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# READY TO RIDE

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GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY  
**OPERATING AND CAPITAL BUDGET**  
FOR THE YEAR 2013

# **Greater Cleveland Regional Transit Authority**

## **2013 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  
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**January 1, 2012**

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The Government Finance Officer's Association (GFOA) of the United States and Canada presented an award of Distinguished Budget Presentation to the Greater Cleveland Regional transit Authority for its annual budget for the fiscal year beginning January 1, 2012.

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

The award is valid for a period of one year. We believe our current budget book continues to conform to program requirements and we are submitting it to GFOA to determine its eligibility for another award.

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Sheryl King Benford, Deputy General Manager . Legal Affairs  
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# **DIRECTORY OF THE GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY OFFICIALS**

## **DEPARTMENTS AND DEPARTMENT HEADS**

### **Operations Division**

|                            |                                |
|----------------------------|--------------------------------|
| Paratransit District       | Oliver Draper, Acting Director |
| Rail District              | Dennis Rehfuss                 |
| Transit Police             | John Joyce                     |
| Service Management         | Alan Erenrich                  |
| Service Quality Management | Dr. Flounsay Caver             |
| Fleet Management           | Ronald Baron                   |
| Pass Thrus                 | Michael York, DGM              |
| Hayden District            | Kevin Vest                     |
| Triskett District          | William Eltrich                |

### **Finance & Administration Division**

|                                |                   |
|--------------------------------|-------------------|
| Office of Business Development | Steven Sims       |
| Accounting                     | Loretta Kirk, DGM |
| Information Technology         | Hamid Manteghi    |
| Support Services               | Eddine Dalton     |
| Procurement                    | Frank Polivka     |
| Revenue                        | Scott Uhas        |

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|                                   |                       |
|-----------------------------------|-----------------------|
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| Programming & Planning            | Maribeth Feke         |
| Engineering & Project Development | Joseph Shaffer        |

# **DIRECTORY OF THE GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY OFFICIALS**

## **DEPARTMENTS AND DEPARTMENT HEADS (continued)**

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|                 |                          |
|-----------------|--------------------------|
| Safety          | Pamela McCombe           |
| Legal           | Sheryl King Benford, DGM |
| Risk Management | Judy Lincoln             |

### **Human Resources Division**

|                                 |                                |
|---------------------------------|--------------------------------|
| Human Resources                 | Bruce Hampton, DGM             |
| Labor & Employee Relations      | Scott Ferraro                  |
| Training & Employee Development | George Fields, Acting Director |

### **Executive Division**

|                                       |  |
|---------------------------------------|--|
| Executive                             | Joseph A. Calabrese,<br>CEO/GM & Secretary -Treasurer  |
| Secretary/Treasurer-Board of Trustees | Joseph A. Calabrese,<br>CEO/GM & Secretary - Treasurer |
| Internal Audit                        | Anthony Garofoli, Executive Director                   |
| Marketing & Communications            | Stephen Bitto  |
| 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  
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Business Analyst, MDP  
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Executive Secretary

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Natalie Ulrich  
Ron Woodford  
Dan Bobeczko  
Kay Sutula  
Wesley Keshtkaran  
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## 2013 Citizens Summary

### Transmittal Letter

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### Citizens Summary

If you wish to see a summary of the 2013 Operating and Capital Improvement Budgets, the Citizens' Summary is the chapter to read. This chapter includes the CEO/General Manager's Transmittal Letter to the Board of Trustees explaining the 2013 budget request in terms of revenue, ridership, and service level assumptions; program changes and initiatives; and financial policy variables. In addition, it provides a Performance Management section that highlights the initiatives in the TransitStat program.

## 2013 TRANSMITTAL LETTER

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

**Date:** November 9, 2012

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



**Subject:** 2013 Transmittal Letter

### EXECUTIVE SUMMARY

I am pleased to report that 2012 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-industry accomplishments, highlighted by significant gains in ridership and presented with a Gold+Safety Award for the third consecutive year.

