆ Broke ground on a very visible and important Red Line Station to many partners including University Circle Inc., the Cleveland Foundation, CWRU and more: The Cedar-University Transit Station which is estimated to be completed in 2014.
- ◆ Improved service on 31 separate lines, including a significant rail frequency increase during peak hours.
- ◆ Established a new route #54 to serve Parma VA Outpatient Clinic and other businesses on Brookpark Road
- ◆ Created the Cleveland Pass to be sold by RTA and Positively Cleveland; offering passes to tourists to increase their likelihood of riding RTA.
- ◆ Provided extended Waterfront Line service during Marine and Navy Weeks

Strengthen Financial Resources

- ◆ Continued the Energy Price Risk Management Program. The first benefits of the program were achieved in 2010 when costs were substantially reduced. The program has reduced diesel fuel costs by more than \$13 million in 2010, 2011 and 2012. RTA is 80% hedged for 2013 and 55% hedged for 2014. The program has stabilized and controlled the Authority’s second largest cost.
- ◆ Improved RTA Bond Rating to AAA by Standard & Poor
- ◆ Approved a new and innovative labor agreement with the Amalgamated Transit Union (ATU) that ties future wage increases, if any, to increases in RTA revenues.
- ◆ Awarded \$7.1 million in funding for the Clifton Road Enhancement Project, working with both Lakewood and the City of Cleveland.
- ◆ Continued use of ‘TransitStat’, an operating efficiency tool that helped save more than \$40 million over 5 years, in various areas.
- ◆ Realized a significant ridership increase of 4.8% from 2011 to 2012.
- ◆ RTA Transit Police acquired more than \$500,000 in grants to update the Computer Aided Dispatch system and to purchase iWatch, a new smartphone app to where customers can report concerns to transit police.

Executive Division

Increase Ridership

- ◆ Increased ridership on virtually all bus and rapid transit routes, leading to improvements on over 30 bus routes and increasing the Red Line rail frequency by 33% in December.
- ◆ Year to year ridership increase of 4.8%.
- ◆ Offered Real-Time information via the internet to riders of all buses and trains at riderta.com/nextconnect/
- ◆ Created specialized marketing materials for popular destinations like Ohio City and Tremont.
- ◆ 'Ready to Ride' marketing program continues with major companies. More than 25% of employees targeted have become new RTA riders!
- ◆ Continued education to Cleveland businesses and community groups about transit possibilities and ease of use.

Safety

- ◆ Awarded the APTA Gold Award of Merit for Safety (third year recognized in a row).
- ◆ Awarded the Transit Security Administration Gold Standard in Security Enhancement rating system.
- ◆ Created joint ATU/FOP and Labor Management Committee to address operator assaults.
- ◆ Implementation of iWatch program: A smartphone app that allows customers to text, call, send video and/or pictures, all anonymously, about any safety concerns on or around RTA's system.
- ◆ Emerged from FTA Rail Safety Oversight Audit with no deficiencies.

Executive Division

2014 Objectives

- ◆ Continue to improve service quality for all RTA customers including:
 - On-time performance
 - Reliability
 - Customer Satisfaction
 - Safety
- ◆ Investigate additional strategies to increase our productivity and reduce costs.
- ◆ Identify additional funding for bus replacements; Rolling Stock Fund developed and needs to be added to via other funding options.
- ◆ Deliver a creative marketing plan to promote the value of RTA and maximize ridership.
- ◆ Continue our positive relationship with civic leaders, elected officials, and the media.
- ◆ Continue education about the benefits of public transit in general, RTA in particular.
- ◆ Increase the cleanliness of RTA facilities and vehicles.
- ◆ Work to maximize the value of RTA to visitors and employees of the Convention Center/Medical Mart, Casino, and Flats East Bank developments.
- ◆ Move forward on several important capital projects, such as University Circle/Little Italy Transit Station (currently E. 120th Street)
- ◆ Complete Airport Tunnel and S-Curve projects.
- ◆ Provide extensive support and planning for transportation surround the 2013 Senior Games.
- ◆ Increase service in areas where RTA has experienced issues with capacity and on-time performance.
- ◆ Drive efforts to maximize ridership, by promoting the value of RTA; affordability and sustainability.

This page left intentionally
blank.

Executive Division

2014 OPERATING BUDGET SUMMARY Department 12 – Executive

JOSEPH A. CALABRESE,
CEO / GENERAL MANAGER & SECRETARY-TREASURER

Department Priorities for 2013

- ◆ Implement policies and procedures to maintain critical services.
- ◆ Maximize ridership.
- ◆ Continue sales-focus transition of the Authority.
- ◆ Achieve revenue increase in passenger fares.
- ◆ Achieve performance improvements in safety.
- ◆ Achieve performance improvements in number of miles between service interruptions.
- ◆ Achieve performance improvements in on-time performance.
- ◆ Achieve decrease in employee unscheduled absences.
- ◆ Continue culture change efforts with focus on identifying efficiencies and better practices to improve customer service.
- ◆ Promote policies at the local, state, and federal levels that support transit.
- ◆ Develop and implement a strategy to bring discretionary dollars at both state and federal levels to the GCRTA.
- ◆ Support increases of transit dollars during budget cycles at both the state and federal levels.
- ◆ Develop strong working relationships with elected officials at the local, state, and federal levels.
- ◆ Cultivate contacts with civic, business, and community leaders and groups.

Mission Statement

Under the direction of the CEO/General Manager, it is the responsibility of the Executive staff to implement the policies and mandates established by the GCRTA Board of Trustees, and develop and work towards the achievement of the Authority's goals and objectives.

	2011 Actual	2012 Actual	2013 Estimate	2014 Budget
Ridership (#1)	46,238,928	48,265,048	49,236,078	50,000,000
Percent Change Prior Year (#1)	3.6%	4.3%	2.1%	1.5%
Pass Revenue (#1,4)	48,017,726	49,237,857	48,699,580	49,314,054
% Change (#1,4)	4.2%	2.5%	-1.1%	1.2%

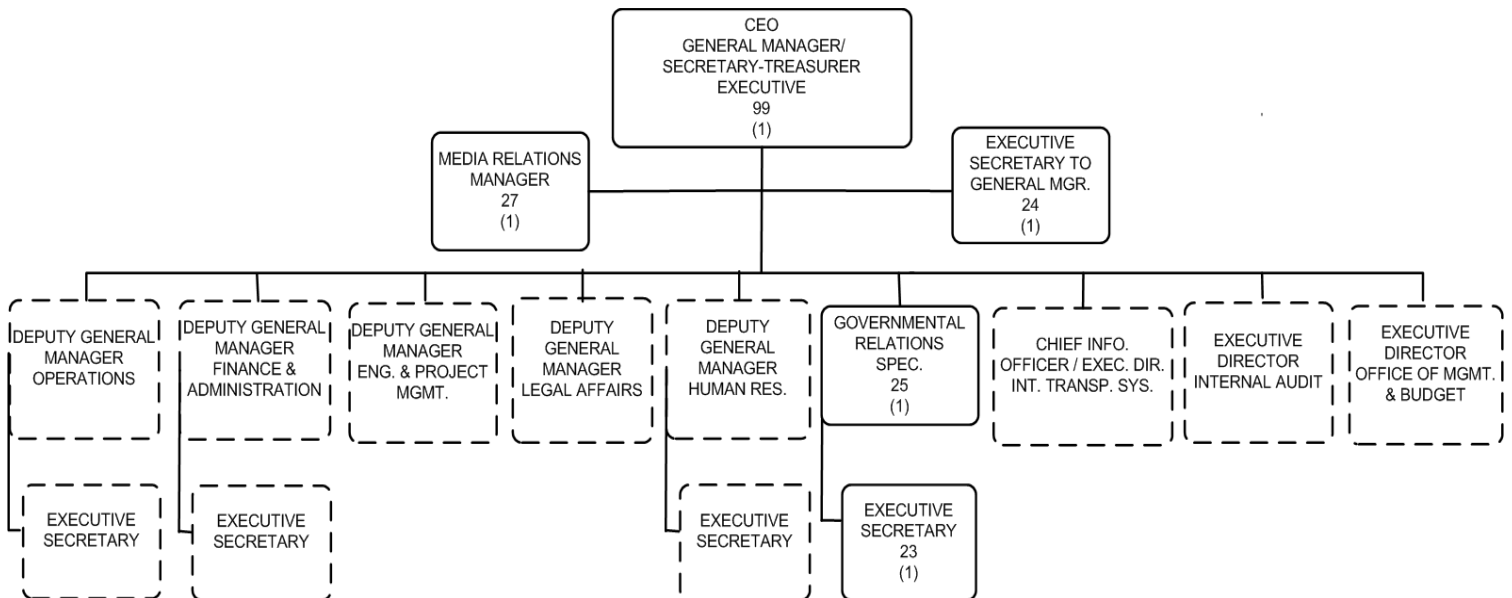
Executive Division

Below are budget and staffing highlights of the Executive Department

* In 2010 and 2011, District General Managers (DGMs) were budgeted in the Executive Department. Starting in 2012, these positions were moved and budgeted in their respective Divisions.

Obj. Class	Description	2011 Actual	2012* Actual	2013 Projection	2014 Budget
501300	Labor – Salaried Employees	1,282,427	485,380	516,633	533,652
502000	Fringe Benefits	490,802	196,156	215,797	193,076
503000	Services	16,245	(1,176)	19,720	28,300
503049	Temporary Help	(1,799)	0	2,432	0
504000	Materials & Supplies	644	1,834	1,879	1,525
509000	Miscellaneous Expenses	144,492	133,680	162,576	189,500
Total:		1,932,811	815,874	919,219	946,043

Grade	Job Name	2011	2012	2013	2014
23	0711 Secretary to GM/Sec Treasurer	1.0	1.0	1.0	1.0
	0725 Executive Secretary	4.0	1.0	1.0	1.0
25	0862 Government Relations Specialist	1.0	1.0	1.0	1.0
26	1625 Performance Leader – Ops	2.0	0.0	0.0	0.0
27	1444 Manager Media Relations	0.0	1.0	1.0	1.0
99	9921 DGM Operations	1.0	0.0	0.0	0.0
	9931 DGM Eng & Project Management	1.0	0.0	0.0	0.0
	9941 DGM Finance & Admin	1.0	0.0	0.0	0.0
	9951 DGM Legal Affairs	1.0	0.0	0.0	0.0
	9971 DGM Human Resources	1.0	0.0	0.0	0.0
	9929 General Manager	1.0	1.0	1.0	1.0
Total		14.0	5.0	5.0	5.0



Executive Division

2014 OPERATING BUDGET SUMMARY Department 16 – Secretary/Treasurer – Board of Trustees

JOSEPH A. CALABRESE,
CEO/ GENERAL MANAGER & SECRETARY-TREASURER

Department Priorities for 2014

- ◆ Secure and complete independent outside audit of the Authority.
- ◆ Enforce policies on governance and demand accountability from management and staff.
- ◆ Achieve the maximum rate of return on investments consistent with policy guidelines.
- ◆ Continue legislative and policy-making role; achievement of key policy goals for the Authority and development of policies that result in quality, cost-effective services that meet the needs of residents and visitors to the Greater Cleveland area.

Mission Statement

The mission of the appointed Board of Trustees is to establish the policies and mandates that direct the Authority's ongoing goals and objectives. Additionally, the Secretary-Treasurer is responsible for the preservation of the Authority's records, safeguarding of its assets, and the cash investment program.

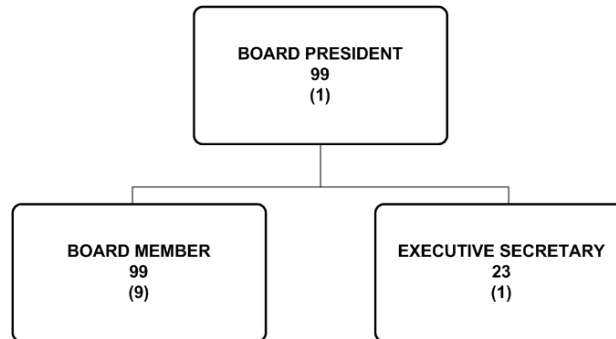
	2011 Actual	2012 Actual	2013 Estimate	2014 Budget
RTA Annual Yield on Investments (#4)	0.50%	0.50%	0.48%	0.60%

Executive Division

Below are budget and staffing highlights of the Secretary/Treasurer – Board of Trustees
Department

Obj. Class	Description	2011 Actual	2012 Actual	2013 Projection	2014 Budget
501300	Labor – Salaried Employees	85,171	88,691	90,759	97,509
502000	Fringe Benefits	29,845	31,756	34,101	32,279
503000	Services	167,040	187,890	175,317	178,000
504000	Materials & Supplies	473	544	850	1,200
509000	Miscellaneous Expenses	17,038	21,803	20,805	33,500
Total:		299,567	330,683	321,831	345,487

Grade	Job Name	2011	2012	2013	2014
23	0725 Executive Assistant	1.0	1.0	1.0	1.0
99	9901 Board Member	10.0	10.0	10.0	10.0
Total		11.0	11.0	11.0	11.0



Executive Division

2014 OPERATING BUDGET SUMMARY Department 19 – Internal Audit

ANTHONY GAROFOLI, EXECUTIVE DIRECTOR

Mission Statement

Internal Audit is an independent, objective assurance and consulting activity designed to add value and improve the Authority's operations. The Department helps the Authority accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.

Department Priorities for 2014

- ◆ Perform contract audits to evaluate compliance with terms and conditions; Health care dependent eligibility audit and claims expense audit; and Revenue collection audits.
- ◆ Participate in the TransitStat Program
- ◆ Coordinate and follow-up with external audits and reviews.
- ◆ Perform Information Technology audits (new and existing systems).
- ◆ Provide resources to management on steering committees, evaluation panels and task forces.
- ◆ Conduct Buy America compliance reviews for vehicle and facility capital improvements

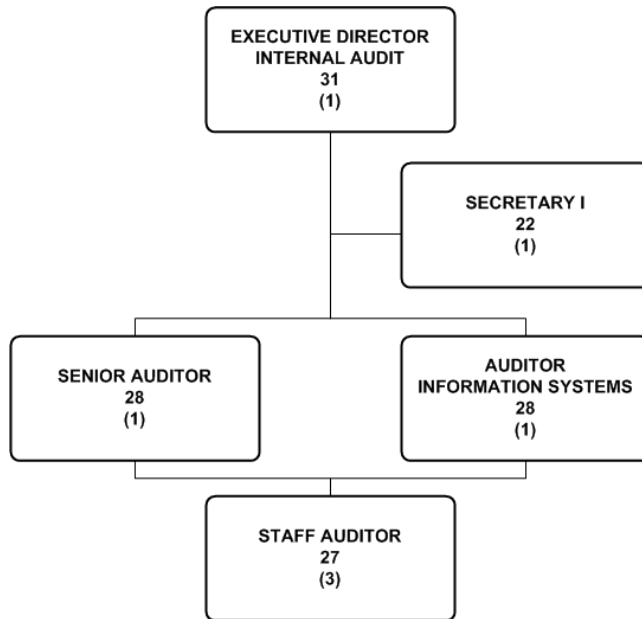
	2011 Actual	2012 Actual	2013 Estimate	2014 Budget
Number of Audits Planned (#1,4)	49	48	51	50
Number of Audits Completed (#1,4)	41	41	45	44
Percentage of Time Budgeted for Audits (#1,4)	91%	90%	90%	90%
Percentage of Recommendations Implemented By Management (#1,4)	N/A	N/A	80%	80%
Percentage of Audits Performed Where Computerized Audit Tools Were Used (#1,4)	N/A	N/A	30%	50%

Below are budget and staffing highlights of the Internal Audit Department

Obj. Class	Description	2011 Actual	2012 Actual	2013 Projection	2014 Budget
501300	Labor – Salaried Employees	421,810	433,384	433,700	503,672
502000	Fringe Benefits	156,048	158,686	163,552	182,230
503000	Services	115,589	137,082	29,400	56,500
504000	Materials & Supplies	2,231	1,668	1,113	1,600
509000	Miscellaneous Expenses	18,981	58,233	(14,601)	28,200
Total:		714,658	789,053	613,134	772,202

Executive Division

Grade	Job Name	2010	2011	2012	2013
22	0721 Secretary I	1.0	1.0	1.0	1.0
26	0957 Staff Auditor	2.0	2.0	2.0	0.0
27	1087 Lead Auditor	1.0	1.0	1.0	0.0
	0957 Staff Auditor (Upgrade)	0.0	0.0	0.0	3.0
28	1202 Auditor Information Systems	1.0	1.0	1.0	1.0
	1261 Senior Auditor	1.0	1.0	1.0	1.0
30	1522 Executive Director	1.0	1.0	1.0	1.0
Total		7.0	7.0	7.0	7.0



Executive Division

2014 OPERATING BUDGET SUMMARY Department 53 – Marketing & Communications

STEPHEN BITTO, DIRECTOR

Department Priorities for 2014

- ◆ Develop fully integrated communication strategy to enhance the community's awareness of the Authority's brand and product offerings.
- ◆ Solicit, establish, and expand relationships with Commuter Advantage clients.
- ◆ Develop strategies to increase utilization of the Authority's existing service package, targeting the HealthLine, rapid transit system, Park-N-Ride facilities, and trolley lines.
- ◆ Establish and maintain U-Pass relationships with local colleges and universities.
- ◆ Develop and conduct a series of research programs to gauge customer satisfaction related to the Authority's primary brands: Health Line, Rapid Transit, Park-N-Ride, Trolley.
- ◆ Develop a media relations program to present the Authority as a progressive, fiscally-responsible organization.
- ◆ Maximize revenue sources including transit advertising, asset sponsorships, and on-site vending opportunities.
- ◆ Establish and nurture relationships with transit coalition partners, including business and community leaders and elected officials.
- ◆ Expand the utilization of social media outlets targeting young adults (18 – 34) to encourage trial service use.

Mission Statement

The mission of the Marketing & Communications Department is to direct the overall marketing strategies of the Authority, coordinate and communicate transit issues to the general public and media, and support and enhance customer relationships.