As we continued to manage our significant state-of-good-repair infrastructure program, we completed the Westlake Park-N-Ride expansion, the Buckeye/Woodhill Rail Station and were joined by FTA Administer Peter Rogoff for the groundbreaking ceremony for the Cedar/University Rail Station. RTA also obtained funding and issued contracts for two critical rail improvements which will enhance the reliability of our system for years to come: the Airport Tunnel and S-Curve rehabilitations. Also important in 2012, was the staff's significant effort in recovering from the lightning strike that damaged the signaling system for a major portion of our west side rail service.

Four years after its inaugural journey, the Euclid Corridor HealthLine is still considered the international gold standard. In 2012, we shared 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 private investment and transformed the corridor to, once again, one of the coolest places to work and live in the nation.

During 2012 we successfully:

- Increased productivity on all modes in terms of customers served per hour of service,
- Managed utility and fuel costs through fuel hedging and other innovative programs,
- Were recognized for our achievements in the area of transit security by earning the highest rating - The Gold Standard, by TSA,
- Entered into innovative labor agreements with both RTA unions tying future wage increases to revenues and our ability to pay,
- Realized an upgrade in our Standard and Poor's credit rating to AAA,
- Won engineering awards for the East 55<sup>th</sup> Street Rail Station and the Stephanie Tubbs Jones Transit Center,
- Added the Disabled American Veterans and the APTA Scholarship funds to our long list of charitable organizations we give back to,
- Won an APTA Ad-Wheel Prize for our marketing efforts,
- Initiated expanded Downtown Trolley Service to support downtown tourism and new downtown businesses with funding from NOACA, the City of Cleveland, the Browns, Rock Hall, Playhouse Square, Forest City, Horseshoe Casino, the Med-Mart and others.

## 2013 TRANSMITTAL LETTER

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We entered 2012 being cautiously optimistic about our future. That optimism was well founded, as it proved to be a year during which much of our hard work paid dividends in the form of financial sustainability, reduced overhead expenses, and additional financial capital resources from the FTA and NOACA.

During the past five years GCRTA has gone through three economic cycles: underperforming revenue, recession, and recovery. In 2007 and 2008, Sales Tax was underperforming with 1% growth and in 2008 diesel fuel prices rose dramatically increasing costs by \$7.4 million. The Authority was financially and operationally stressed. Service was reduced, fares had to be increased, and capital projects had to be deferred. In 2009, the impact of the Great Recession hit. Sales Tax collections plummeted by 11%, nearly \$19 million. Unemployment jumped to 11% and ridership dropped by 13%, costing another \$5 million in revenue. A reduction in revenue of \$24 million required swift and decisive action. Additional service had to be 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 provided \$46 million, where a portion of those funds could be used to support operations. GCRTA used the maximum allowed. The largest portion was used to fund badly needed capital infrastructure. These shovel-ready projects provided jobs for workers in Cuyahoga County and allowed the Authority to reset its Capital Improvement Plan. 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, strategies were employed to improve the financial position. 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. A thorough review of electricity costs and action to reduce those costs resulted in \$1.6 million savings. With these measures in place, 2010 operating expenses were reduced by \$30 million from 2009 actual costs and at \$208 million were equal to 2004 levels, a rollback of six years. The Sales & Use Tax revenue also began to recover and increased by \$8.6 million. 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 at about \$210 million, less than the 2005 operating expenditures and again maintaining that 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 by 4.3% to reduce overcrowding. Reimbursed expenditures were lowered to less than \$15 million; a goal that had been set in 2003, to enable 12 additional capital projects to

## 2013 TRANSMITTAL LETTER

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be completed and appropriations were increased at mid-year to fund them. Sales tax collections have increased by 4.75% and will reach \$181.5 million. New trolley lines were added to support tourism and business for the Horseshoe Casino that opened in 2012 and the new Convention Center that will open in the spring of 2013. The end of year operating balance will be about \$36.4 million. The Authority is in an excellent financial position. This was confirmed by upgraded credit ratings to the highest, AAA, by Standard & Poor's. GCRTA is well positioned for fiscal years 2013 and 2014.

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. The response to dramatically increased fuel prices and lost revenue from sales tax due to the 2008-2009 recession are excellent examples of the execution of that strategy. The actions taken to right size service and employment and increasing efficiencies and effectiveness through finding smarter ways to do business have paid dividends. A major factor in creating and implementing smarter processes is TransitStat, the data-driven performance management initiative GCRTA implemented in 2008. During the four years after the implementation of the program, TransitStat projects have reduced costs by more than \$35 million by cutting costs of overtime, inventory, fuel, electricity, towing, and workers compensation. Total savings is expected to increase at the end of 2012. Beyond that, operational enhancements have improved service to customers. Those actions helped the Authority survive one of the worst financial periods this community has experienced in the last fifty years and now transition to a sustainable enterprise able to meet the next set of demands.

The Board of Trustees' first review of the 2013 Capital Budget took place at the Finance Committee meeting on October 9, 2012. The committee will deliberate issues in the Operating Budget at a subsequent meeting on November 13. Public Hearings will be held on November 20, 2012 at 9:00 AM and on November 27, 2012 at 5:00 PM. At the Board meeting on December 4, 2012, the Finance Committee is expected to present a recommendation to the full Board of Trustees to adopt the proposed 2013 Operating, Capital, and the Other Funds Budgets. Adoption will be considered at the December 18, 2012 Board Meeting.

Resources are included to fund rail, bus, and paratransit services and continue and increase rehabilitation and maintenance of equipment and facilities. In preparing the 2013 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, strategic and other program initiatives, and capital projects included in the 2013 - 2017 Capital Improvement Plan (CIP).

The 2013 appropriation for operating expenditures totals \$237,650,597. The amount appropriated, including the amended budget, for 2012 was \$231,856,301. Fuel costs have increased and will remain at higher levels in 2013. Based on Sales Tax Revenue and Fare Revenue increases in 2012, all employees will receive a 3% wage increase in 2013. The 2013 Budget has an increase in appropriations of approximately \$5.8 million. A little over \$1.0 million of that increase is due to the increased cost of fuel. The Budget includes \$173.2

## 2013 TRANSMITTAL LETTER

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million for Personnel Services: providing salary, overtime, and fringe benefit resources needed to fund 2,302.5 positions. The authorized employment level for 2013 is an increase of 20 positions from the 2,282.5 in the original 2012 budget and an increase of 6 positions from the 2012 amended budget of 2,296.5. This difference is mainly due to 13 of the 23 HRV Overhaul positions being eliminated at the end of 2012. Ten key overhaul positions will remain to help with the interior overhaul of the Heavy Rail fleet and the other employees in these positions will be assimilated into currently vacant positions. Service levels have been maintained and expanded slightly, increasing by about 5.3%. Rail service will be enhanced to 15-minute frequency, the C-Line, L-Line and 9-12 Trolleys have been added and other adjustments have been made to ease overcrowding. Paratransit service continues to increase.

Personnel Services costs are \$3.2 million higher than the 2012 budgeted amount. Other expenditures have increased by about \$2.6 million compared to the 2012 Budget. A large part of this is an increase for fuel. Operating expenses for 2012 are projected to finish the year at \$224,433,840, about \$7.4 million under budget. The objective is to execute the 2013 Budget in the same fashion as 2010, 2011 and 2012.

Over the last three years ARRA projects have been well executed and the improving financial picture has allowed for the completion of the Stephanie Tubbs-Jones Transit Center, Puritas Rail Station, East 55<sup>th</sup> Rail Station, and the Woodhill-Buckeye Station. GCRTA recently held the groundbreaking for the new University-Cedar Station and this fall, work will begin on the Airport Tunnel Rehabilitation. The S-Curve Reconstruction will follow the Airport Tunnel project. Several projects have been completed; more are about to go into construction, yet more will be needed. The 2013 Capital Budget includes \$94.06 million of combined budget authority for RTA Capital and RTA Development Fund projects. That figure is about \$30 million higher than the 2012 figure. This includes the replacement of equipment, facilities improvements and upgrades, preventive maintenance reimbursements, rail projects and replacements busses. Over the next five years nearly 200 busses need to be replaced to properly maintain the fleet. This capital plan includes that important element. The amount includes \$3.97 million, or 4.2% of the total, of 100% locally funded projects within the RTA Capital Fund and \$90.09 million, or 95.8%, of grant & locally supported projects within the RTA Development Fund. As in previous years, the goal of the capital program is to better match budgeted projects with anticipated revenue sources, both for locally and grant funded projects, and to maintain the Authority's assets in a State of Good Repair (SGR).