	2011 Actual	2012 Actual	2013 Estimate	2014 Budget
Ridership Increase (#1,4)	3.6%	4.3%	2.5%	3.5%
Community Advantage Clients (#1,5)	629	675	695	725
Calls Answered (#1)	465,300	486,000	500,000	510,000
TIC Lost Call Rate (#1)	14.2%	6.7%	6.0%	5.0%
Website Visits (#1, 5)	2,388,800	3,395,100	4,404,700	5,500,000
Research studies Completed (#1, 5)	5	6	9	13
Aggregate Customer Satisfaction Rate (#1,5)	N/A	N/A	70%	80%

2013 Highlights:

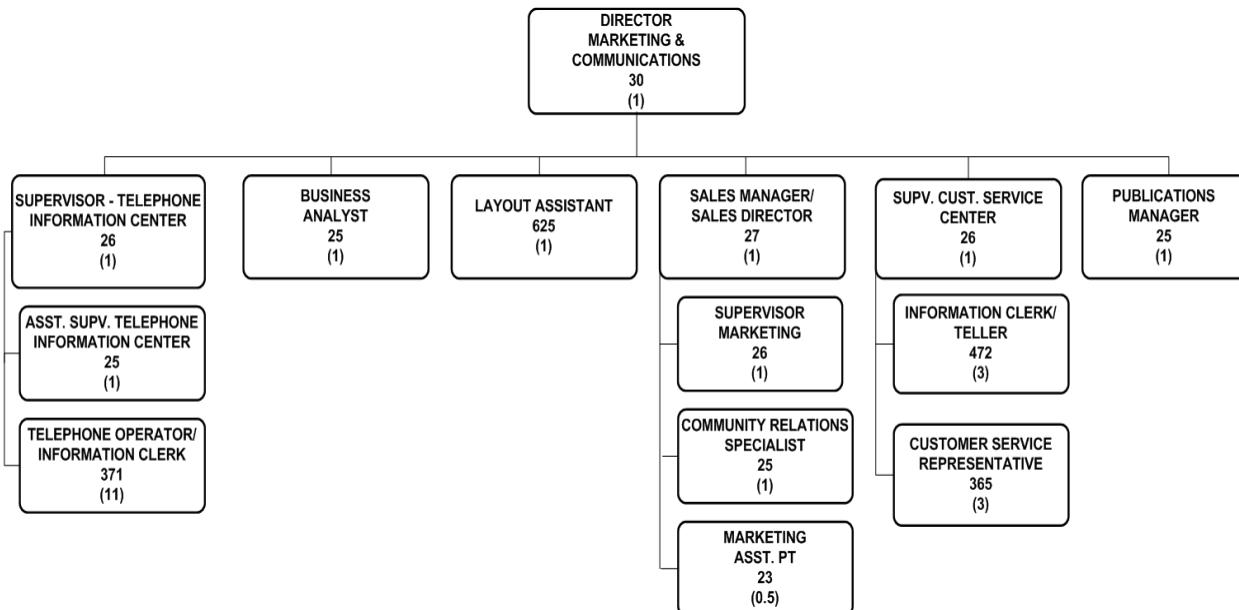
- Total ridership increased by 2.5%, with a 4.5% gain over the last six months. HealthLine ridership rose by 5%, while Trolley ridership rose by 18%.
- Developed and implemented a fully-integrated media campaign promoting RTA. The "Ready to Ride" program incorporated TV, radio, outdoor signage, and digital media.
- Continued the "Ready to Ride" Business-to-Business new rider initiative. Nearly two dozen organizations partnered with RTA to offer employees a no-risk free trial on RTA.
- Completed a cross-divisional review and redesign of the Authority's standard bus stop sign. The new sign provides riders with the route number, final destination, days of operation and span of service.
- Developed and implemented a comprehensive communication program to promote RTA service to Senior Games participants and spectators.

Executive Division

Below are budget and staffing highlights of the Marketing & Communications Department

Obj. Class	Description	2011 Actual	2012 Actual	2013 Projection	2014 Budget
501200	Hourly Employees Labor	4,896	24,843	33,226	22,461
501210	Overtime – Hourly Employees	0	2,092	2,973	0
501300	Labor – Salaried Employees	1,346,484	1,451,046	1,479,275	1,537,624
501310	Overtime – Salaried Employees	30,886	26,116	27,056	20,000
502000	Fringe Benefits	514,341	554,705	588,194	571,677
503000	Services	21,631	156,941	168,743	195,303
503020	Advertising Fees	1,000,465	799,784	827,354	861,780
504000	Materials & Supplies	19,941	13,427	21,953	16,565
509000	Miscellaneous Expenses	60,288	60,530	20,705	21,000
Total:		2,998,932	3,089,483	3,187,195	3,246,410

Grade	Job Name	2011	2012	2013	2014
03	0365 Customer Service Rep	3.0	3.0	3.0	3.0
	0371 Telephone Oper/Info Clerk	11.0	11.0	11.0	11.0
04	0472 Information Clerk/Teller	3.0	3.0	3.0	3.0
06	0625 Layout Assistant	1.0	1.0	1.0	1.0
23	1650 Marketing Assistant PT	0.0	0.5	0.5	0.5
	0740 Marketing Associate	1.0	1.0	1.0	1.0
25	0713 Publications Manager	1.0	1.0	1.0	1.0
	0831 Community Relations Spec.	1.0	1.0	1.0	1.0
	0966 Asst. Supervisor Tel. Info	1.0	1.0	1.0	1.0
	1085 Business Analyst	0.0	0.0	0.0	0.0
26	1061 Supervisor Marketing	1.0	1.0	1.0	1.0
	1184 Suv. Telephone Info Ctr	1.0	1.0	1.0	1.0
	1246 Supv Customer Serv Center	1.0	1.0	1.0	1.0
27	1144 Manager Media Relations	1.0	0.0	0.0	0.0
	0859 Sales Mgr/Sales Director	1.0	1.0	1.0	1.0
30	0784 Director	1.0	1.0	1.0	1.0
Total		28.0	27.5	27.5	27.5



Executive Division

2014 OPERATING BUDGET SUMMARY Department 58 – Intelligent Transportation Systems (ITS)

HAMID MANTEGHI, INTERIM EXECUTIVE DIRECTOR – CIO

In 2012, TranSystems was asked to conduct an assessment of the existing system environment and organizational structure of the Authority. The intent of this assessment was to provide recommendations for improvement and optimization of the technology systems. A business plan was created to include policies, procedures, governance, and support for the recommended improvements. During the 2014 budget process, the current IT (Information Technology) Department (Department 61 in Finance & Administration Division), was eliminated and a new ITS (Intelligent Transportation Systems) Department (Department 58 in Executive Division), was created. This process added six new positions, eliminated the IT Director position, and moved four positions from other Departments into the new ITS Department. Systems and applications currently housed in separate departments will be moved into the new ITS Department, implementing recommendations from the assessment.

Mission Statement

The mission of the Intelligent Transportation Systems (ITS) Department is to serve as a one-stop destination for GCRTA employees seeking to resolve issues with existing applications. ITS also provides support and training to ensure a successful plan, design, and implementation of ITS applications.

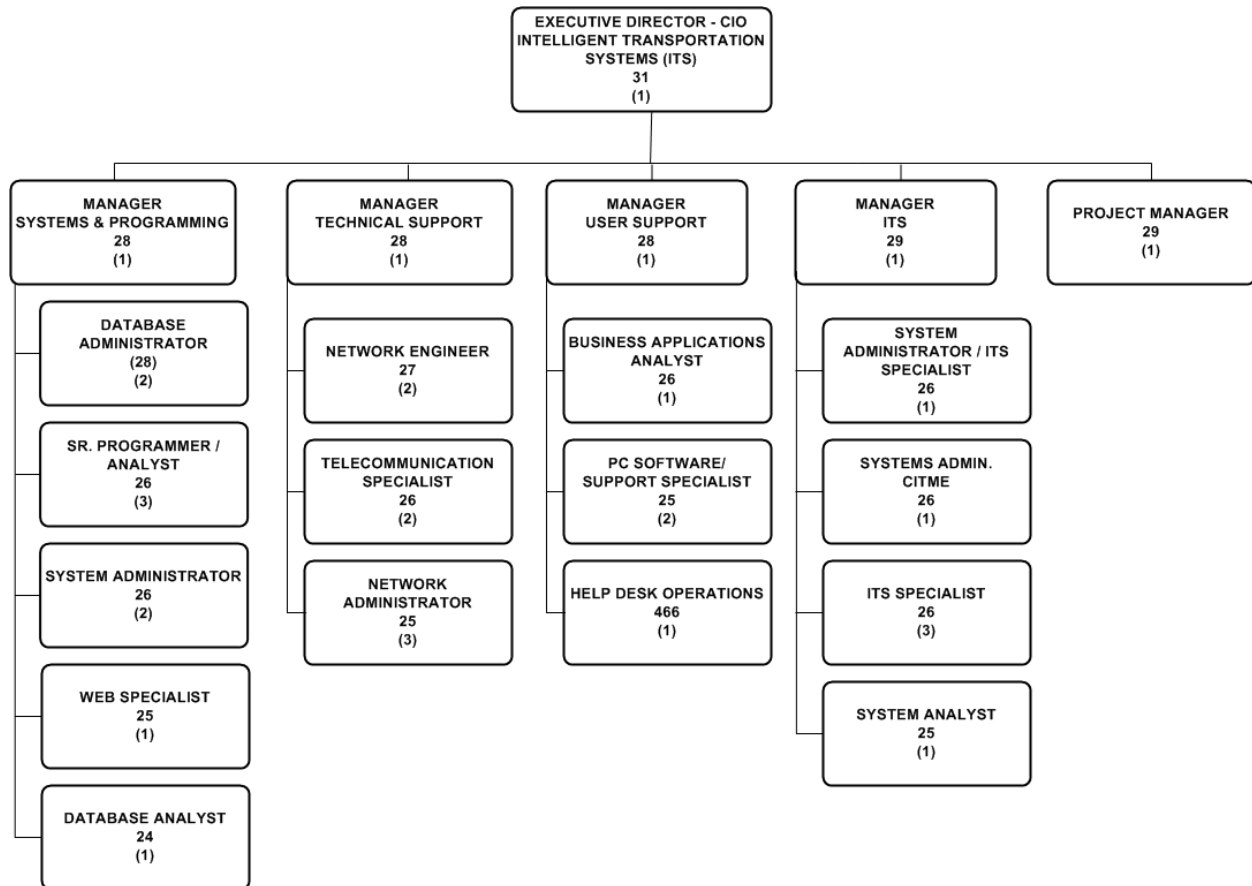
Department Priorities for 2014

- ◆ Implement recommendations from TranSystems assessment.
- ◆ Document workflows and define relevant roles and responsibilities for ITS Department and staff.
- ◆ Improve processes related to planning, procurement, implementation, and support of ITS technologies.
- ◆ Develop and implement a Business Intelligence (BI) strategy.
- ◆ Upgrade, maintain, and replace distributed network and client server applications.
- ◆ Support telecommunications services, including audio, video, and data.
- ◆ Support development of short- and long-range ITS strategic plans.

Obj. Class	Description	2011 Actual	2012 Actual	2013 Projection	2014 Budget
501300	Labor – Salaried Employees	0	0	0	2,149,141
501300	Overtime – Salaried Employees	0	0	0	3,000
502000	Fringe Benefits	0	0	0	778,648
503000	Services	0	0	0	142,100
503052	Other Maintenance Contracts	0	0	0	2,417,200
504000	Materials & Supplies	0	0	0	139,225
505000	Utilities	0	0	0	0
505022	Telephone	0	0	0	578,000
509000	Miscellaneous Expenses	0	0	0	65,300
512000	Leases & Rentals	0	0	0	100,700
Total:		0	0	0	6,373,315

Executive Division

Grade	Job Name	2011	2012	2013	2014
04	0466 Help Desk Operator	0	0	0	1.0
24	0760 Database Analyst	0	0	0	1.0
25	0751 Network Administrator	0	0	0	3.0
	0960 PC Software/Support Specialist	0	0	0	2.0
	1645 System Analyst	0	0	0	1.0
	1647 Web Specialist	0	0	0	1.0
26	0881 System Administrator – CITME	0	0	0	1.0
	1072 Telecom Specialist	0	0	0	2.0
	1077 Business Appl Analyst	0	0	0	1.0
	1082 System Administrator	0	0	0	3.0
	1155 Sr. Programmer/Analyst	0	0	0	3.0
	1691 ITS Specialist	0	0	0	3.0
27	0756 Network Engineer	0	0	0	2.0
28	0783 Manager User Support	0	0	0	1.0
	0846 Manager Technical Support	0	0	0	1.0
	1070 Database Administrator	0	0	0	2.0
	1324 Mgr Systems & Programming	0	0	0	1.0
29	29xx Manager ITS	0	0	0	1.0
	1655 Project Manager	0	0	0	1.0
31	31xx Executive Director – CIO	0	0	0	1.0
Total		0	0	0	32.0



Executive Division

2014 OPERATING BUDGET SUMMARY Department 67 – Office of Management and Budget

GALE W. FISK, EXECUTIVE DIRECTOR

Department Priorities for 2014

- ◆ Continue to implement an agency-wide initiative to improve operations through the “Partnership For Excellence”.
- ◆ Finish 2014 with a fund balance in excess of \$27 million.
- ◆ Continue to reprioritize the capital program and coordinate the funding and system implications. For 2014, keep reimbursed expenditures under \$20 million.
- ◆ Lead Program Management initiatives to implement improved operations administrative support databases and see that they are properly managed and administered. Includes Bid Dispatch, Security Cameras, CAD-RMS, and ITS implementation.
- ◆ Continue development of mechanisms to better monitor and control the budget.
- ◆ Lead the National Transit Database reporting and submittal.
- ◆ Continue to develop and implement operations analyses to improve cost effectiveness of service delivery.
- ◆ Continue and expand the TransitStat program to improve processes, enhance service, and further reduce costs. The focus for 2014 continues to be Clean, Safe, and On Time.
- ◆ Continue to execute the Energy Price Risk Management program to control and stabilize diesel fuel costs.
- ◆ Continue to execute energy management initiatives in electricity, natural gas, and water.

Mission Statement

The mission of the Office of Management & Budget is to effectively allocate the Authority’s resources, provide organizational and strategic leadership, provide consulting services for the CEO / General Manager and the Board of Trustees, and provide management consulting services to all Departments on behalf of the CEO / General Manager.

	2011 Actual	2012 Actual	2013 Estimate	2014 Budget
Quarterly Management Reports Produced (#1,4)	4	4	4	4
FTA Financial Status Reports Prepared (#1,4)	4	4	4	4
Cost Allocation Plans Produced (#1,4)	1	1	1	1
National Transit Database Reports Prepared (#1,4)	1	1	1	1
# of Management Consulting Products Completed (#1,4)	3	3	3	3
Operating Budget Variances (#1,4):				
• Revenues over/(under)	0.09%	1.5%	2.0%	2.0%
• Expenditures over/(under)	(6.90%)	(3.8%)	1.0%	1.0%

2013 Highlights:

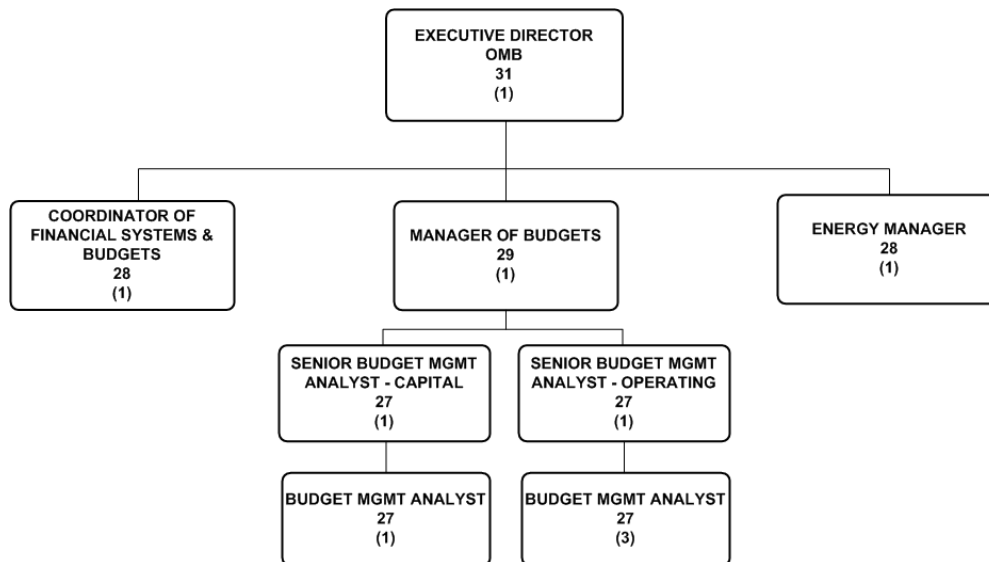
- ◆ Achieved both Advisory and Partnering level within the Partnership for Excellence program.
- ◆ Standard & Poor’s reaffirmed AAA credit rating for GCRTA.
- ◆ Executed the budget to end the year with an operating balance of \$34.2 million, the third straight year of over \$30 million.
- ◆ Reduced reimbursed expenditures to General Fund to \$15 million, which allowed for funding of additional capital projects including the S-Curve and Airport Tunnel. Added an additional \$9.6 million in projects at year end.
- ◆ Purchased first 83 buses of multi-year 178 bus improvement program.
- ◆ Reduced costs for utilities/fuel (2009 through 2012): Electricity reduced by \$3.13 million annually, approximately 41%; Fuel Hedging savings totals \$16.2 million over four years.

Executive Division

Below are budget and staffing highlights of the Office of Management & Budget

Obj. Class	Description	2011 Actual	2012 Actual	2013 Projection	2014 Budget
501300	Labor – Salaried Employees	690,986	763,614	828,179	772,909
502000	Fringe Benefits	255,441	278,758	314,008	279,640
503000	Services	140,400	120,672	169,835	200,000
503020	Advertising Fees	519	165	389	600
504000	Materials & Supplies	1,000	1,393	717	1,000
505000	Utilities	4,517,701	3,433,970	(1,705,396)	0
505018	Natural Gas	0	0	1,387,451	1,140,000
505020	Sewers	0	0	388,619	360,000
505021	Electricity	0	0	2,343,534	2,314,000
509000	Miscellaneous Expenses	3,353	26,178	25,123	33,650
Total:		5,609,399	4,624,750	3,752,460	5,101,799

Grade	Job Name	2011	2012	2013	2014
27	0767 Sr. Budget Mgmt Analyst	4.0	2.0	2.0	2.0
	0958 Budget Mgmt Analyst	2.0	4.0	4.0	4.0
28	0871 Coord Finan Syst. & Budgets	1.0	1.0	1.0	1.0
	1626 Energy Manager	1.0	1.0	1.0	1.0
29	1655 Project Manager	0.0	1.0	1.0	0.0
	0869 Manager of Budgets	1.0	1.0	1.0	1.0
31	1437 Executive Director	1.0	1.0	1.0	1.0
Total		10.0	11.0	11.0	10.0



Executive Division

2014 OPERATING BUDGET SUMMARY Department 99 – Fund Transfers

Obj. Class	Description	2011 Actual	2012 Actual	2013 Projection	2014 Budget
509091	Misc. Finance Costs	0	0	0	0
510065	Transfers To/From Pension Fund	100,000	100,000	100,000	100,000
510075	Transfers To/From RTA Capital	12,101,441	11,636,995	17,770,044	16,121,505
510085	Transfers To/From Bond Retirement	19,793,855	19,386,892	18,324,392	20,754,392
510090	Transfers To/From Insurance Fund	3,250,000	1,000,000	1,400,000	2,100,000
Total:		35,245,296	32,123,887	37,594,436	39,075,897

2014-2018 Capital Improvement Plan

Introduction

Providing cost-effective, reliable public transportation services depends on the maintenance and upkeep of the Authority's capital assets and the capital-intensive nature of the Authority's operations make long term financial planning indispensable. In turn though, the ability to fund these capital needs must be weighed against the financial resources required to support the regular operations of the Authority.