The increase in requested capital budget appropriations of \$94.06 million for the upcoming year, relative to the \$61.50 million in FY 2012, is the culmination of a planned redistribution of formula grant funds previously used for preventive maintenance reimbursements to the Operating Budget to address needed capital improvements throughout the Authority as well as securing competitive grants. In FY 2013, the proposed CIP includes \$33.87 million of budget authority to begin multi-year bus and paratransit replacement programs, \$12.38 million for construction of the relocated University . Little Italy . Red Line Station, \$5.65 million for the state of good repair projects on rail stations, track, and rail crossings, and \$4.79 million of security and equipment upgrades including a retrofit camera system project for the Authority's bus and heavy rail fleets and the remaining budget authority to install event recorders on rail cars.

## 2013 TRANSMITTAL LETTER

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As in prior budget years, budget authority for new projects was added to the five-year capital plan through a capital needs review and prioritization process, while budget authority for other projects was deferred and shifted into future years. The presented CIP is a reflection of available and projected Federal, State, Local, and non-traditional funds that are and may become available in future years. Beginning in FFY 2013, the Authority expects a reduction in its Federal formula grant allocations due to the impact(s) of the adopted Federal MAP . 21 Transportation Bill.

The proposed five-year capital plan of \$387.58 million continues the Authority's focus on the state of good repair maintenance, rehabilitation and construction projects and the need to provide customers with safe and dependable service. It presents a realistic balance between the financial needs of meeting both the operating and capital programs. The increase in the 2013 Capital budget represents the Authority's efforts to reduce the growth of the capital program to a level that is compatible with anticipated funding levels while meeting the on-going need of maintaining a State of Good Repair.

Due to 100% ARRA federal grant funding and prudent fiscal management, the Authority was able to stretch the use of its available 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. Standard & Poor's upgraded the Authority's credit rating to AAA. Buyers paid a premium for this bond. The premium allows 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 revenue required to support both operating and capital budgets was a challenge from 2004 to 2008. The shortfall from the largest revenue source, the Sales & Use Tax, was limiting the ability to provide service for those years. The dramatic drop in revenue caused by the 2008-2009 recession severely constrained every aspect of operations in 2009 and 2010. A change in the Sales & Use Tax base in 2009 added about \$7 million in annual revenue and the economic recovery, meager as it has been, restored sales tax levels to the amount received in 2008 by the end of 2011.

The actions taken in 2009 and 2010 caused RTA to end 2010 with a greatly improved year-end balance. Balances improved again in 2011 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 funds from grants available for Capital Projects. A Rolling Stock Replacement Fund is now being proposed to prepare for the replacement of busses over the next five years.

Three economic cycles have been bridged over the last five years. GCRTA is now in a nearly sustainable financial position. This status will be maintained, while continuing to upgrade and prepare the infrastructure to meet the demands of a first class transit property for the City of Cleveland for 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.*