The Authority's Capital Improvement Plan (CIP) is an ongoing strategic process to align available financial resources with programmed capital projects directed towards achieving a State of Good Repair (SGR) throughout its capital assets and infrastructure. Effective Capital improvement planning facilitates this process by providing the framework to schedule improvements based on the availability of resources, the condition of assets, and priorities between requested capital projects. It prioritizes capital infrastructure needs throughout the Authority and aligns its ongoing capital program with available Federal, State, Local and non-traditional funding resources.

The financial demands to meet a SGR in the Authority's capital assets remain at a high level, but the decision to balance scheduled activities with funding limits the number of budgeted projects in a given year and, in essence, has moved the CIP from a five to an eight-year plan. The 2014-18 CIP presented here includes the first five programmed years of the Authority's Capital Program, with out-year projects, covering 2019 – 2021, under preliminary development.

Organization of the Capital Improvement Plan

This chapter contains the 2014-2018 Capital Improvement Plan of the Authority. The first year of the plan reflects the Board approved RTA Capital and RTA Development Fund budget appropriations for the 2014 capital projects. The following four years of the CIP outline planned, but not yet approved, long-term capital plans of the Authority. Projects and budget amounts included in these out-years are subject to change in future CIPs based on financial circumstances, changes in project time lines or in capital priorities.

A summary of the Authority's capital assets helps to put these projects into perspective. The size, age, and service requirements of the bus and rail fleets support plans including the ongoing Bus Improvement Programs and maintenance needs of the Rail Fleets. Similarly, the age, purpose and maintenance history of the RTA's facilities provide a basis for reconstruction and rehabilitation decisions as the CIP is developed. Development of a Transit Asset Management (TAM) database is underway to refine this process and to better identify the needs of its capital assets.

This chapter also describes the planning process for the capital program, including the method for establishing budget appropriation authority. It explains the chain of events involved and its relationship to the development of the Transportation Improvement Program (TIP). During this process, the Capital Improvement Financial Policies and Criteria help focus the plan on the priority areas that guide decision making during the Capital Improvement process.

The Financial Capacity section explains Federal, State and Local funding sources and debt management as it relates to the Authority. It also discusses the impact of capital investment decisions on the Operating Budget.

2014-2018 Capital Improvement Plan

The final section is devoted to the details of the 2014 Capital Improvement Budget and the four out-years of the overall 2014 - 2018 CIP. Smaller locally funded projects included in the RTA Capital Fund are listed in Department order, while larger, grant and locally funded RTA Development Fund projects are organized by project category and reflect specific funding sources, supporting those projects.

Capital Assets

The principal share of expenditures planned within the 2014 – 18 CIP focus on attaining a State of Good Repair (SGR) for the Authority’s capital assets and for the reimbursement of preventive maintenance and other expenses generated within the Operating Budget. It continues to focus on addressing a backlog of needed capital improvements on the Authority’s infrastructure. The relative age of the Authority’s primary facilities, including their history in terms of original in-service dates, rehabilitations, and additions are shown in Figure CIP-1. These facilities and others are briefly discussed between pages CIP-3 and CIP-7.

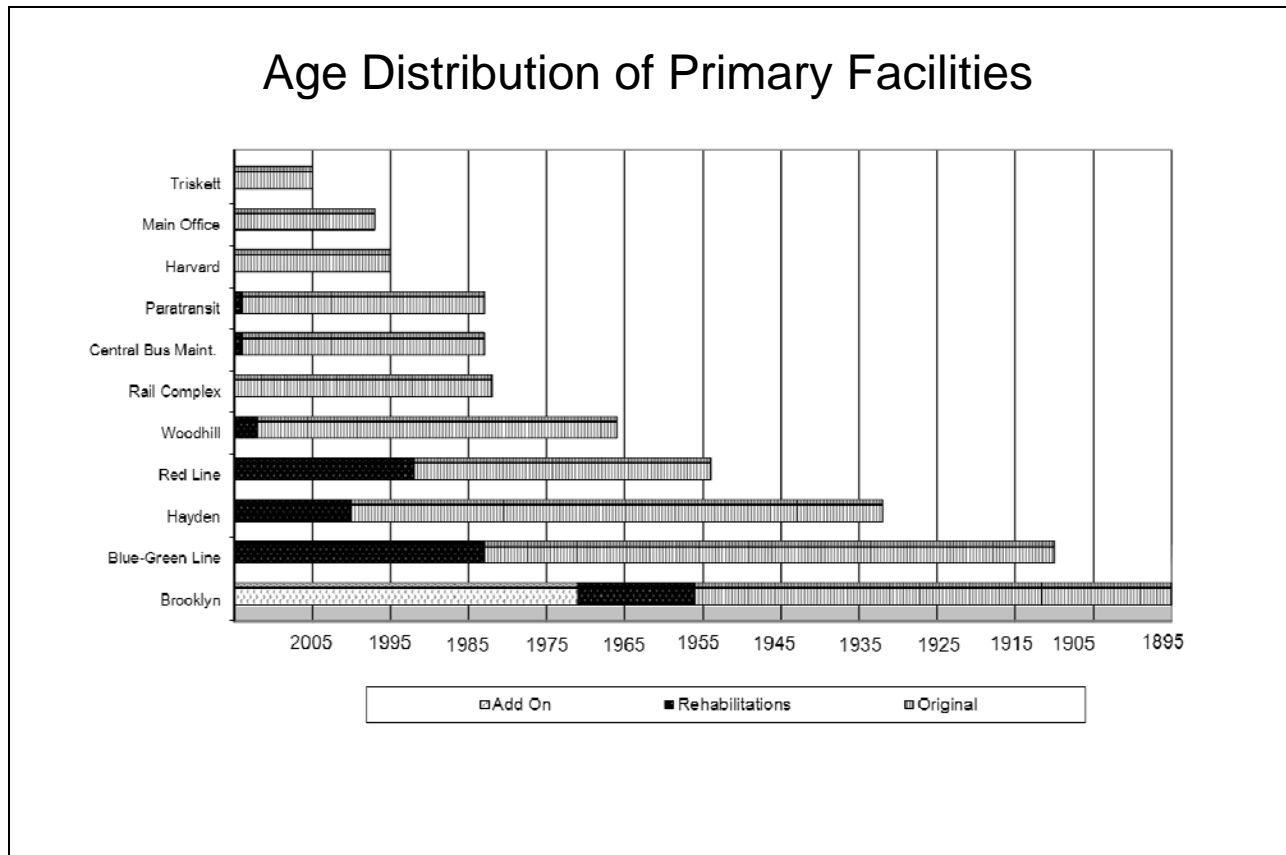


Figure CIP-1: Age Distribution of GCRTA Primary Facilities

2014-2018 Capital Improvement Plan

Facilities

Brooklyn Garage Facility

The Brooklyn Garage was originally built in 1895 with additions in both 1955 and 1969. It remained in service as a bus facility until 2003. In late 2012, the Authority entered into a five-year lease agreement with a third party that includes an option to purchase the property.

Bus District Garage Facilities

The Authority has two active bus district garages:

1. **Triskett**, 13405 Lakewood Heights Boulevard – originally put into service in 1958 at this location; a new replacement garage opened in 2005.
2. **Hayden**, 1661 Hayden Avenue – originally constructed in 1932 with additions in 1952 and 1968. A rehabilitation of this garage was completed in 1998 and an on-going SGR project including the replacement of six hydraulic lifts, the fire suppression and HVAC systems, and 16 overhead doors will be completed in 2014.

Central Bus Maintenance Facility

The Central Bus Maintenance Facility (CBM), at 2500 Woodhill Road, was put into service in 1983 and houses a remanufacturing division, diagnostic center, general bus service & maintenance area, and central stores. Various facilities improvements and lift replacements, funded from the Federal SGR grant award, will be completed by mid-2014.

Customer Service Centers

The GCRTA has two Customer Service Centers located at the Tower City Rapid Station Rotunda in downtown Cleveland and on the first floor of the GCRTA Main Office Building.

Harvard Garage Facility

The Harvard Garage opened for service as a bus garage in 1995 and remained open until FY 2010. It is currently mothballed under a regular maintenance schedule and if needed, operations could resume at the facility within 30 days.

Main Office Building

The Main Office Building, a renovated warehouse in the downtown Cleveland Warehouse District, located at 1240 West Sixth Street, opened in September of 1997. This facility houses the administrative functions of the Authority and the Authority's Communication Center.

Paratransit Facility

The Paratransit Facility, at 4601 Euclid Avenue, was completed in 1983 and houses all Paratransit functions including scheduling, dispatching and both revenue and non-revenue vehicle repairs. A 24-month rehabilitation project was completed in late 2013 and additional work funded from a Federal State of Good Repair grant, including various facilities improvements and replacement of equipment, will be completed by mid-2014.

Park-N-Ride Lots

An objective of the GCRTA is to provide rail and/or bus Park-N-Ride services for all major commuter corridors in Cuyahoga County. As such, the GCRTA provides over 8,300 parking spaces at 21 of its rapid stations and operates five bus Park-N-Ride lots in Berea, Brecksville, Rocky River, Strongsville, and Westlake with more than 1,200 parking spaces.

2014-2018 Capital Improvement Plan

Passenger Shelters

There are approximately 1,275 bus shelters located throughout the Authority's bus system at the close to 7,750 bus stops that are cleaned, maintained or replaced on a regular basis throughout the year.

Rail District Complex

The Rail District Complex, located at 6200 Grand Avenue, went into service in late 1982. It houses Rail Headquarters, the Central Rail Maintenance Facility (CRMF), which handles all mechanical, body, and electrical repairs for the rail fleet, the Central Rail Service Building, the RTA Rail Yards, and is the location of the Authority's Transit Police Headquarters. A total roof replacement project for these facilities is underway with completion delayed until mid-2014.

Transit Centers

Transit Centers provide heated customer waiting areas and roadways to allow several bus routes to meet and transfer passengers. RTA has six Transit Centers located in Fairview Park at Westgate Shopping Center, Euclid, North Olmsted, Maple Heights at Southgate Shopping Center, Parma at the Parmatown Mall, and near Cleveland State University (Stephanie Tubbs Jones Transit Center) with more than 900 combined parking spaces.

Woodhill Garage Facility

The Woodhill Garage opened in 1966 as a bus garage and remained in service until 1998. It is currently in use as a training facility and houses the Authority's bus operator training simulator and the Authority's Print Shop operations. A project is underway to remodel a portion of this facility to provide a consolidated and updated work area for the electronic repair shop.

Rail System

Right-of-Way

RTA owns 65 miles of rail lines (32.5 miles of joint rail) used for the operation of its rapid transit system including twenty-seven miles of light rail and thirty-eight miles of heavy rail track. To address potential issues related to pending MAP-21 requirements, the Authority initiated a multi-year program to establish state of good repair needs throughout its rail system that will prioritize the on-going rehabilitation program. The 2014 CIP includes an additional \$1.15 million for the programmed \$4.0 million track rehabilitation between Kinsman and University Circle Station. The rail right-of-way includes bridges, 53 passenger stations, 17 propulsion power substations, overhead electrical catenary wires, signals, switches, and associated rail infrastructure all of which are included in a regular maintenance program to maintain a state of good repair.

Blue, Green & Waterfront Lines (Light Rail)

The Blue, Green and Waterfront Lines comprise the RTA's Light Rail (LR) System. From the downtown Tower City Station, the Blue and Green lines run on shared track east to Shaker Square, where they separate. From there, the Blue Line follows Van Aken Boulevard to its termination at Warrensville-Center Road, while the Green Line travels along Shaker Boulevard and terminates at Green Road. The Waterfront Line runs from Tower City through the Flats East Bank development area, passes by the First Energy Football Stadium and the Rock and Roll Hall of Fame and terminates at the Muni Parking Lot.

2014-2018 Capital Improvement Plan

Most of the 13.5-mile LR lines, with the exception of the 2.2- mile Waterfront Line extension added in 1996, were originally constructed between 1913 and 1920. The Authority's Light Rail System has 35 stations; including three it shares with the Red Line at Tower City and the East 34th/Campus and East 55th Street Stations along the shared Trunk Line. The entire Light Rail System, including tracks, infrastructure, and stations was reconstructed between 1980 and 1984.

Reconstruction of the Woodhill Station was completed in 2013, but the programmed reconstruction of the Lee/Van Aken Station was delayed until FY 2014 due to revisions to the original scope of work. Programmed 2014 capital projects associated with the Light Rail System include \$1.15 million for a multi-year project to reconstruct a retaining wall on the combined Light Rail line between Buckeye/Woodhill and Shaker Square and \$4.18 million for the next construction phase of the ongoing Light Rail Grade Crossing Improvements program.

Red Line (Heavy Rail)

The RTA's Heavy Rail (HR), or Red Line, runs on joint tracks for 19 miles from its eastern terminal at the Louis Stokes Station at Windermere, located in East Cleveland, through the Tower City Station in downtown Cleveland to its western terminal at Cleveland Hopkins International Airport. There are 18 stations along the line, eight east of downtown, one at Tower City in downtown Cleveland, and nine west of downtown. Fifteen of the Red Line stations were originally constructed between 1954 & 1958. The remaining three stations, including the Line's western terminal at the Cleveland Hopkins Airport, were put into service in 1967.

The GCRTA has completely renovated or reconstructed nine of its Red Line stations since 2000 including the recently completed Puritas and East 55th Street Red Line Stations and reconstruction work is currently underway at the Cedar – University and Little Italy – University Circle Rapid Stations with both scheduled for completion in 2014. The 2014-18 CIP commits a significant amount of resources for its on-going station reconstruction program with the programmed reconstruction of the Brookpark Station in 2015 and of the East 34th Street Station in 2017.

Bridges/Tunnels

The GCRTA is responsible for the maintenance and inspection of 63 track bridges owned within its right-of-way. This includes four station bridges, eight highway bridges, nine service/access bridges, one transit tunnel, five fly-over bridges on the Red Line, and the ¾ mile long viaduct bridge over the Cuyahoga River. The GCRTA also has joint responsibility for inspecting and maintaining the substructures of 100 city and county highway bridges that span the rail tracks. A majority of these bridges were built before 1930 and now require major repairs.

Since 2000, 16 track bridges, six street bridges, including the shared Light Rail Trunk Line Bridge, and the Airport Tunnel have been completely rehabilitated and the closed Rockefeller Bridge demolished. In the next five years engineering & design services and/or rehabilitation work is planned on three track bridges. This includes a budgeted \$4.16 million for the reconstruction of two track bridges over East 81st and East 83rd Streets in 2014 and the reconstruction of a track bridge over East 92nd Street and CSX Tracks in 2016.

2014-2018 Capital Improvement Plan

Tower City Station

Tower City Station, formerly the Cleveland Union Terminal, is the only downtown station for both the heavy (Red Line) and light rail (Blue, Green, and Waterfront Lines) systems and operates as the main connection point for the Authority's rail lines. Originally constructed and opened in 1930 for passenger rail service, it was modified in 1955 to accommodate the Authority's Heavy Rail (HR) and Light Rail services and then completely reconstructed in the late eighties.

Revenue Vehicle Fleets

Conventional Buses

There were 452 vehicles in the GCRTA bus fleet at the end of 2013. The Authority's current fleet includes 348 40-foot transit buses; 23 40-foot commuter buses; 20 60-foot articulated hybrid bus rapid transit (BRT) vehicles; 17 60-foot articulated diesel buses; 15 29-foot circulator/trolley buses; 15 45-foot commuter buses; 11 30-foot trolley buses; and 3 60-foot articulated diesel rapid transit vehicles (RTV). The average bus vehicle age was 9.28 years at the end of 2013. All buses age fifteen years or older have been retired from active service (FTA defines the useful life of a bus to be the lesser of 12 years or 500,000 miles). The fleet age distribution is shown below in Figure CIP-2.

The Authority's goal is to replace 1/14 of its fleet every year and to accommodate any increases in peak vehicle requirements. In recent years though, due to the lingering impact of the recession and other capital needs of the Authority, this wasn't possible, but the 2014 – 18 CIP continues a planned bus replacement program, begun in 2013, that will average close to 35 buses per year over a five-year period.

A regular bus replacement program:

1. Lowers maintenance costs;
2. Improves fleet reliability;
3. Distributes maintenance efforts more evenly;
4. Reduces the Authority's vulnerability to large groups of bus defects; and
5. Prevents one-time large purchases.

2014-2018 Capital Improvement Plan

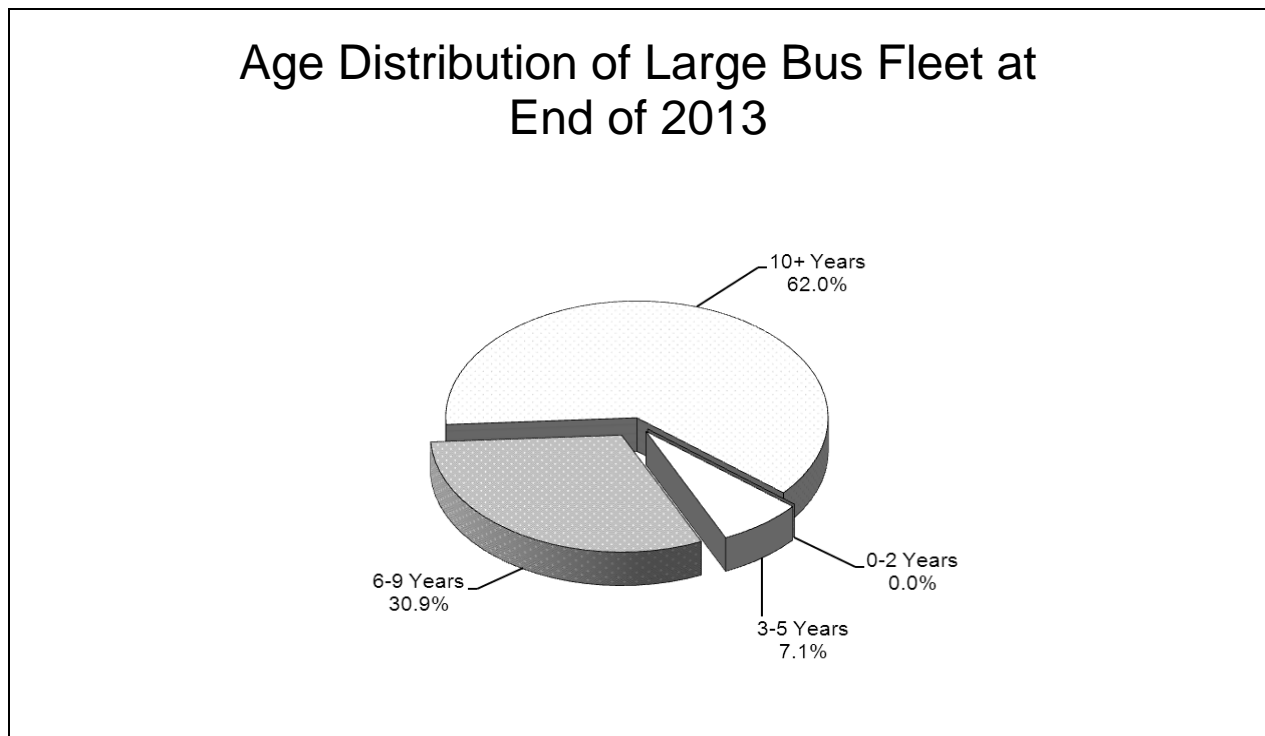


Figure CIP-2: Age Distribution of Bus Fleet

A 2014 initial delivery of 23 60-Ft articulated diesel buses, ordered in 2013, will be followed by a delivery of 60 40-Ft CNG buses in early 2015, and further orders in future years as the Authority works to lower the average age of its big bus fleet from 9.22 years at the end of 2013 to approximately 7.00 years at the end of 2019. All current and future ordered GCRTA buses are compliant with the Americans with Disabilities Act (ADA) and, with the exception of the trolley buses and BRT vehicles, are equipped with bicycle racks.

Paratransit Buses

The Authority's Paratransit Program transports senior citizens and disabled persons on an advanced reservation basis. There are 80 ADA compliant, wheelchair-equipped buses in active service in the Paratransit fleet. A recent acquisition of twenty replacement propane fueled vehicles is not yet placed into service pending final equipment installations and additional replacement vehicles are programmed for FY 2016 and 2017. In 1991, the Board adopted a policy to provide for the integration of fixed rail and bus services with Paratransit services into a network of services comparable to what is available to the general public. This continuing policy is designed to maintain full system accessibility and provide compliance with ADA and U.S. Department of Transportation Regulations.

Rail Vehicles

RTA owns a combined 108 heavy and light rail vehicles for its rail operations. The average age of the Authority's combined rail fleet at the end of 2013 was 32 years old. In recent years a midlife overhaul of the Authority's Light Rail (LR) and Heavy Rail (HR) fleets was completed and a project to rehabilitate the interiors of the HR vehicles is currently underway that will continue throughout 2014. Both mid-life projects were initiated to economically extend the useful life of the Authority's rail vehicle fleets approximately 12 years beyond their normal expected operating

2014-2018 Capital Improvement Plan

life of 25 to 30 years, but in the not so distant future, the Authority will be facing significant replacement costs for both of its rail fleets.

There are 60 active Tokyu HR vehicles, purchased in 1984 and 1985, which operate on the Red Line. The peak service requirements for the Red Line during rush hours are 18 cars, while special events require 36 cars. The 48 active Breda LR vehicles were acquired between 1981 and 1983 and run on the Blue, Green, and Waterfront Lines of the Authority. Vehicle requirements for LR peak rush hour service are 13 cars, and 28 cars are required for special event services.

Capital Improvement Planning Cycle

The Capital Improvement Planning Cycle is longer than the operating budget process due to the preparation, scope, and cost involved with the projects. Grant-funded projects must be identified well in advance of planned execution so that applications can be filed and approved. Furthermore, construction projects must be preceded by preliminary engineering and design work to determine the scope and specifications of the project.

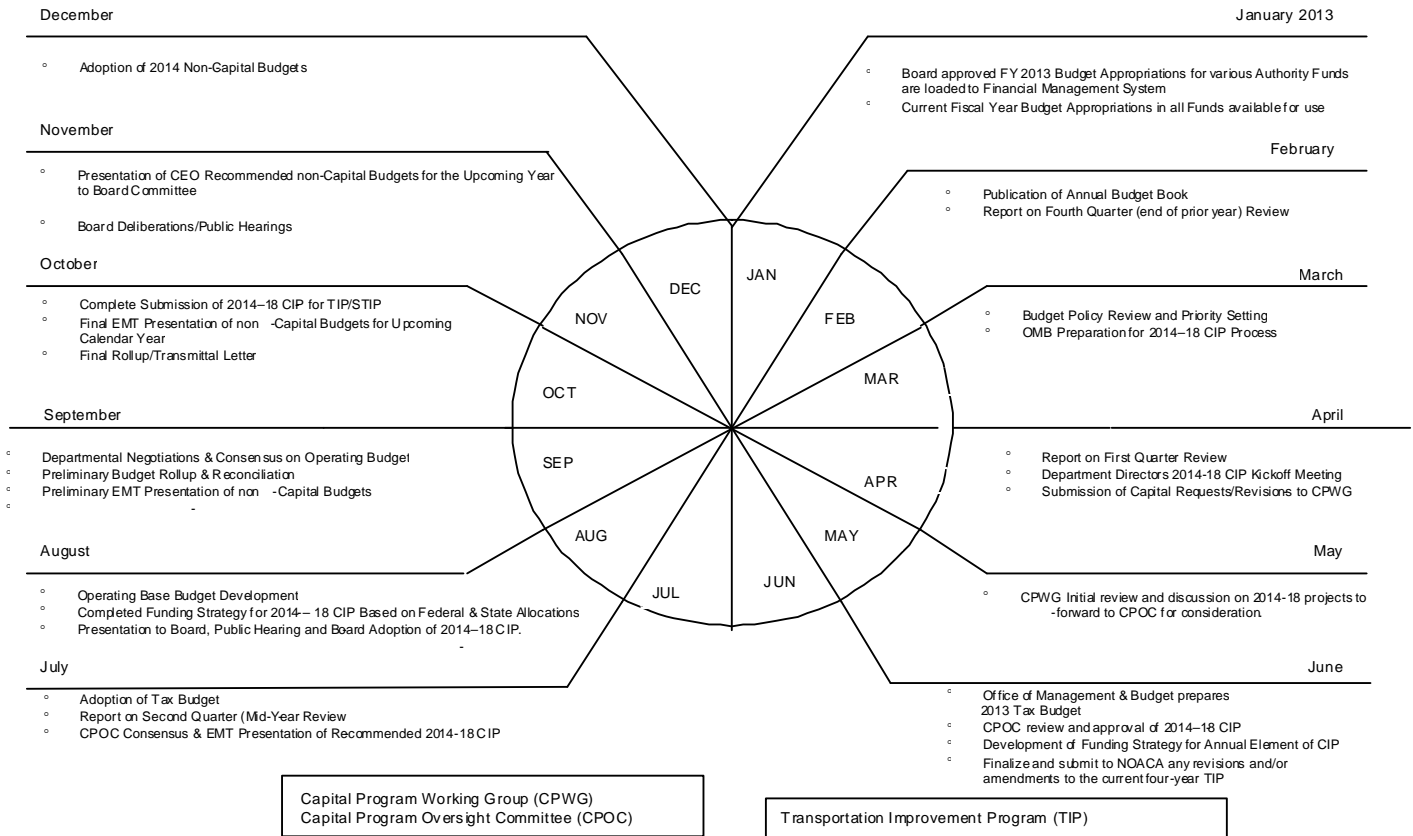
The Calendar of Events, on page CIP-9, depicts the revised Capital Improvement and TIP planning cycles for the 2014-18 Capital Improvement Plan (CIP). The process began in March, 2013 when the Office of Management and Budget (OMB) reviewed the budgeting policies and set the parameters for the Capital Budget, and concluded in August with the Board Adoption of the recommended 2014-18 CIP followed by submission to NOACA for inclusion in the TIP/STIP.

With the start of the process, an initial review by OMB is done to assess the status of the projects included in the current year's Capital Improvement Budget. This review included variances with programmed project timelines, availability of grant funds, and an inter-departmental review of data and resources required for the upcoming CIP. The Authority's Divisions and Departments were then provided a detailed set of instructions and follow-up meetings with staff that included a review of the information required for capital project requests and clarification of Department and Division requests.

In May, June and early July, OMB staff and the Capital Program Working Group (CPWG) reviewed all capital budget requests for consistency with the needs of the Authority's infrastructure, funding availability, the Authority's Long Range Plan, the current Transportation Improvement Plan (TIP), and the annual strategic planning process. Projects were then prioritized in accordance with RTA's priority areas (see pages CIP-11 & 12) and forwarded to the Capital Program Oversight Committee (CPOC). CPOC was formed to develop and monitor the Capital Program and to authorize the projected Capital Program with projected grant, local, and non-traditional revenue sources. After initial meetings with the Deputy General Managers at the division level and with the General Manager and the Executive Management Team at the organizational level, the recommended Capital Budgets for the 2014-18 CIP were finalized.

This was followed, in July, by a comprehensive mid-year review that assessed the status of the current year's Capital Improvement Budget. Based on the mid-year review, the upcoming CIP for 2014-18 was finalized and presented to the Board of Trustees' Finance Committee in August for discussion, review and at which time approval was given.

2014-2018 Capital Improvement Plan



Transportation Improvement Program

The planning cycle for grant-funded projects begins with the development of the Authority's CIP for incorporation into the Transportation Improvement Program (TIP). The TIP documents transportation related capital projects within the region for which Federal funding will be requested. Projects must appear in the TIP to receive funding consideration. The Northeast Ohio Area-wide Coordinating Agency (NOACA) is responsible for bi-annually preparing the four-year plan for this area and the GCRTA for preparing the transit component of the plan.

The GCRTA Long-Range Plan and its related five-year Strategic Plan guides the CIP and TIP. These plans articulate the types of services and markets the Authority expects to serve. The Authority's preparation of projects for inclusion in the TIP began in March when departments request revisions, additions, or deletions to the previous year's CIP. The Budget Calendar of Events reflects the TIP process and how it corresponds to the Capital Improvement planning cycle. Capital project requests are prioritized by the Capital Projects Working Group (CPWG) and, in turn, are submitted to the Capital Program Oversight Committee (CPOC) for review and approval.

The proposed Capital Budgets for the upcoming calendar year are presented to the Board of Trustees committees; further defined depending on funding allocations for the new Federal fiscal year and any revisions to the original Capital Budgets will be submitted for Board approval in December and through NOACA, incorporated into the current four-year TIP prior to the new Federal Fiscal Year. Revisions to existing projects and/or amendments to add new projects are submitted on a quarterly basis for review and inclusion in the revised TIP/STIP.

2014-2018 Capital Improvement Plan

Capital Budget Appropriations

The budget process culminates when the Board approves the budget and establishes appropriation authority for the upcoming Fiscal Year. With respect to the Capital Budget, appropriation authority varies depending on which of the two Capital Improvement Funds, either the RTA Capital or the RTA Development Fund, supports the project.

The RTA Capital Fund supports 100 percent locally funded projects. In general, these capital projects are less than \$150,000, have a useful life of less than 5 years, are routine in nature, and more directly tied to daily operations. The Fund is subdivided into Routine Capital projects, for the acquisition of non-revenue vehicles and small equipment, or Asset Maintenance projects, that include rehabilitation and construction projects for facilities that are smaller in scope to repair and maintain.

The RTA Development Fund includes capital projects with a value greater than \$150,000, with a useful life greater than five years, and includes the large multi-year rehabilitation/reconstruction and expansion projects of the Authority. All grant-funded projects are accounted for in the RTA Development Fund and projects in this Fund are normally supported through various combinations of Federal and State of Ohio grants, local matches for these grants, debt service and 100 percent local funds.

Budget authority for both RTA Capital and RTA Development Fund projects are established when the Board of Trustees approves the annual Capital and other Fund Budgets of the Authority. The Board also approves grant applications and the acceptance of awards, which commits the Authority to providing matching funds when grant funds are drawn. Once approved, the Authority may draw against the grant until the project is completed or the time limit on the grant has expired. Grant awards can only fund projects specified in the application unless the Federal Transit Administration (FTA) or grantor agency approves an amendment.

Capital Improvement Financial Policies

The Board of Trustees has established a set of financial policies including some to ensure that adequate funds are regularly invested in maintaining the Authority's capital assets. These policies, which are highlighted in the Budget Guide, are used as goals for planning and controlling. They are as follows:

- An amount equivalent to at least 10 percent of sales tax revenues shall be allocated to the Capital Improvement Fund on an annual basis.
- Capital Improvement Funds shall be used to account for the construction and acquisition of major capital facilities, vehicles, and equipment.
- The percent of capital maintenance outlay to capital expansion outlay will be a minimum of 33 percent and a maximum of 67 percent. Due to the need to achieve a state of good repair throughout the Authority's capital assets, this ratio was not sustainable and has been changed to a minimum of 15 percent to a maximum of 85 percent.
- The Authority will strive to take advantage of all available Federal and State grants and other financing programs for capital improvements.

2014-2018 Capital Improvement Plan

Capital Improvement Criteria

Capital project requests for consideration in the 2014 – 2018 CIP far exceeded available resources. As a result, established guidelines are used to prioritize projects. The following criteria provide a basis for preliminary capital investment decisions:

- **The value and useful life of the capital asset**
 - To be included in the Capital Improvement Plan, the asset must have a value of \$5,000 or more and have a useful life exceeding one year. If financed by debt, the useful life should exceed the term of the bond.
- **The availability of resources to fund the Capital Improvement, including grant resources**
 - The availability of grant resources against which local funds can be leveraged greatly enhances the likelihood of approval.
- **The age and condition of the capital asset**
 - Assets that are older and in poor condition generally rank higher on the rehabilitation or replacement list. Specific vehicle rehabilitation or replacement programs have been established for buses, rail cars, and non-revenue vehicles.
- **The relative cost to the Authority for the benefit obtained**
 - Benefits may be measured in terms of avoided cost or the ability of the improvement to recover the capital investment within a given period.
- **Value engineering considerations with regard to the scheduling/order of projects**
 - The relationship between projects is an important consideration in the scheduling of construction projects. For example, major rehabilitation to a bridge on a rail line might coincide with a track rehabilitation to achieve economies and avoid a duplication of effort.

Priority Areas

In addition to these criteria, all capital projects must relate to one of the following priority areas to be considered for approval. Capital projects, which address multiple priority areas, have a greater likelihood of approval.

During this planning cycle, priority areas of the Authority were defined as:

- **Ridership** – Maintaining current riders and attracting new customers
- **State of Good Repair** – Maintaining the Authority’s current ‘core business’ through investments in projects which are necessary in order to operate the existing infrastructure or add an additional dimension/mode to existing systems
- **Health and Safety** – Ensuring the physical well-being of the Authority’s customers, employees, and the general public
- **Mandates** – Ensuring compliance with Federal and State mandates such as the Clean Air Act and Americans with Disabilities Act

2014-2018 Capital Improvement Plan

- **Technologies/Efficiencies** – Instituting improvements which can produce operating efficiencies and make better use of resources or implementing projects which minimize additional operating expenses
- **Environmental Impact** – Investing in equipment, adapting facilities or enhancing service infrastructure to support overall environmental benefits such as improved air quality
- **Transit Oriented Development** – Investing in projects that stimulate the development of current property with opportunities for private investment, increased revenue and ridership and encouraging partnerships with other organizations

Figure CIP-3 below reflects the distribution of approved 2014 Capital Improvement projects by capital priority area. The largest portion of the 2014 Capital Budget, \$71.77 million or 93.6 percent, is for projects included within the State of Good Repair category that maintain or improve existing assets. This is followed by the Other Projects category that includes projects that have an environmental impact, are for mandated programs, or for transit oriented development with \$3.59 million, or 4.7 percent. The remaining categories make up the balance of the budgeted capital projects.

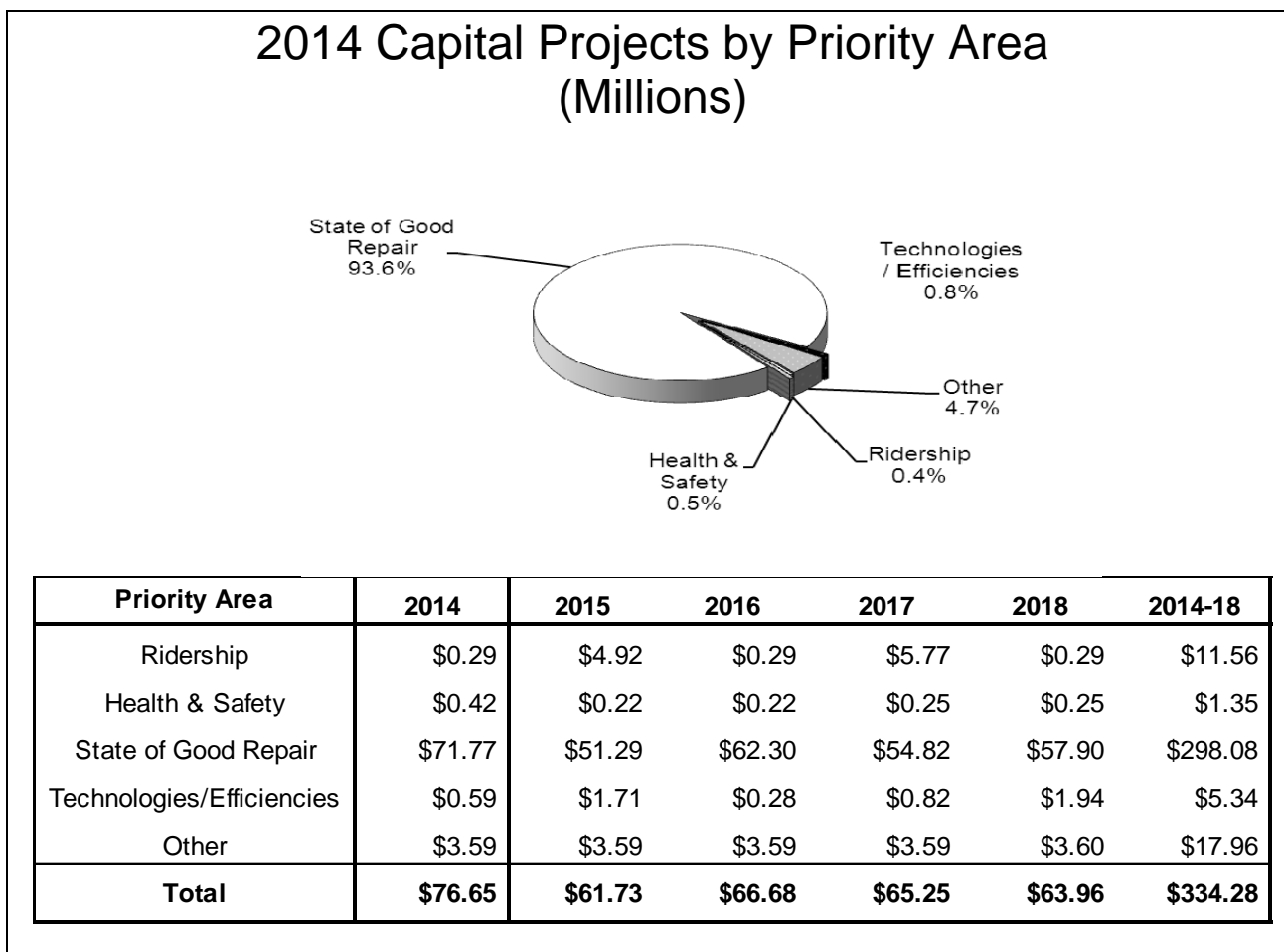


Figure CIP-3: Capital Projects by Priority Area

2014-2018 Capital Improvement Plan

Financial Capacity

The nature of public transit requires that the Authority pursue a capital-intensive budget. The Authority's capacity to support its ongoing CIP depends on the availability of governmental grants, local matching funds, and the ability to issue bonds. During the eighties and through the mid-nineties, the RTA favored a pay-as-you-go method, maximizing the benefits of Federal and State grant programs, and utilizing debt financing sparingly. Beginning in the mid-nineties, the use of debt significantly increased to meet the financial needs of an extremely aggressive Capital Improvement Program. This led to a significant increase in the overall debt service of the Authority – one that now requires principal and interest payments that will exceed \$20.75 million in FY 2014, FY 2015, and FY 2016.