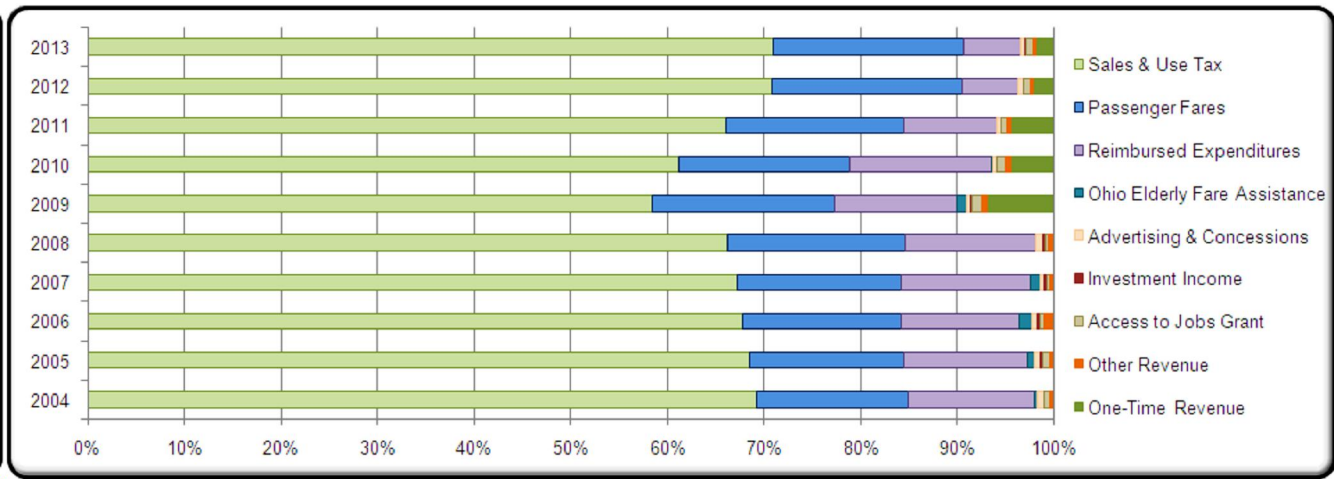
#### BOARD POLICY GOALS

- 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 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 2013 budgeting process, the evaluation of requests and the allocation of funding for 2013 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 2012 estimate projects \$256.1 million in General Fund revenue and total resources of \$292.5 million. This is a \$5.8 million increase in total resources compared to the original 2012 budget. Most of this increase resulted from the reduction in expenses from 2011 and a subsequent increase in the end of year fund balance.

The chart above shows the percentage of each revenue stream from 2004 through 2013. In 2004, Sales & Use Tax was about 70% of the Authority's revenue and Passenger Fares equated to about 17% 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 2012, Sales & Use Tax receipts increased, mainly due to Managed Care being added the tax base. Recovery from the recession in 2001 and again in 2009 has been extremely slow in the Cleveland area. With the Sales & Use Tax and Passenger Fares increasing, this has enabled us to become less reliant upon one-time funding and reimbursed expenditures. The graph on TL-8 shows the percentage of each revenue stream for 2013. Sales & Use Tax has returned to 70% of total revenue, Passenger Fares increased to nearly 20% of total revenue, and reimbursed expenditures and inter-governmental funding are slowly decreasing.

Total revenue for 2013 will increase to \$261.0 million. The increase comes from Sales Tax, Fare Revenue and a CMAQ Grant for the new C-Line, L-line and 9-12 Trolleys. Total Resources will increase to \$296.0 million with the carry forward of a \$34.9 million balance from 2012.

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

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Analysis, included as Attachment A, presents the 2013 Operating Budget in summary. The specific assumptions and calculations for the revenues included there are as follows:

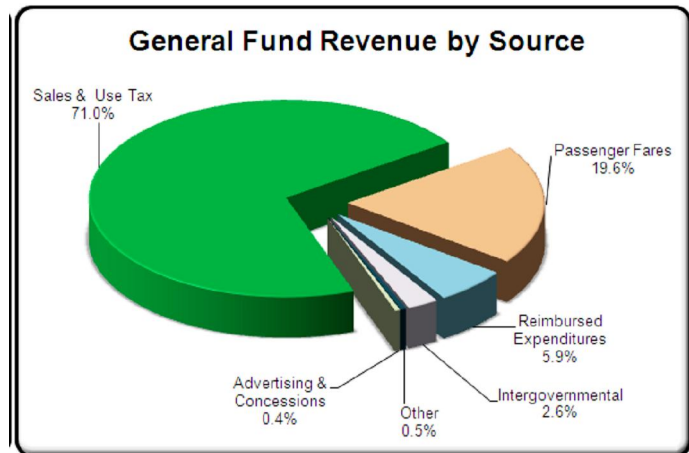
### Passenger Fares      **\$51.3 Million**

#### **Rationale:**

Ridership through September 2012 was 2.5% above the same period in 2011. 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 rebounds, ridership has increased.