At the end of 2013, the Authority will have a combined \$138.05 million in outstanding debt among six debt issues. They are, along with their original amounts, \$67.2 million issued in 2004, \$38.5 million issued in 2006, \$35.0 million of bonds and \$27.4 million of refunded bonds issued in 2008, and a \$25.0 million issuance and \$17.4 million refunding issuance in 2012.

In addition to determining the method of financing a project, capital investment decisions by the Authority also take into account a project's impact on operating costs. If a new facility is built, the operating budget must be capable of supporting any additional costs or be positioned to take advantage of efficiencies.

Federal Sources

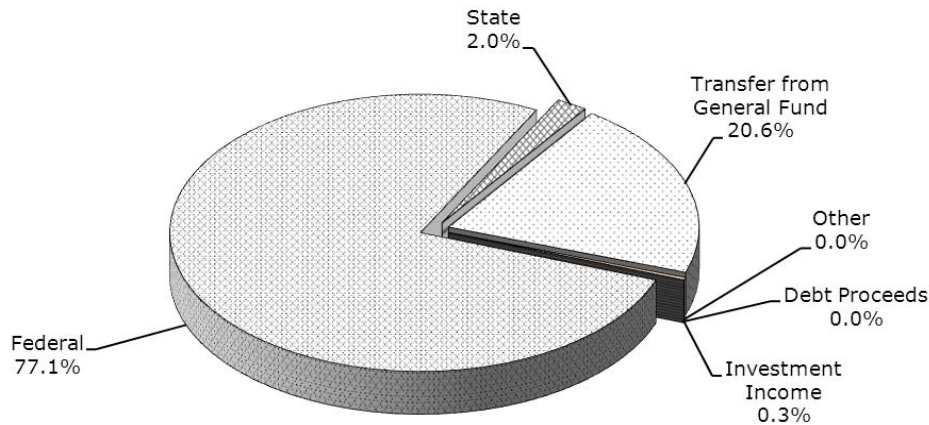
As reflected in Figure CIP-4, Federal grants will provide a projected \$67.06 million or 77.1 percent of the Authority's capital improvement revenue stream during FY2014 and over the five-year CIP is expected to provide close to 70 percent of the funding needs for the Authority's programmed capital projects. Most major Federal grant programs require a local match, normally 20 percent, though in some instances no local match is required. Through FFY 2013, Federal grant programs had been modified by the Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA), and confirmed by both the Transportation Equity Act for the Twenty First Century (TEA-21) and the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) adopted in 2005 and are briefly described below.

SAFETEA-LU had been extended several times since and during FY 2012, a new Transportation Act entitled "Moving Ahead for Progress in the 21st Century" (MAP-21) was approved by Congress. It establishes some certainty over available FTA funds for transit construction projects, but changes in Federal formula calculations for grant awards, inclusion of new census data in the determination of formula grants, incorporation of operating statistics relative to the all transit agencies, and the consolidation and/or elimination of some grant programs will likely have a negative impact upon future financial resources for the Authority's capital improvement program.

The primary impact is felt in the formula allocation for the Authority's rail systems. The former Federal Rail Modernization formula grant was allocation through a formula favorable to the Authority, but is now a State of Good Repair (SOGR) program that incorporates both population and operating statistics into the formula allocations and will likely result in a reduction of formula funds for the rail system. Though clarified a bit in the short-term with the new MAP-21 legislation, the long-term Federal funding commitment to public transportation remains uncertain.

2014-2018 Capital Improvement Plan

FY 2014 Capital Improvement Revenue
By Source (Millions)



	2011 Actual	2012 Actual	2013 Estimate	2014 Budget	2015 Estimate	2016 Estimate
Transfer from General Fund	\$12.10	\$11.64	\$17.77	\$17.93	\$14.50	\$14.01
Investment Income	\$0.24	\$0.12	\$0.09	\$0.24	\$0.25	\$0.25
Federal	\$51.10	\$33.57	\$57.75	\$67.06	\$64.05	\$59.09
State	\$0.78	\$1.14	\$1.97	\$1.73	\$1.73	\$1.73
Debt Proceeds	\$0.00	\$25.00	\$0.00	\$0.00	\$20.00	\$0.00
Other	\$1.50	\$3.42	\$0.00	\$0.00	\$0.00	\$0.00
Total	\$65.73	\$74.88	\$77.58	\$86.95	\$100.53	\$75.07

Figure CIP-4: Capital Improvement Revenue by Source

Section 5307 Capital Grants

Capital grants are provided under Section 5307 of the Urban Mass Transportation Act of 1964. Resources are allocated to urban areas according to a formula and are matched on an 80 percent Federal and 20 percent local basis. This program has been continued under the new MAP-21 legislation, though several changes have been made that likely will have a negative financial impact upon the Authority.

Changes to the award program include the elimination of the Job Access & Reverse Commute (JARC) Section 5316 program, which with the local match included had provided over \$12.21 million for this program, and was incorporated into the Section 5307 formula award as an eligible reimbursement with no additional resources.

2014-2018 Capital Improvement Plan

Available Federal funding from this grant program has been declining in recent Federal Fiscal Years. In FFY 2013, with the local match included, the Authority received \$27.78 million from its Section 5307 award. Prior to that Section 5307 grant awards for the Authority totaled \$28.70 million in FFY 2012, \$28.74 million in FFY 2011, \$31.51 million for FFY 2010, and \$32.64 million in FFY 2009. Future allocations under the MAP-21 legislation are estimated at \$28.0 million, near the amount received in FFY 2013.

State of Good Repair – Section 5337 (Formerly Section 5309 – Rail Modernization)

Since ISTEA, Federal participation for the former Section 5309 assistance has been distributed at the Federal Transit Administration's (FTA) discretion on an 80 percent Federal, 20 percent local basis. The ISTEA also instituted a multi-tier formula to allocate Section 5309 Rail Modernization grants, one that historically favored the older established rail systems. The formula allocation remained the same in the SAFETEA-LU legislation.

The recent MAP-21 legislation though, eliminated the Section 5309 Rail Modernization program and replaced it with the Section 5337 State of Good Repair (SGR) grant program that will, like Section 5307 Capital Grants, have a negative financial impact upon the Authority. The most significant impact of the new legislation is the elimination of the historical Section 5309 funding formula allocation and replacement with one that relied upon operational statistics of a transit agency compared to totals of all transit agencies as well as use of the 2010 UZA Census data. The new formula is one that favors areas with growing populations along with expanding transit systems over those with a relatively static UZA population and rail system.

The last Federal allocation for the Section 5309 – Rail Modernization Award, is likely an indication of the financial impact facing the Authority under the new MAP-21 legislation. Including the 20 percent local share, the FFY 2013 award totaled \$14.16 million, a \$3.1 million decrease from the FFY 2012 award of \$17.26. Prior Section 5309 awards were \$17.80 million in FFY 2011 and \$17.52 million in FFY 2010. Under the new MAP-21 legislation in future years, the Authority expects to receive approximately \$14.25 million – a decrease of nearly \$3.5 million per year for needed state of good repair capital projects from a high of \$17.80 million in FFY 2011.

Non-Traditional Federal Sources

Non-traditional Federal awards, including competitive and earmark grants, fall outside of the programs discussed above, but these have also been impacted by the MAP-21 legislation. It eliminated the Section 5316 program for the Jobs Access Reverse Commute (JARC) that supported operating expenses related to the Authority's reverse commute program. Including the local match, the allocation of \$2.01 million from FFY 2012 was the last to be received.

Historically, the Authority has been extremely successful in competing for these non-traditional awards which has provided the necessary resources to enable a number of capital projects to be completed. In FY 2013 a TIGER III grant for \$15.63 million was received for construction work on the Little Italy - University Circle Station & rehabilitation of the Mayfield Road Track Bridge and two awards were executed totaling a combined \$8.69 million for the Clifton Boulevard Transit Enhancement project. In FY 2012, the Authority received two competitive grant awards. One for \$3.96 million was for improvements at the Brookpark & Windermere Red Line Stations and at the Strongsville Park-N-Ride and the second, for \$1.61 million was for the rehabilitation/expansion of the Southgate Park-N-Ride lot and to rehabilitate the Triskett, North Olmsted Park-N-Ride, and Sprague/Fair parking lots.

2014-2018 Capital Improvement Plan

Including the local share, the Authority also received \$30.2 million of capital funding from non-traditional Federal sources in FY 2011 including included three awards totaling \$16.4 million for the reconstruction of the Cedar - University Red Line Station, a combined \$8.2 million in operating assistance awards, \$5.3 million for State of Good Repair projects at the Authority's bus garages, and \$287,000 for a workforce development program. Lastly in FY 2009, the Authority received \$45.7 million of 100% Federal share grant funding through the Federal Stimulus program (ARRA) that supported an additional year's worth of unfunded programmed capital project budgets within the current CIP.

State Sources

Administered through the Ohio Department of Transportation (ODOT), the State can contribute up to one-half of the local match portion of the Federal grant programs. In the past, the State contributed grant funds in this form, but in recent years, the State has been trending towards contributions that are project-specific rather than for local match contributions. In FY 2012, the Ohio Transit Preservation Partnership Program (OTPPP) awarded \$2.6 million of Federal funds for the reconstruction of the Red Line Airport Tunnel and \$1.89 million of Federal funds was awarded in FY 2013, for the Authority's Revenue Vehicle Camera and DVR program. For FY 2013 the Authority has a pending application for State funding for the multi-year bus improvement program.

Local Sources

The Capital Improvement Budget requires local resources to support the match for most grant-funded projects as well as to support 100 percent locally funded projects in both the RTA Capital and RTA Development Funds. In 2014, the combined local support for the Authority's capital program is done through two transfers from the General Fund that total a combined \$36.88 million. The first is a \$16.12 million transfer from the General Fund to the RTA Capital Fund (first component of the Sales & Use Tax Contribution to Capital) and the second, a \$20.75 million transfer from the General Fund to the Bond Retirement Fund to cover projected debt service payments for the upcoming year.

Debt Management

Although major capital improvements are mostly funded by Federal and State capital grants, the Authority is required to pay a percentage of most grant-funded projects from its own local sources. Debt sales are used for this purpose as well as to pay for major 100 percent locally funded projects. In FY 2012 Revenue Bonds (RB) were issued for \$25.0 million in new debt and \$17.4 million in a refunding issuance. All of the Authority's current outstanding debt will mature by December 2031. The \$138.05 million balance of outstanding bonds at the end of 2013 will require principal and interest payments of \$20.76 million in 2014.

Debt Limitations

As a regional transit authority, Ohio law permits the Authority to issue both unvoted and voted general obligation bonds. In the past, only unvoted general obligation bonds have been issued. As the name implies, unvoted debt is issued without the vote of the electorate, within the limitations provided under State law. General obligation bonds are secured by a pledge of the 'full faith and credit' of the Authority which is backed by the power to levy and collect ad valorem property taxes. Current debt obligations have not required the use of ad valorem property taxes to pay debt service but have been supported by the Authority's other revenue sources.

2014-2018 Capital Improvement Plan

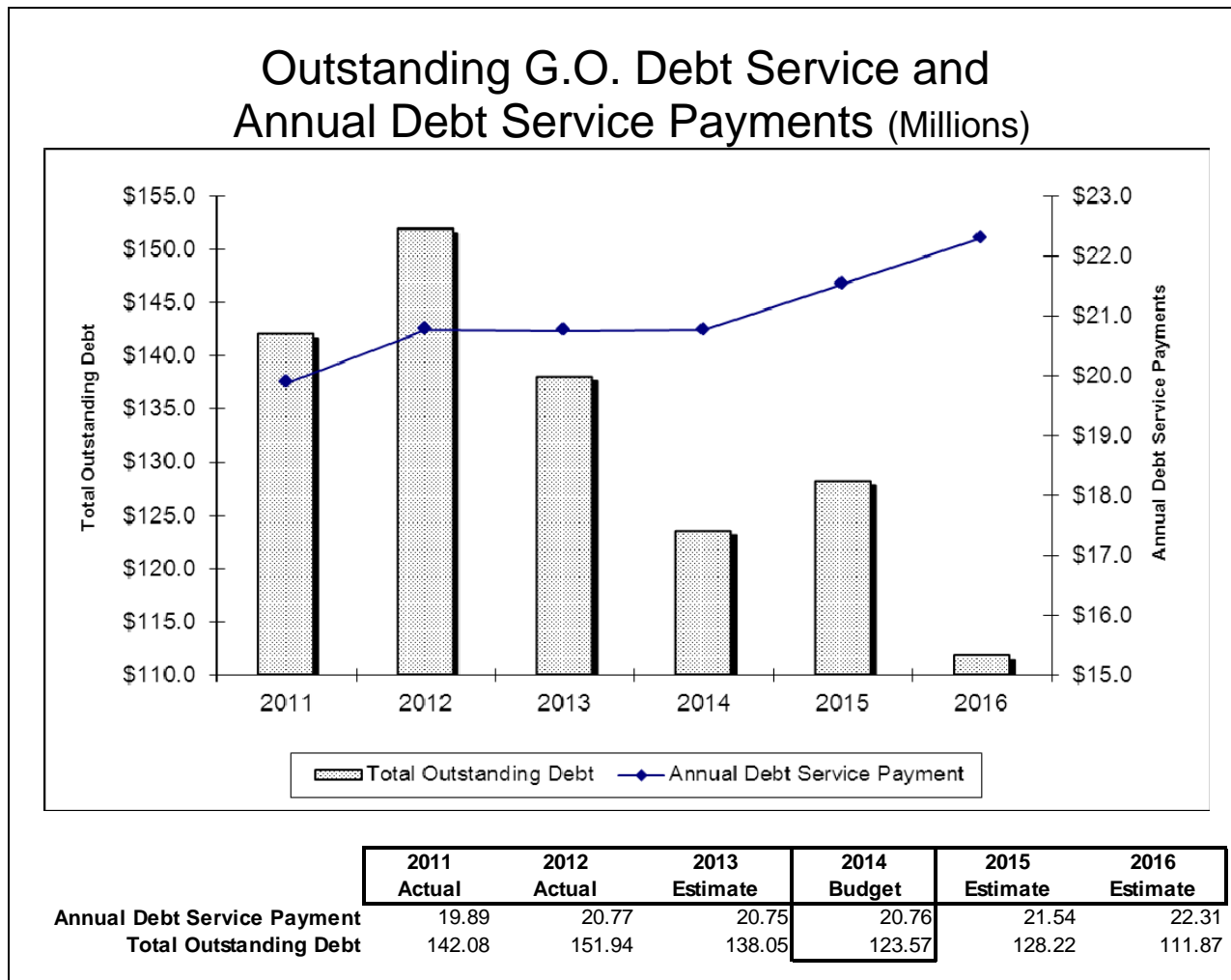


Figure CIP-5: Outstanding G.O. Debt Service & SIB Loan and Annual Debt Service Payments

There are three limitations, which relate to the Authority's ability to issue debt:

- I. Section 306.40 of the Ohio Revised Code limits the principal amount of bonds that are supported by property taxes to five percent of the assessed valuation within the Authority's territory. The assessed valuation of property within Cuyahoga County applicable to the GCRTA at the end of 2013 of \$27.69 billion limits the amount of available debt to \$1.38 billion. This limitation is not currently very restrictive to the Authority in view of the large dollar limit and its applicability only to debt supported by property taxes.

- II. The second limitation, also contained in Section 306.40 of the Ohio Revised Code, restricts annual principal and interest payments on the Authority's unvoted general obligation bonds to one-tenth of one percent (0.1 percent) of the assessed valuation. Based on the assessed valuation of \$27.69 billion, annual debt servicing capacity would be close to \$27.69 million. This provision applies to all debt issued by the Authority and is the most restrictive of the limitations, though it exceeds current debt payment levels.

2014-2018 Capital Improvement Plan

- III. The third constraint derives from both the Ohio Constitution and the Ohio Revised Code. Article XII, Section 11, of the Constitution requires that any political subdivision incurring debt must provide for the levying of taxes sufficient to pay principal and interest on that debt. Section 2 of the same Article and Section 5705.02 of the Ohio Revised Code limits to ten mills (one mill equals \$1 of tax for each \$1,000 of assessed valuation) for the amount of taxes that may be levied without a vote of the citizens.

This 'indirect' limit on unvoted debt prohibits the county and all political subdivisions from jointly levying property taxes above ten mills without a vote of the people. Thus, the ability of the Authority to issue unvoted general obligation debt is 'shared' with overlapping political subdivisions. As these entities issue debt subject to the 10-mill limitation, the amount of room available for other subdivisions' debt is reduced. Political subdivisions include Cuyahoga County, various municipal corporations, school districts, and townships within the taxing district.

At its establish rate of 11.4484 mills, total outstanding debt issued by various public entities within the County exceeds the unvoted ten-mill limit, restricting the Authority's ability to issue any General Obligation Bonds in 2014. Since the Authority's total annual debt service is limited to 1.0 mill, based on the direct limitation described in section II, on page CIP-17, the Authority could issue approximately \$91 million of unvoted debt assuming a 20-year maturity and a 4.5 percent interest rate. Its ability to issue more general obligation debt though is limited under the third constraint, in that the total outstanding debt issued as of year-end 2013 by various public entities within the County exceeds the unvoted ten-mill limit. Due to this restraint in previous years, the Authority issued new debt of \$25.0 million in Revenue Bonds, rather than General Obligation Bonds, in 2012.

Operating Impacts

A benefit of considering the Operating and Capital Budgets concurrently is the ability to gauge the impact of Capital Improvement decisions on the Operating Budget. In 2014 the Authority's capital program will impact the Operating Budget in a variety of ways including:

- The Trustees' commitment to contribute a portion of sales & use tax revenues to the Capital Improvement Fund transfers resources that could be used to support operations. In the upcoming year, this amount is budgeted at \$16.12 million.
- Continuing challenges with intergovernmental assistance, in tandem with increased capital requirements will continue to place pressure on the General Fund to contribute significant amounts to the Capital Improvement Fund in the future
- Debt service and interest payments of \$20.79 million will require a General Fund transfer to the Bond Retirement Fund of \$20.78 million in 2014 further limiting the amount available for operating expenditures.
- Some Operating Budget expenditures, primarily personnel costs within the Engineering & Project Development Department and other Authority departments, are incurred in support of ongoing activities within capital construction projects. Eligible costs are reimbursed to the General Fund as revenue from the RTA Development Fund. In 2014, this activity will result in a projected \$1.5 million in grant funded reimbursements to the General Fund.
- In the five fiscal years, covering 2006 thru 2010, \$141.19 million of Federal formula capital grants, including both the 80-percent Federal and 20-percent Local Shares,

2014-2018 Capital Improvement Plan

were used to reimburse the Annual Operating Budgets for preventive maintenance activities rather than for planned capital projects to maintain, improve, or replace the Authority's capital assets. Beginning with 2011 through the programmed 2015 estimate, this use will drop to a combined \$78.18 million with these funds being redirected to address state of good repair projects throughout the Authority. The 2014 Capital Budget includes an additional \$15.0 million of budget authority for this purpose, one of the lowest amounts in years though again reducing the availability of funding for the capital program.

- The capital program helps to maintain the Authority's capital assets in a state of good repair that facilitates improved delivery of transportation services and helps to reduce maintenance costs incurred in the operating budget.
- Daily activities within the 2014 General Fund Budget are supported by \$4.28 million of budget appropriation for various capital projects included within the RTA Capital Fund. These generally include smaller (less than \$150,000), equipment & non-revenue vehicle purchases and facilities maintenance activities and are exclusively supported by local funds from Sales & Use Tax revenue.

Capital Project Categories

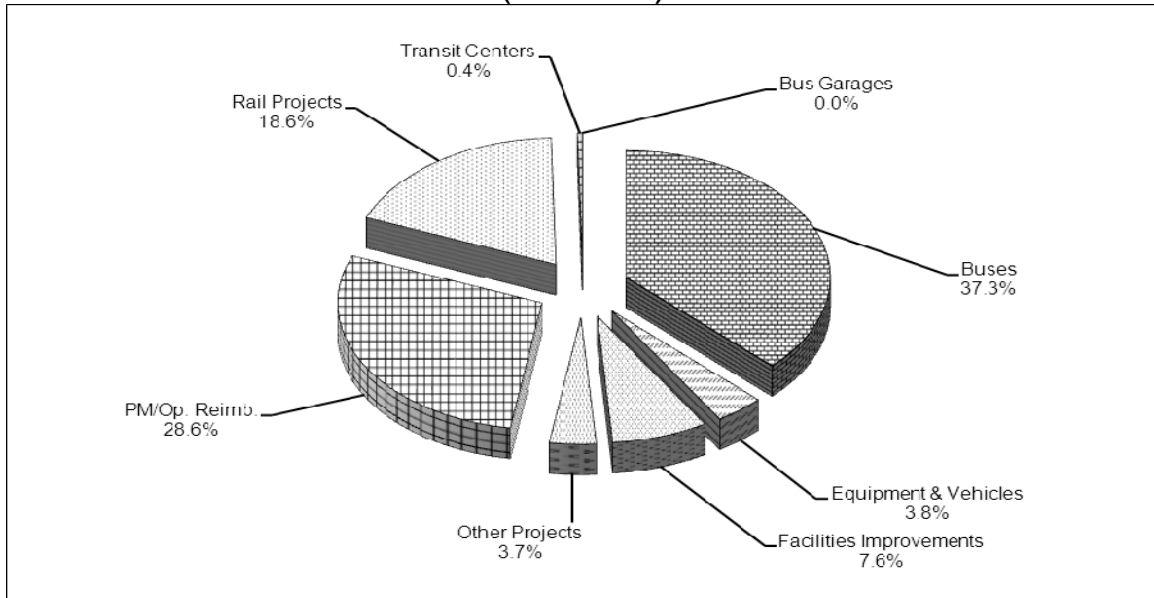
The combined 2014–2018 Capital Improvement Plan (CIP) totals \$334.28 million of capital budget appropriations over the five year plan with projects sorted among eight capital project categories – Bus Garages, Buses, Equipment & Vehicles, Facilities Improvements, Other Projects, Preventive Maintenance/Operating Reimbursements, Rail Projects, and Transit Centers.

In the approved 2014 Capital Budget, the Buses Category is the largest with \$28.62 million, or 37.3 percent of the total, is the second of a five year replacement program for the Authority's bus revenue fleets. For the upcoming year, this is followed by the Preventive Maintenance/Operating Expense projects category with \$21.90 million, or 28.6 percent, the Rail projects category, with \$14.23 million, or 18.6 percent of the total budget appropriation and the Facilities Improvements category with \$5.84 million, or 7.6 percent with the three remaining categories comprising the balance, \$6.06 million or 7.9 percent, of the approved capital budget as shown in Figure CIP-6.

Reflecting the challenging financial picture the Authority faces, the largest budgeted category over the five-year CIP is for the grant funded reimbursements of preventive maintenance and other operating expenses. This is followed by the Bus Improvement Programs with \$92.21 million, 27.6 percent, and the Rail Projects category, with \$84.43 million or 25.3 percent, followed by the other remaining categories to a lesser degree as prioritized by the needs assessment and prioritization of capital funds. Due to the current state of good repair projects at the Bus Garages, there are no major programmed bus garage projects in the upcoming 2014-18 CIP.

2014-2018 Capital Improvement Plan

2014 Capital Projects by Category (Millions)



	2014	2015	2016	2017	2018	2014 - 18
Bus Garages	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Buses	\$28.62	\$11.17	\$15.91	\$18.41	\$18.11	\$92.21
Equipment & Vehicles	\$2.95	\$2.58	\$2.28	\$2.26	\$3.94	\$14.00
Facilities Improvements	\$5.84	\$2.27	\$4.49	\$1.40	\$1.47	\$15.47
Other Projects	\$2.82	\$2.82	\$2.82	\$2.82	\$2.82	\$14.10
PM/Oper. Reimb.	\$21.90	\$20.81	\$23.31	\$23.31	\$23.31	\$112.62
Rail Projects	\$14.23	\$21.80	\$17.59	\$16.78	\$14.04	\$84.43
Transit Centers	\$0.29	\$0.29	\$0.29	\$0.29	\$0.29	\$1.44
Total	\$76.65	\$61.73	\$66.68	\$65.25	\$63.96	\$334.28

Figure CIP-6: Capital Projects by Category

RTA Capital Fund

The RTA Capital Fund is a fund for smaller capital projects and includes more routine expenditures. Projects within this fund are generally less than \$150,000 and have a useful life not exceeding five years. Items included in the RTA Capital Fund are segregated into two types: Routine Capital, which includes the acquisition of non-revenue vehicles and small equipment, and Asset Maintenance, which covers small rehabilitation projects to maintain the Authority's existing assets. The RTA Capital Fund is 100 percent locally funded, almost exclusively through sales tax contributions by way of a transfer from the Operating Budget.

Figure CIP-7 presents the fund balance analysis for the RTA Capital Fund. Other than a small amount of investment income, the main source of revenue is the sales & use tax revenue 'set aside' transfer from the General Fund to the RTA Capital Fund which began in 1989. Anticipated revenue in 2014 will include \$16.12 million of programmed transfers from the

2014-2018 Capital Improvement Plan

General Fund and investment income of \$450. The transfer amount, in combination with the General Fund transfer of \$18.32 million to the Bond Retirement Fund brings the total commitment to Capital to \$36.88 million or 19.0 percent of the projected 2014 sales & use tax revenue.

Budgeted FY 2014 expenditures or cash flows within the RTA Capital Fund of \$17.78 million include \$1.35 million for Asset Maintenance projects, \$2.20 million for Routine Capital purchases, and a \$14.23 million transfer into the RTA Development Fund for use on providing the local match on grant awards and for 100 percent locally funded project. The estimated 2014 ending balance of \$1.35 million is a decrease from prior years as additional local financial resources are positioned within the RTA Development Fund to meet the needs of the Authority's upcoming grant funded projects.

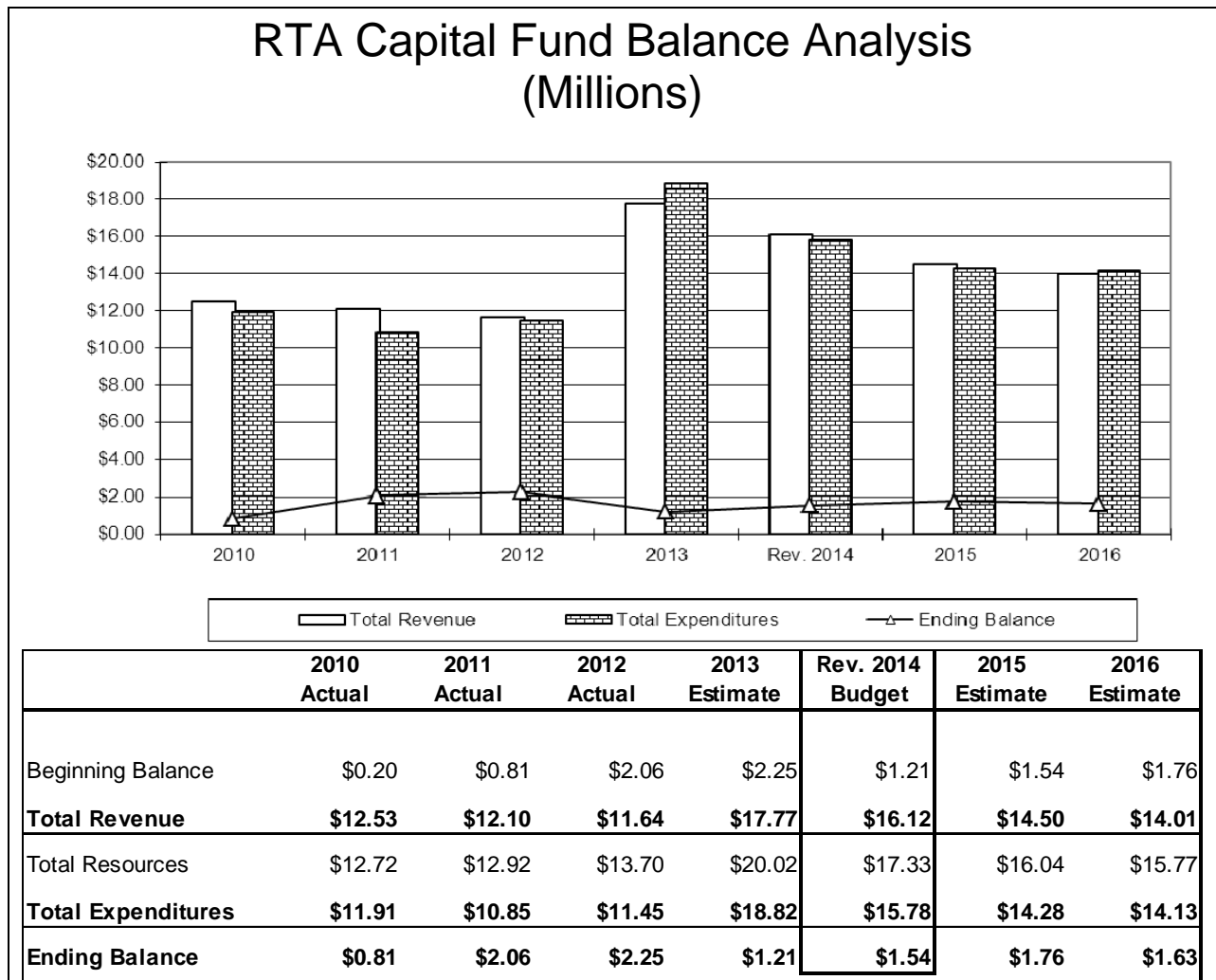


Figure CIP-7: RTA Capital Fund Balance Analysis

2014-2018 Capital Improvement Plan

RTA Capital Fund Balance Analysis

	2011 Actual	2012 Actual	2013 Estimate	2014 Rev. Budget	2015 Budget	2016 Budget
Beginning Balance	814,717	2,061,599	2,251,107	1,205,896	1,543,595	1,757,317
Revenue						
Transfer from General Fund	12,101,441	11,636,995	17,770,044	16,121,505	14,497,576	14,010,086
Investment Income	265	-7	0	450	400	400
Total Revenue	12,101,706	11,636,988	17,770,044	16,121,955	14,497,976	14,010,486
Total Resources	12,916,423	13,698,587	20,021,151	17,327,850	16,041,572	15,767,802
Expenditures						
Asset Maintenance	708,534	873,929	1,250,000	1,350,000	1,300,000	1,300,000
Routine Capital	544,849	953,296	2,095,000	2,200,000	1,850,000	1,750,000
Transfer to RTA Development Fund	9,601,441	9,620,255	15,470,255	12,234,255	11,134,255	11,084,255
Total Expenditures	10,854,824	11,447,480	18,815,255	15,784,255	14,284,255	14,134,255
Ending Balance	2,061,599	2,251,107	1,205,896	1,543,595	1,757,317	1,633,547

Routine Capital Projects

This category includes the purchase of vehicles and equipment, where each unit has a value of at least \$5,000 and a useful life greater than one year. Furthermore, these items are generally less than \$150,000 and have a useful life of five years or less. Thus, budget appropriations for routine capital projects are approved on an annual basis.

As indicated in Figure CIP-8 on the following page and the charts on pages CIP-24 & CIP-25, the budget appropriation for Routine Capital projects accounts for \$2.70 million, or 3.5 percent, of the 2014 Capital Improvement Budget. This is a significant increase in budget appropriation, relative to previous years as the Authority continues its focus on bringing its non-revenue vehicle fleet to a state of good repair through a replacement and a vehicle-leasing program. Projected cash flows or expenditures for Routine Capital projects reflect anticipated expenditures for these programs over the next several years.

The greatest portion of Routine Capital projects in the 2014 CIP is included within the Operations Division, which has \$2.08 million or 77.0 percent of the total budget appropriated for this purpose. More than half of this, \$1.21 million, is programmed for the non-revenue vehicle replacement program followed by \$501,500 for various equipment pool projects throughout various Operating Division Departments and a budgeted Transit Police Department security pool program of \$220,000 in 2014.

Asset Maintenance Projects

Asset Maintenance projects are locally funded projects that maintain, repair, or rehabilitate an existing capital asset of the Authority. These include projects of smaller scope, duration, and expense than those included in the RTA Development Fund. The duration of these projects is often less than one year with the cost generally not exceeding \$150,000 and a useful life of less than five years.

2014-2018 Capital Improvement Plan

The FY 2014 budget appropriation for Asset Maintenance projects is \$1.58 million representing 2.1 percent of the overall FY 2014 Capital Improvement Budget (see Figure CIP-8). This amount is again an increase, relative to prior years' budgets, as a result of the inclusion of additional state of good repair projects and energy efficiency initiatives

The largest portion of these projects, \$755,000, or 47.8 percent of Asset Maintenance projects, is within the Engineering and Project Development Department, which coordinates larger construction-related asset maintenance projects followed by the Service Management Department with \$280,000, or 17.7 percent, of all Asset Maintenance projects. The remaining amounts are budgeted in the Fleet Management Department for the rehabilitation of bus lifts (\$100,000) and in an asset maintenance contingency project of \$100,000.

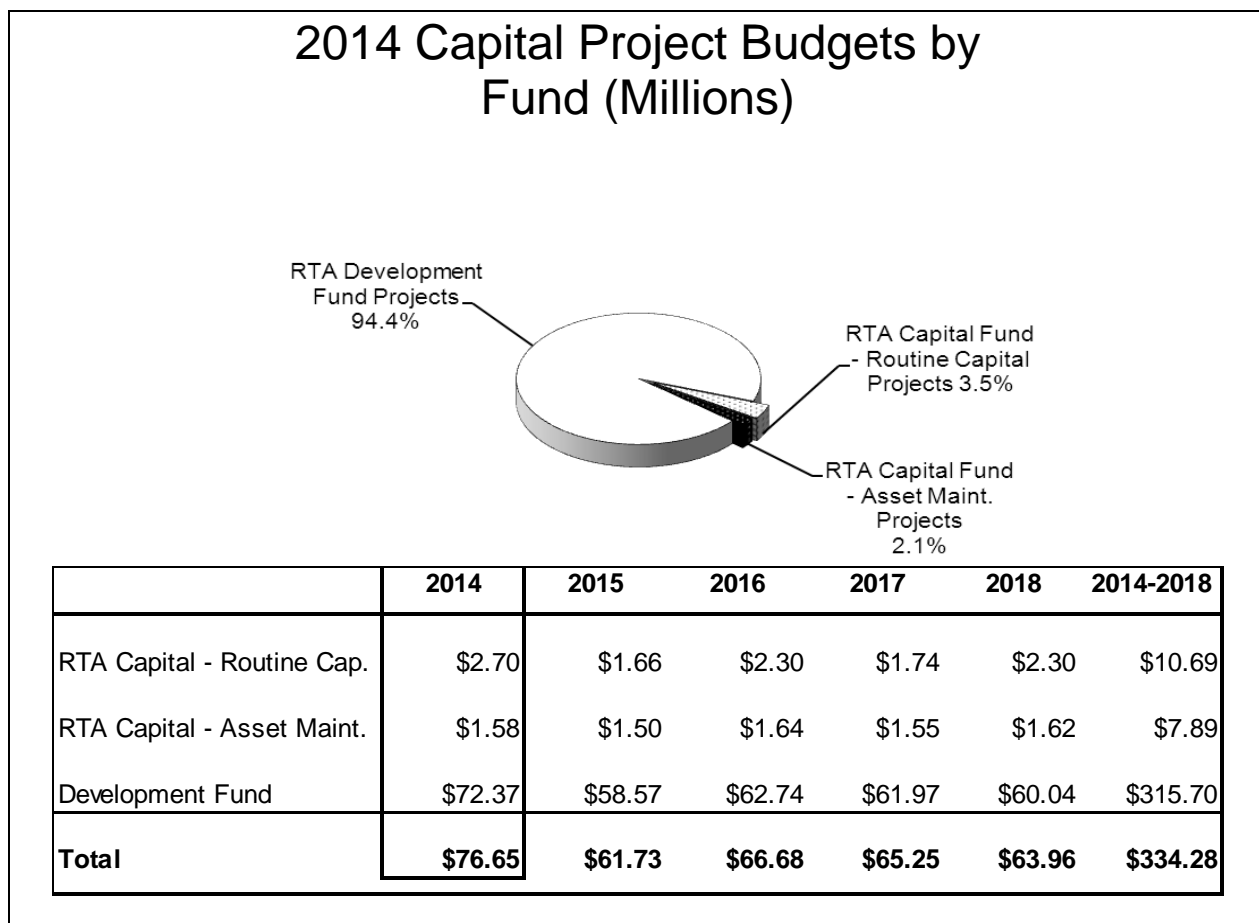


Figure CIP-8: Capital Project Budgets by Fund

2014-2018 Capital Improvement Plan

GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY 2014 - 2018 CAPITAL IMPROVEMENT PLAN RTA CAPITAL FUND

(FACILITIES) ASSET MAINTENANCE PROJECTS

DEPARTMENT / PROJECT NAME	PROJECT NUMBER	2014 Budget	2015 Plan	2016 Plan	2017 Plan	2018 Plan	2014-18 Total
<i>32 RAIL DISTRICT</i>							
Rehab - Rail HQ HVAC System	32325049	66,000	0	0	0	0	66,000
		66,000	0	0	0	0	66,000
<i>35 SERVICE MANAGEMENT</i>							
Passenger Facilities Maintenance Pool	32355099	120,000	130,000	130,000	140,000	150,000	670,000
Administration Facilities Maint. Pool	32355199	40,000	50,000	50,000	50,000	60,000	250,000
Operating Facilities Maintenance Pool	32355299	120,000	130,000	130,000	140,000	150,000	670,000
		280,000	310,000	310,000	330,000	360,000	1,590,000
<i>39 FLEET MANAGEMENT</i>							
Install Security Gates at CBM	32395049	88,000	0	0	0	0	88,000
Upgrade Electrical Phase Protection	32395149	42,000	0	0	0	0	42,000
Upgrade Transformers @ CBM	32395059	0	38,500	0	0	0	38,500
Paint CBM Interior	32395159	0	35,200	0	0	0	35,200
Replace Skylights & Smoke Hatches	32395069	0	0	171,518	0	0	171,518
Bus Districts Lift Rebuilds/Rehab's	47395099	100,000	100,000	100,000	100,000	100,000	500,000
		230,000	173,700	271,518	100,000	100,000	875,218
<i>80 ENG. & PROJECT DEV.</i>							
Parking Lot Rehab Pool	32805029	60,000	75,000	75,000	85,000	85,000	380,000
Facilities - ADA Projects	32805049	100,000	100,000	100,000	100,000	125,000	525,000
Passenger Facilities Maint. Pool	32805149	250,000	200,000	225,000	225,000	225,000	1,125,000
Operating Facilities Maint. Pool	32805249	345,000	395,000	410,000	455,000	475,000	2,080,000
		755,000	770,000	810,000	865,000	910,000	4,110,000
<i>67 OFFICE OF MGT. & BUDGET</i>							
Energy Retrofits	32675339	100,000	100,000	100,000	100,000	100,000	500,000
Asset Maintenance Contingency	49995059	150,000	150,000	150,000	150,000	150,000	750,000
		250,000	250,000	250,000	250,000	250,000	1,250,000
TOTAL ASSET MAINTENANCE		1,581,000	1,503,700	1,641,518	1,545,000	1,620,000	7,891,218