The HealthLine ridership through the third quarter 2012 has increased 2.9%, compared to the same period in 2011, an increase of over 96,000 passengers. In the three months of the third quarter alone the HealthLine was 2.9% above the third quarter of 2011. The largest increase in fixed-route passengers has been seen on the Heavy Rail, with an increase of 9.9% through the third quarter of 2012, compared to the same period in 2011, an increase of 416,117 passengers, again showing a rebound in the economy and more people are using transit to get to work. The one negative is that the Cleveland Municipal School District (CMSD) is cutting its transportation budget and plans to use \$1.5 million less RTA service. An increase of 2.0% in passenger fare revenue for 2013 is estimated. This is an increase of \$1.0 million compared to the projected revenue for 2012.



### Sales & Use Tax Revenue

**\$185.3 Million**

#### **Rationale:**

The economic crisis in late 2008 and 2009 had unparalleled effects on Sales & Use Tax revenue across the entire U.S. Cuyahoga County 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 has 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 this change added about \$5 million in Sales Tax collections for RTA. Collections for 2010 jumped to \$163.2 million. Only \$3.6 million of this increase was credited to an improved economy. For 2011, collections continued to be above expectation. Collections for 2011 were \$173.2 million. Most economists projected a very modest growth in GDP in 2012 with continuing

## 2013 TRANSMITTAL LETTER

high unemployment. For the first eight months of 2012 collections continued at a robust pace. Through August, as shown in the chart below, collections were 6% above 2011 totals. Projections through August estimated Sales Tax at \$183.0 million for 2012. September collections dropped to only 2.3% above 2011 and October collections were only a 1.9% increase. That estimate has been reduced to \$181.5 million. For the last three years, Sales Tax has increased by \$8.6 million, \$9.9 million, and \$7.6 million. This most recent trend does not seem to indicate those increases will continue. Economists and the Federal Reserve Bank of Cleveland project growth for 2013 at 2.1%. Thus, the estimate for 2013 is \$185.3 million.

| SALES AND USE TAXES<br>ACTUAL RECEIPTS |                      |                      |                      |              |                              |  |                 |                 |                            |
|--|----------------------|----------------------|----------------------|--------------|------------------------------|--|-----------------|-----------------|----------------------------|
| Month Received                         | 2010 Actual          | 2011 Actual          | 2012 Budget          | 2012 Actual  | 2012 vs. 2011 Month % Change | 2012 Month Actual vs 2012 Month Budget | 2011 YTD Actual | 2012 YTD Actual | 2012 vs. 2011 YTD % Change |
| January                                | \$13,029,565         | \$13,325,298         | \$14,020,447         | \$14,287,958 | 7.22%                        | 1.91%                                  | \$13,325,298    | \$14,287,958    | 7.22%                      |
| February                               | \$13,235,921         | \$13,789,418         | \$14,242,486         | \$14,519,004 | 5.29%                        | 1.94%                                  | \$27,114,716    | \$28,806,962    | 6.24%                      |
| March                                  | \$16,734,752         | \$17,691,208         | \$18,007,411         | \$18,658,361 | 5.47%                        | 3.61%                                  | \$44,805,924    | \$47,465,322    | 5.94%                      |
| April                                  | \$12,261,769         | \$12,510,833         | \$13,194,365         | \$13,179,592 | 5.35%                        | (0.11%)                                | \$57,316,757    | \$60,644,914    | 5.81%                      |
| May                                    | \$11,917,611         | \$12,938,264         | \$12,824,010         | \$13,989,193 | 8.12%                        | 9.09%                                  | \$70,255,020    | \$74,634,108    | 6.23%                      |
| June                                   | \$14,007,370         | \$15,707,246         | \$15,072,568         | \$15,724,553 | 0.11%                        | 4.33%                                  | \$85,962,266    | \$90,358,661    | 5.11%                      |
| July                                   | \$12,557,155         | \$12,737,308         | \$13,512,210         | \$14,353,651 | 12.69%                       | 6.23%                                  | \$98,699,574    | \$104,712,312   | 6.09%                      |
| August                                 | \$13,394,184         | \$14,562,037         | \$14,412,884         | \$15,390,307 | 5.69%                        | 6.78%                                  | \$113,261,611   | \$120,102,619   | 6.04%                      |
| September                              | \$14,773,029         | \$16,413,110         | \$15,896,563         | \$16,800,205 | 2.36%                        | 5.68%                                  | \$129,674,721   | \$136,902,824   | 5.57%                      |
| October                                | \$13,831,261         | \$14,515,151         | \$14,883,217         | \$14,796,865 | 1.94%                        | (0.58%)                                | \$144,189,872   | \$151,699,689   | 5.21%                      |
| November                               | \$13,458,376         | \$14,054,073         | \$14,006,712         |              |                              |  | \$158,243,945   |                 |                            |
| December                               | \$14,019,656         | \$14,998,383         | \$13,802,582         |              |                              |  | \$173,242,328   |                 |                            |
| <b>TOTAL</b>                           | <b>\$163,220,649</b> | <b>\$173,242,328</b> | <b>\$173,875,455</b> |              |                              |  |                 |                 |                            |