2014-2018 Capital Improvement Plan

GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY 2014 - 2018 CAPITAL IMPROVEMENT PLAN RTA CAPITAL FUND							
ROUTINE CAPITAL (EQUIPMENT) PROJECTS							
DEPARTMENT / PROJECT NAME	PROJECT NUMBER	2014 Budget	2015 Plan	2016 Plan	2017 Plan	2018 Plan	2014-18 Total
12 EXECUTIVE							
NOACA Dues	49120149	56,250	57,700	57,700	57,700	58,500	287,850
Build-up Greater Cleveland Dues	49120249	45,000	45,000	45,000	45,000	46,500	226,500
Outside Legal Services - Leg. Review	49120349	86,000	90,000	90,000	90,000	91,500	447,500
		187,250	192,700	192,700	192,700	196,500	961,850
32 RAIL DISTRICT							
Rail District Equipment Pool	47320149	230,000	90,000	70,000	30,000	20,000	440,000
		230,000	90,000	70,000	30,000	20,000	440,000
34 TRANSIT POLICE							
Security Improvements Pool	44340249	220,000	220,000	220,000	245,000	245,000	1,150,000
		220,000	220,000	220,000	245,000	245,000	1,150,000
35 SERVICE MANAGEMENT							
Work Access Passenger Vans	46350129	0	0	0	60,000	0	60,000
		0	0	0	60,000	0	60,000
39 FLEET MANAGEMENT							
Electronic Repair Shop Equipment	45390149	150,000	0	0	0	0	150,000
NRVIP - Lease Payments	46390139	450,000	675,000	725,000	725,000	725,000	3,300,000
NRVIP - Heavy Duty Trucks	46390239	756,000	0	700,000	0	700,000	2,156,000
Fleet Management Equipment Pool	47390349	119,000	114,800	35,000	82,000	60,000	410,800
		1,475,000	789,800	1,460,000	807,000	1,485,000	6,016,800
46 HAYDEN DISTRICT							
Hayden District Equipment Pool	47460129	72,500	30,000	20,000	31,750	0	154,250
		72,500	30,000	20,000	31,750	0	154,250
49 TRISKETT DISTRICT							
Triskett District Equipment Pool	47490129	80,000	12,000	0	35,000	14,000	141,000
		80,000	12,000	0	35,000	14,000	141,000
61 INFORMATION TECHNOLOGY							
IT Systems Development Pool	42610149	140,000	140,000	150,000	150,000	150,000	730,000
		140,000	140,000	150,000	150,000	150,000	730,000
62 SUPPORT SERVICES							
Office Equipment/Furniture Pool	43620149	35,000	35,000	35,000	35,000	40,000	180,000
		35,000	35,000	35,000	35,000	40,000	180,000
65 REVENUE							
Revenue Dept. Equipment Pool	47650149	108,035	0	0	0	0	108,035
		108,035	0	0	0	0	108,035
67 OFFICE OF MGT. & BUDGET							
Routine Capital Contingency	49990159	150,000	150,000	150,000	150,000	150,000	750,000
		150,000	150,000	150,000	150,000	150,000	750,000
TOTAL ROUTINE CAPITAL		2,697,785	1,659,500	2,297,700	1,736,450	2,300,500	10,691,935
RTA CAPITAL FUND TOTAL		4,278,785	3,163,200	3,939,218	3,281,450	3,920,500	18,583,153

2014 - 2018 Capital Improvement Plan

RTA Development Fund

The Authority's Capital Improvement Funds are used to account for the acquisition, construction, replacement, repair, and renovation of major capital facilities and equipment. The RTA Development Fund includes both a majority of the larger rehabilitation and expansion projects and the Authority's Long Range projects. Generally, RTA Development Fund projects are greater than \$150,000 and have a useful life of more than five years. This Fund is primarily, but not exclusively, supported through Federal grant awards.

Federal Capital grants require that local match funds be set aside and available for Capital Improvement projects. During the budget process, local match requirements as well as locally funded projects are reviewed and resources provided through sales & use tax contributions transferred from the RTA Capital Fund, available proceeds from debt sales, and interest income.

In 2010, \$9.28 million was transferred from the RTA Capital Fund to the RTA Development Fund to provide the local match for Operating Budget expense reimbursements and to cover expenses within the RTA Development Fund not covered by other revenue sources. This amount increased to \$9.60 million in 2011, to \$9.62 million in 2012, and again to an estimated \$15.47 million in FY 2013. For FY 2014, transfers from the RTA Capital Fund to the RTA Development Fund will decrease to a projected \$12.23 million due to a projected increase in use of available bond proceeds towards the composition of the local funding component of the Authority's capital program for the upcoming year. The transfer amount will then decrease slightly in FY 2015 to \$11.13 million and stabilize at \$11.08 million in FY 2016, through it is expected to then begin increasing after that FY due to the financial demands of the Authority's capital program.

Other local funding sources include debt service, revenue bonds, and interest income. The Authority last issued debt, \$25.0 million of Revenue Bonds, in FY 2012 to support capital project activities. Interest income has varied over the years due to fluctuations in the fund balance with \$235,000 expected in 2014, followed by small increases in the following years.

Figure CIP-9, on the following page, presents the fund balance analysis for the RTA Development Fund. By the end of FY 2011, the fund balance had increased to \$25.95 million from the ending FY 2010 balance of \$21.14 due in part to the impact of 100 percent Federal Stimulus funds for construction projects and a \$25.0 million revenue bond issuance in 2012, further increased the fund balance to \$44.44 million at the end of FY 2012. Capital construction activities over the following years will then draw the fund balance down as it declines to a projected \$35.22 million at the end of FY 2013 and to \$23.99 million at the end of FY 2014, before rising in FY 2015 due to a planned issuance of G.O. debt or Revenue bonds.

Federal funding resources flow into the Authority through the FTA Grant funds. When grant-funded capital improvements are made, funds are paid to the Authority from the Federal Government via wire transfer. Payments to vendors are then paid from the Authority and the assets acquired are accounted for in the capital funds. A similar process is in place to draw down State grant funds.

As reflected in the fund balance statement on page CIP-28, various funding sources, including but not limited to, Federal capital grants, a planned debt service, State Capital grants, and 100-percent local funds will help support expected expenditures or cash outlays of \$92.50 million in 2014. Please note that expenditures within the Fund Balance Analysis are presented on a cash basis and attempts to estimate the actual cash flow expenditures. Thus, the expenditure estimates differ from the numbers included in the 2014-18 CIP, which is based upon the

2014 - 2018 Capital Improvement Plan

establishment of the necessary budget appropriation for the capital projects.

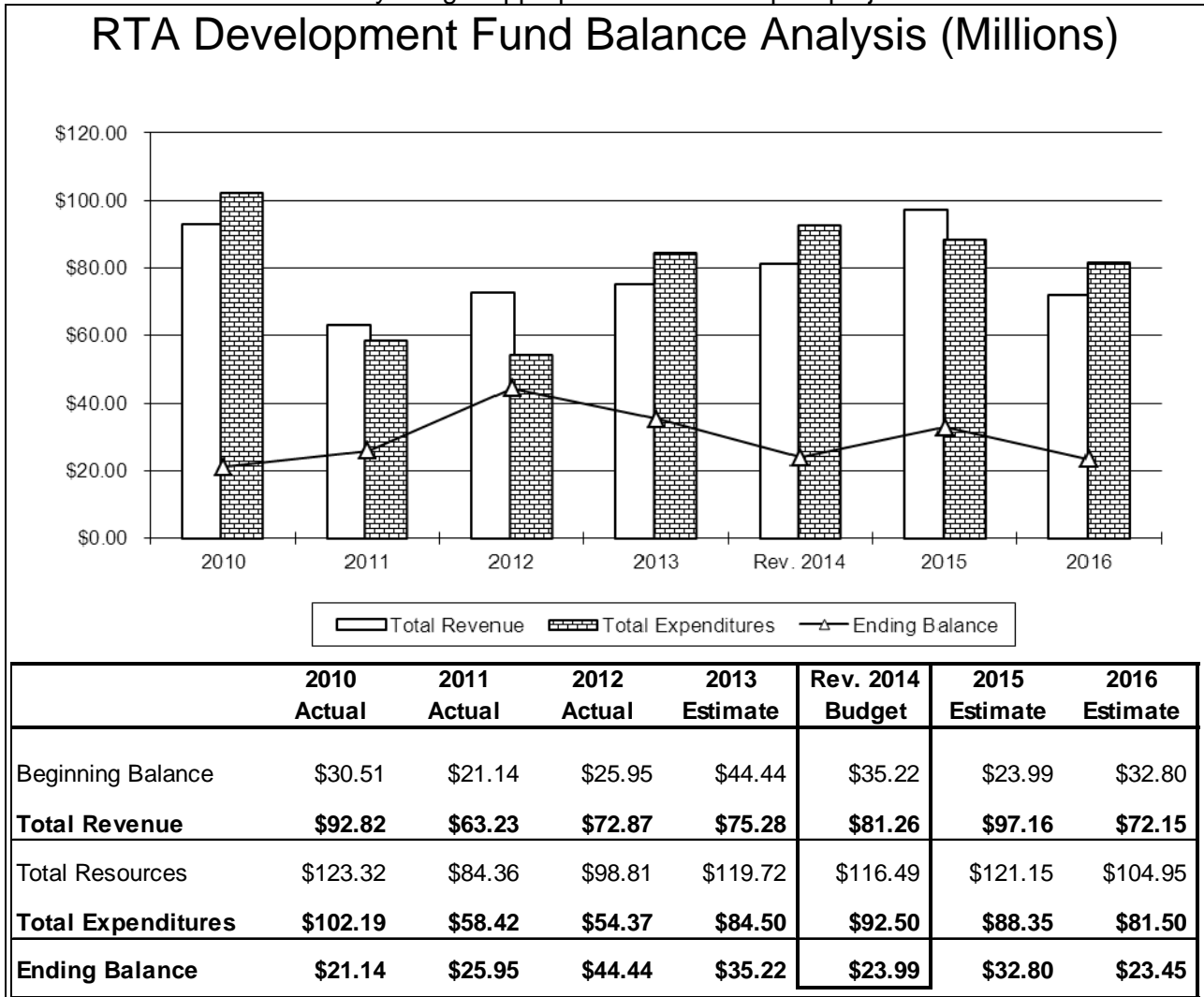


Figure CIP-9: RTA Development Fund Balance Analysis

2014 - 2018 Capital Improvement Plan

RTA Development Fund Balance Analysis

	2011 Actual	2012 Actual	2013 Estimate	2014 Rev. Budget	2015 Budget	2016 Budget
Beginning Balance	21,135,307	25,947,255	44,440,121	35,224,865	23,987,442	32,801,269
Revenue						
Debt Service	0	25,000,000	0	0	20,000,000	0
Transfer from RTA Capital Fund	9,601,441	9,620,255	15,470,255	12,234,255	11,134,255	11,084,255
Investment Income	242,341	115,389	91,253	235,000	245,000	245,000
Federal Capital Grants	51,104,869	33,570,510	57,746,500	67,062,500	64,053,750	59,087,500
State Capital Grants	778,956	1,135,673	1,971,736	1,730,822	1,730,822	1,730,822
Other Revenue	1,500,000	3,424,859	0	0	0	0
Total Revenue	63,227,607	72,866,686	75,279,744	81,262,577	97,163,827	72,147,577
Total Resources	84,362,914	98,813,941	119,719,865	116,487,442	121,151,269	104,948,846
Expenditures						
Capital Outlay	58,415,659	54,373,820	84,495,000	92,500,000	88,350,000	81,500,000
Total Expenditures	58,415,659	54,373,820	84,495,000	92,500,000	88,350,000	81,500,000
Ending Balance	25,947,255	44,440,121	35,224,865	23,987,442	32,801,269	23,448,846

RTA Development Fund Projects

In 2014, the combined budget appropriation for RTA Development Fund projects accounts for most, \$72.37 million or 94.4 percent, of the Authority's Capital Improvement Budget for the upcoming year (see Figure CIP-8). The inclusion of capital projects within this fund is based upon the establishment of budget appropriation authority and may include projects that may have already received grant-funding, projects in the preliminary application stage, those included in the Transportation Improvement Program (TIP), larger projects supported by 100 percent local funds, or projects without an identified funding source. The following highlights some of the larger programmed RTA Development Fund Capital Improvement Projects in 2014. Please refer to pages CIP-31 through CIP-35 for a complete list of projects included within the five-year RTA Development Fund CIP.

Bus Garages - \$0.0 million

Facility improvements and equipment replacement projects remain underway at the Paratransit, Hayden and Central Bus garages due to a Federal State of Good Repair grant award received in FY 2011, all with an expected completion in mid-FY 2014. As a result of these improvements, no grant funded bus garage projects are programmed in the 2014-18 CIP.

Bus/Paratransit Improvement Programs - \$28.62 million

The 2014 CIP includes \$27.97 million for replacement 40-Ft buses and \$646,000 for a multi-year bus spare parts program to improve the dependability of the Authority bus fleet. Grant funding for these amounts will become available in 2014 through a series of grant revisions and execution of new grant awards.

2014 - 2018 Capital Improvement Plan

Equipment & Vehicles - \$403,000

All budget appropriation within this category is for the continuation of various information technology projects throughout the Authority including Data Center and Network improvements.

Facilities Improvements - \$4.41 million

The combined Facilities Improvements budget appropriation of \$4.41 million in 2014 includes a construction project of \$4.16 million for rehabilitation of two track bridges over East 81st and East 83rd Streets , \$200,00 for the installation of fall protection at the Central Bus Maintenance Facility and \$50,000 for the initial cost of upgrading the Authority's fiber optic lines.

Other Projects - \$2.52 million

The 2014 budget appropriation included for projects in this category include \$2.43 million for the annual payment of a fare collection equipment lease and \$93,750 for various transportation studies depending upon the availability of funds.

Preventive Maintenance / Operating Budget Reimbursements - \$21.90 million

This category includes capital project budget appropriation for preventive maintenance reimbursements to the Operating Budget, as well as ADA, Trolley, and JARC / Welfare to Work grant funded Operating expense reimbursements.

The largest of these is for preventive maintenance reimbursements with a 2014 budget appropriation of \$15.00 million, or 20.7 percent of the 2014 RTA Development Fund appropriation. Other programmed grant funded projects within this category for FY 2014 include \$3.60 million for the final award year for the JARC, or reverse commute services program that was not extended in MAP-21, \$3.13 million for the reimbursement of ADA Operating Budget expenses, and \$180,000 for the grant funded reimbursement of the Travel Trainer program.

Rail Projects- \$14.23 million

The Rail Projects category continues to be the most diverse capital project category within the RTA Development Fund and in FY 2014, one of the largest. Major programmed 2014 projects within this category include \$3.20 million for the rehabilitation of the West 65th Street Substation, a combined \$7.27 million for various track and rail infrastructure projects on the Heavy and Light Rail lines, \$1.92 million for engineering & design and construction services on the Authority Rail Station State of Good Repair/ADA KeyStation program, and \$1.37 million for a Light Rail Fleet reliability project for the Breda Fleet.

Transit Centers / Bus Loops – \$288,783

The 2014 capital budget includes \$288,783 for various small grant funded passenger enhancements throughout the Authority. Funds for these enhancement projects will be appropriated as grant awards are executed during the year.

2014 - 2018 Capital Improvement Plan

Transit 2025 Long Range Plan

The purpose of the Long Range Plan of the Authority is to support its Mission and Policy goals. The plan accomplishes this by providing a guide for developing a balanced, multi-modal transit system that meets the mobility needs of Cuyahoga County residents and all visitors safely, efficiently, and cost-effectively.

The original plan was drafted in 1998 and updated in 2004 to reflect the existing system's state of repair; the future plans of key stakeholders, and the economic conditions of the region. In 2008, RTA initiated an update of the Long Range Plan, titled the "GCRTA Strategic Plan" that was completed in 2012. The goals of the Plan are to help determine the course of projects and services within GCRTA that can result in the increase of ridership, increase in revenues, and bring the system into a state of good repair while being grounded in the economic and the financial reality of public transportation funding in Northeast Ohio.

The existing Key Transit 2025 project elements include:

- Exploring additional Bus Rapid Transit projects in other major travel corridors;
- Completing the Transit Center Network;
- Initiating Transit-Oriented Development Projects;
- Implementing the Transit Waiting Environment Program; and
- Reconstructing various Rapid Transit Stations as part of the FTA ADA Key Station requirement agreement.

2014 - 2018 Capital Improvement Plan

GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY							
2014 - 2018 CAPITAL IMPROVEMENT PLAN							
RTA DEVELOPMENT FUND							
ANTICIPATED FUNDING SOURCE							
CATEGORY / PROJECT NAME	PROJECT NUMBER	CALENDAR YEAR					TOTALS 2014-2018
		2014	2015	2016	2017	2018	
<u>BUSES</u>							
<u>BUS IMPROVEMENT PROGRAM</u>							
2012-2014 Bus Improvement Program 37,500,000 (71 40 foot vehicles to be contracted in 2013 for delivery in 2014)	10390230	6,250,000	0	6,250,000	0	0	12,500,000
SFY 2012 NOACA CMAQ Grant (Committed) 6,250,000							
SFY 2013 NOACA CMAQ Grant (Committed) 6,250,000							
SFY 2014 NOACA CMAQ Grant (Committed) 6,250,000							
SFY 2016 NOACA CMAQ Grant (In NOACA Plan) 6,250,000							
SFY 2013 ODOT UTP Award (Applied for Grant) 1,730,822							
FFY 2012 Federal Formula Grant (Amending Grant) 10,769,178							
2015-2017 Bus Improvement Program 52,500,000 (104 40 foot and MCI vehicles to be contracted in 2016 for delivery in 2017)	10390150	15,861,838	10,781,392	6,715,766	15,746,616	0	49,105,612
SFY 2015 NOACA CMAQ Grant (Committed) 6,250,000							
SFY 2016 NOACA CMAQ Grant (In NOACA PPR) 6,250,000							
SFY 2017 NOACA CMAQ Grant (In NOACA PPR) 6,250,000							
SFY 2014 ODOT UTP Award (Planned) 1,730,822							
SFY 2013 ODOT OTPPP Award (Submitting Grant) 6,250,000							
FFY 2013 Federal Formula Grant (Grant Pending) 7,881,016							
FFY 2014 Federal Formula Grant 4,531,392							
FFY 2015 Federal Formula Grant 465,766							
FFY 2016 Federal Formula Grant 9,496,616							
FY 2013 100% Local Funds (Rolling Stock Reserve) 3,394,388							
2018-2020 Bus Improvement Program 60,000,000 (105 HL and MCI vehicles to be contracted in 2019 for delivery in 2020)	10390170	5,857,744	0	0	0	16,855,822	22,713,566
SFY 2018 NOACA CMAQ Grant 7,500,000							
SFY 2019 NOACA CMAQ Grant 7,500,000							
SFY 2020 NOACA CMAQ Grant 7,500,000							
SFY 2018 ODOT UTP Award 1,730,822							
SFY 2019 ODOT UTP Award 1,730,822							
SFY 2020 ODOT UTP Award 1,730,822							
SFY 2018 ODOT OTPPP Award 3,125,000							
SFY 2019 ODOT OTPPP Award 3,125,000							
SFY 2020 ODOT OTPPP Award 3,125,000							
FFY 2017 Federal Formula Grant 4,500,000							
FFY 2018 Federal Formula Grant 4,500,000							
FFY 2019 Federal Formula Grant 4,500,000							
FY 2013 100% Local Funds (Unfunded) 3,574,790							
FY 2014 100% Local Funds (Unfunded) 5,857,744							
Sub-Total - Bus Improvement Program		27,969,582	10,781,392	12,965,766	15,746,616	16,855,822	84,319,178
<u>PARATRANSIT IMPROVEMENT PROGRAM</u>							
2016-18 Paratransit Buses	12390160	0	0	2,550,000	2,550,000	1,250,000	6,350,000
FY 2016 100% Local Funds 2,550,000							
FY 2017 100% Local Funds 2,550,000							
FFY 2017 Federal Formula Grant 1,250,000							
Sub-Total - Paratransit Improvement Program		0	0	2,550,000	2,550,000	1,250,000	6,350,000
<u>BUS CAPITAL SPARE PARTS PROGRAM</u>							
2014-18 Bus Capital Spare Parts Program	16390140	646,000	390,000	390,000	110,000	0	1,536,000
FFY 2013 Federal Formula Grant (Revise/Amend) 646,000							
FFY 2014 Federal Formula Grant 390,000							
FFY 2015 Federal Formula Grant 390,000							
FFY 2016 Federal Formula Grant 110,000							
Sub-Total - Bus Capital Spare Parts Program		646,000	390,000	390,000	110,000	0	1,536,000
TOTAL - BUSES		28,615,582	11,171,392	15,905,766	18,406,616	18,105,822	92,205,178

2014 - 2018 Capital Improvement Plan

GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY							
2014 - 2018 CAPITAL IMPROVEMENT PLAN							
RTA DEVELOPMENT FUND							
ANTICIPATED FUNDING SOURCE							
CATEGORY / PROJECT NAME	PROJECT NUMBER	CALENDAR YEAR					TOTALS 2014-2018
		2014	2015	2016	2017	2018	
EQUIPMENT & VEHICLES							
MANAGEMENT INFORMATION SYSTEM							
Ultramain Version 9 Upgrade FFY 2017 Federal Formula Grant	42350180	0	0	0	0	1,115,951	1,115,951
Oracle Upgrade to Version 12 FFY 2013 Federal Formula Grant FFY 2014 Federal Formula Grant FFY 2016 Federal Formula Grant FFY 2017 Federal Formula Grant	42610100	100,000	50,000	0	120,000	120,000	390,000
Network Infrastructure - Networks FFY 2013 Federal Formula Grant FFY 2014 Federal Formula Grant FFY 2015 Federal Formula Grant FFY 2016 Federal Formula Grant FFY 2017 Federal Formula Grant	42610120	98,000	58,000	27,000	166,600	166,600	516,200
Network Infrastructure - Data Center FFY 2013 Federal Formula Grant FFY 2014 Federal Formula Grant FFY 2015 Federal Formula Grant FFY 2016 Federal Formula Grant FFY 2017 Federal Formula Grant	42610220	145,000	65,000	55,000	115,000	115,000	495,000
Network Infrastructure - Phone System FFY 2013 Federal Formula Grant FFY 2014 Federal Formula Grant FFY 2016 Federal Formula Grant FFY 2017 Federal Formula Grant	42610320	10,000	845,000	0	189,000	189,000	1,233,000
Internet - Intranet Development FFY 2013 Federal Formula Grant FFY 2014 Federal Formula Grant FFY 2015 Federal Formula Grant FFY 2016 Federal Formula Grant FFY 2017 Federal Formula Grant	42610520	50,000	50,000	50,000	80,000	80,000	310,000
Sub-Total - Management Information System		403,000	1,068,000	132,000	670,600	1,786,551	4,060,151
TOTAL - EQUIPMENT & VEHICLES		403,000	1,068,000	132,000	670,600	1,786,551	4,060,151
FACILITIES IMPROVEMENTS							
BRIDGE REHABILITATION							
Track Bridges Rehabilitation - E. 81st & 83rd Sts. FFY 2013 Federal Formula Grant	20800160	4,160,000	0	0	0	0	4,160,000
Track Bridge Rehabilitation - CSX & East 92nd St. FFY 2015 Federal Formula Grant	20800170	0	0	3,000,000	0	0	3,000,000
Sub-Total - Bridge Rehabilitation		4,160,000	0	3,000,000	0	0	7,160,000
SYSTEM-WIDE FACILITIES							
CBM Fall Prevention Systems FFY 2013 Federal Formula Grant (Revise/Amend)	22390140	200,000	0	0	0	0	200,000
Fiber Optic Hardware Replacement Program FFY 2013 Federal Formula Grant (Revise/Amend) FFY 2014 Federal Formula Grant	26800440	50,000	500,000	0	0	0	550,000
Rail Station Door Rehabilitation Program FFY 2014 Federal Formula Grant	32320150	0	209,213	0	0	0	209,213
Hayden Parking Lot Repaving FFY 2014 Federal Formula Grant	32800150	0	210,000	0	0	0	210,000
Sub-Total - System-Wide Facilities		250,000	919,213	0	0	0	1,169,213
TOTAL - FACILITIES IMPROVEMENTS		4,410,000	919,213	3,000,000	0	0	8,329,213

2014 - 2018 Capital Improvement Plan

GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY 2014 - 2018 CAPITAL IMPROVEMENT PLAN RTA DEVELOPMENT FUND							
ANTICIPATED FUNDING SOURCE							
CATEGORY / PROJECT NAME	PROJECT NUMBER	CALENDAR YEAR					TOTALS 2014-2018
		2014	2015	2016	2017	2018	
OTHER PROJECTS							
OTHER							
Planning Studies (Transportation for Livable Communities Initiative)	49570120	93,750	93,750	93,750	93,750	93,750	468,750
SFY 2014 NOACA STP Grant	93,750						
SFY 2015 NOACA STP Grant	93,750						
SFY 2016 NOACA STP Grant	93,750						
SFY 2017 NOACA STP Grant	93,750						
SFY 2018 NOACA STP Grant	93,750						
Fare Collection Equipment Lease	49650180	2,426,110	2,426,110	2,426,110	2,426,110	2,426,110	12,130,550
FFY 2013 Federal Formula Grant	2,426,110						
FFY 2014 Federal Formula Grant	2,426,110						
FFY 2015 Federal Formula Grant	2,426,110						
FFY 2016 Federal Formula Grant	2,426,110						
FFY 2017 Federal Formula Grant	2,426,110						
TOTAL - OTHER PROJECTS		2,519,860	2,519,860	2,519,860	2,519,860	2,519,860	12,599,300
PREVENTIVE MAINTENANCE/OPERATING REIMBURSEMENTS							
PREVENTIVE MAINTENANCE/OPERATING REIMBURSEMENTS							
2008 New Freedom Program (Mobility Management Only)	49310180	180,000	180,000	180,000	180,000	180,000	900,000
SFY 2014 Section 5317 NOACA New Freedom Pro.	180,000						
SFY 2015 Section 5317 NOACA New Freedom Pro.	180,000						
SFY 2016 Section 5317 NOACA New Freedom Pro.	180,000						
SFY 2017 Section 5317 NOACA New Freedom Pro.	180,000						
SFY 2018 Section 5317 NOACA New Freedom Pro.	180,000						
Job Access Reverse Commute Program (JARC)	49350180	3,598,340	0	0	0	0	3,598,340
SFY 2014 Section 5316 NOACA JARC	3,598,340						
Paratransit Operating Expenses Reimbursement	49670110	3,125,000	3,125,000	3,125,000	3,125,000	3,125,000	15,625,000
SFY 2014 NOACA STP Grant	3,125,000						
SFY 2015 NOACA STP Grant	3,125,000						
SFY 2016 NOACA STP Grant	3,125,000						
SFY 2017 NOACA STP Grant	3,125,000						
SFY 2018 NOACA STP Grant	3,125,000						
Preventive Maintenance Expenses	51670140	15,000,000	17,500,000	20,000,000	20,000,000	20,000,000	92,500,000
FFY 2013 Federal Formula Grant	15,000,000						
FFY 2014 Federal Formula Grant	17,500,000						
FFY 2015 Federal Formula Grant	20,000,000						
FFY 2016 Federal Formula Grant	20,000,000						
FFY 2017 Federal Formula Grant	20,000,000						
TOTAL - PREVENTIVE MAINT./OPER. REIMB.		21,903,340	20,805,000	23,305,000	23,305,000	23,305,000	112,623,340
RAIL PROJECTS							
ELECTRICAL SYSTEM							
OCS Replacement and Upgrade Plan	21320150	0	121,275	131,159	141,848	153,409	547,691
FFY 2014 Federal Formula Grant	121,275						
FFY 2015 Federal Formula Grant	131,159						
FFY 2016 Federal Formula Grant	141,848						
FFY 2017 Federal Formula Grant	153,409						
Replacement Transformer & Rectifier for Shaker 1 Substation	21320340	332,500	0	0	0	0	332,500
FFY 2013 Federal Formula Grant (Revise/Amend)	332,500						
Substation Replacement - West 117th Street	21800160	0	151,000	0	3,727,600	0	3,878,600
FFY 2014 Federal Formula Grant	151,000						
FFY 2016 Federal Formula Grant	3,727,600						
Substation Replacement - West 65th Street	21800190	3,198,200	0	0	0	0	3,198,200
FFY 2013 Federal Formula Grant	3,198,200						

2014 - 2018 Capital Improvement Plan

GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY							
2014 - 2018 CAPITAL IMPROVEMENT PLAN							
RTA DEVELOPMENT FUND							
ANTICIPATED FUNDING SOURCE							
CATEGORY / PROJECT NAME	PROJECT NUMBER	CALENDAR YEAR					TOTALS 2014-2018
		2014	2015	2016	2017	2018	
RAIL PROJECTS - Cont.							
ELECTRICAL SYSTEM - Cont.							
Substation Replacement - East 120th Street FFY 2016 Federal Formula Grant 165,400 FFY 2017 Federal Formula Grant 3,800,000	21800240	0	0	0	165,400	3,800,000	3,965,400
Sectionalize Tower City Catenary System FFY 2014 Federal Formula Grant 660,000	21800260	0	660,000	0	0	0	660,000
2nd Independent Feed for E. 55th Street Substation FFY 2014 Federal Formula Grant 66,000 FFY 2016 Federal Formula Grant 2,050,650	21800360	0	66,000	0	2,050,650	0	2,116,650
Substation Replacement - Puritas Avenue FFY 2013 Federal Formula Grant 142,000 FFY 2015 Federal Formula Grant 3,717,600	21800390	142,000	0	3,717,600	0	0	3,859,600
Sub-Total - Electrical System		3,672,700	998,275	3,848,759	6,085,498	3,953,409	18,558,641
SIGNALS							
CAB Signal System Replacement (Railcars) FFY 2017 Federal Formula Grant 985,750	26800170	0	0	0	0	985,750	985,750
Cab Signaling - East 79th to Shaker Square FFY 2017 Federal Formula Grant 3,904,514	26800240	0	0	0	0	3,904,514	3,904,514
Red Line Signal System Replacement (Design) FFY 2017 Federal Formula Grant 1,000,000	26800270	0	0	0	0	1,000,000	1,000,000
Sub-Total - Signals		0	0	0	0	5,890,264	5,890,264
TRACK REHABILITATION							
Rail Profile Grinding Program FFY 2016 Federal Formula Grant 488,029 FFY 2017 Federal Formula Grant 1,488,534 FFY 2018 Federal Formula Grant 1,779,719 FFY 2019 Federal Formula Grant 2,588,093	23320170	0	0	0	488,029	1,488,534	1,976,563
Rail Infrastructure Program FFY 2013 Federal Formula Grant 820,273 FFY 2014 Federal Formula Grant 622,783 FFY 2015 Federal Formula Grant 952,771 FFY 2016 Federal Formula Grant 864,421 FFY 2017 Federal Formula Grant 686,458	23320190	820,273	622,783	952,771	864,421	686,458	3,946,706
LR Retaining Wall - Buckeye/Woodhill - Shaker Sq. FFY 2013 Federal Formula Grant 1,148,200	23800130	1,148,200	0	0	0	0	1,148,200
Westpark Diamond Crossover Rebuild FFY 2015 Federal Formula Grant 38,273 FFY 2016 Federal Formula Grant 459,270	23800160	0	0	38,273	459,270	0	497,543
Kinsman to University Circle Station Track Rehabilitation FFY 2013 Federal Formula Grant (Revise/Amend) 1,127,845	23800220	1,127,845	0	0	0	0	1,127,845
Light Rail Crossings Improvements FFY 2013 Federal Formula Grant 4,178,000 FFY 2015 Federal Formula Grant 4,391,400	23800430	4,178,000	0	4,391,400	0	0	8,569,400
Tower City 8 and 10 Track Replacement FFY 2017 Federal Formula Grant 347,288 FFY 2018 Federal Formula Grant 2,083,725 FFY 2019 Federal Formula Grant 2,146,237	26800370	0	0	0	0	347,288	347,288
Sub-Total - Track Rehabilitation		7,274,318	622,783	5,382,444	1,811,720	2,522,280	17,613,545
RAIL STATION REHABILITATION							
University Circle - Little Italy Station SFY 2014 NOACA Enhancement Grant 1,000,000	24570140	1,000,000	0	0	0	0	1,000,000
East 79th Station Reconstruction (ADA Compliance) FFY 2014 Federal Formula Grant 1,795,972	24800150	0	1,795,972	0	0	0	1,795,972

2014 - 2018 Capital Improvement Plan

GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY							
2014 - 2018 CAPITAL IMPROVEMENT PLAN							
RTA DEVELOPMENT FUND							
ANTICIPATED FUNDING SOURCE							
CATEGORY / PROJECT NAME	PROJECT NUMBER	CALENDAR YEAR					TOTALS 2014-2018
		2014	2015	2016	2017	2018	
RAIL PROJECTS - Cont.							
RAIL STATION REHABILITATION - Cont.							
Brookpark Road HRV Station Rehabilitation FFY 2014 Federal Formula Grant	12,304,524 24800260	0	12,304,524	0	0	0	12,304,524
Lee-Shaker Station Reconstruction (Green Line) (ADA Compliance) FFY 2013 Federal Formula Grant (Revise/Amend) FFY 2014 Federal Formula Grant	203,700 1,444,275 24800340	203,700	1,444,275	0	0	0	1,647,975
East 116th Street LRV Station Rehabilitation FFY 2015 Federal Formula Grant	4,720,000 24800370	0	0	4,720,000	0	0	4,720,000
Farnsleigh Station Reconstruction (ADA Compliance) FFY 2015 Federal Formula Grant FFY 2017 Federal Formula Grant	224,579 1,671,928 24800440	0	0	224,579	0	1,671,928	1,896,507
East 34th Station Reconstruction (ADA Compliance) FFY 2013 Federal Formula Grant (Revise/Amend) FFY 2015 Federal Formula Grant FFY 2016 Federal Formula Grant	718,200 3,410,886 3,400,000 24800540	718,200	0	3,410,886	3,400,000	0	7,529,086
Sub-Total - Rail Station Rehabilitation		1,921,900	15,544,771	8,355,465	3,400,000	1,671,928	30,894,064
RAIL EXPANSION							
Blue Line Extension FFY 2014 Alternate Funding Not Yet Identified FFY 2016 Federal New Starts Grant - Not Identified FFY 2018 Federal New Starts Grant - Not Identified	4,630,500 5,482,055 72,465,672 34800190	0	4,630,500	0	5,482,055	0	10,112,555
Sub-Total - Rail Expansion		0	4,630,500	0	5,482,055	0	10,112,555
RAIL VEHICLE FLEET							
State of Good Repair - LRV Fleet Reliability FFY 2013 Federal Formula Grant	1,365,500 15320140	1,365,500	0	0	0	0	1,365,500
Sub-Total - Rail Vehicle Fleet		1,365,500	0	0	0	0	1,365,500
TOTAL - RAIL PROJECTS		14,234,418	21,796,329	17,586,668	16,779,273	14,037,881	84,434,569
TRANSIT CENTERS							
TRANSIT WAITING ENVIRONMENT							
Transit Waiting Environment Program FFY 2013 Federal Formula Grant FFY 2014 Federal Formula Grant FFY 2015 Federal Formula Grant FFY 2016 Federal Formula Grant FFY 2017 Federal Formula Grant	288,783 288,783 288,783 288,783 288,785 30570160	288,783	288,783	288,783	288,783	288,785	1,443,917
Sub-Total - Transit Waiting Environment		288,783	288,783	288,783	288,783	288,785	1,443,917
TOTAL - TRANSIT CENTERS/SHELTERS		288,783	288,783	288,783	288,783	288,785	1,443,917
TOTAL RTA DEVELOPMENT FUND		72,374,983	58,568,577	62,738,077	61,970,132	60,043,899	315,695,668
TOTAL RTA CAPITAL FUND		4,278,785	3,163,200	3,939,218	3,281,450	3,920,500	18,583,153
TOTAL CAPITAL IMPROVEMENT PLAN		76,653,768	61,731,777	66,677,295	65,251,582	63,964,399	334,278,821

This Page Intentionally Left Blank

Greater Cleveland
Regional Transit Authority

1240 West Sixth Street
Cleveland, Ohio 44113-1331

rideRTA.com