### Advertising & Concessions

**\$1.1 Million**

**Advertising Contract**  
**HealthLine (net)**  
**Other**  
**Total**

**\$900K**  
**\$125K**  
**\$ 75K**  
**\$1.1M**

### **Rationale:**

The 2013 Budget Advertising and Concessions Category consists of three 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 contracts annual guarantee shrunk from \$1,000,000 to \$525,000. In 2012, a new advertising contract was established and the contracts annual guarantee rose to \$900,000. The second is the HealthLine naming rights contract that will net the Authority \$125,000 in 2013. The other subcategory is composed of various concession and vending arrangements and is expected to generate \$75,000 in the upcoming year.

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### Intergovernmental

**\$ 6.7 Million**

|   |                      |
|---|----------------------|
| <b>Temporary State Funding</b>              | <b>\$4.6M</b>        |
| <b>Elderly and Disabled Fare Assistance</b> | <b>\$0.0M</b>        |
| <b><u>Access to Jobs Revenue (JARC)</u></b> | <b><u>\$2.1M</u></b> |
| <b>Total</b>                                | <b>\$6.7M</b>        |

### **Rationale:**

Temporary State funding helped eliminate the \$24 million gap during the 2008-2009 recession and the financial struggle in 2010. Expenses were reduced but without the temporary funding from the State of Ohio, the service reductions would have been more severe. Temporary funding for ADA Paratransit operations will provide nearly \$3.1 million for 2013 and the next two years. CMAQ funding the new C-Line, L-Line and 9-12 Trolleys will bring in about \$1.5 million in 2013.

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 was expected to do the same in 2012. This trend is expected to continue into the future.

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. Actions by the Northeast Ohio Area Coordinating Agency (NOACA) in 2008 released Federal funds. RTA spent \$500,000 of these funds in 2008, with the remaining balances used in 2009 and 2010, at approximately \$1.2 million to \$1.4 million, respectively. An additional \$700,000 from Federal funds and \$700,000 from ODOT were received in 2009 and 2010, respectively, totaling \$1.4 million. Then RTA received an ARRA grant for \$1.863 million with no match requirement. About \$300,000 of these funds was used in the end of 2009. The remaining \$1.5 million from this grant were used in 2010 and then supplemented with funds from grants previously received. Remaining funds from these grants were used in 2011, totaling about \$1.6 million. The projection for 2012 is for \$1.8 million.

### 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 2007 and 2008, the Authority received CNG rebates from the Internal Revenue Service (IRS). These rebates are no longer received as the CNG fleet has been retired. In 2012, \$1.1 million is projected for other revenue. The projection for 2013 is \$1.0 million.

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### Investment Income

**\$200 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 dropped 76% in 2009 and 64% in 2010. The Fed has demonstrated it intends to keep interest rates low for at least the next nine months. As a result, the projection for this revenue stream for 2012 and 2013 is \$200,000 for each year.

### Reimbursed Expenditures

**\$15.5 Million**

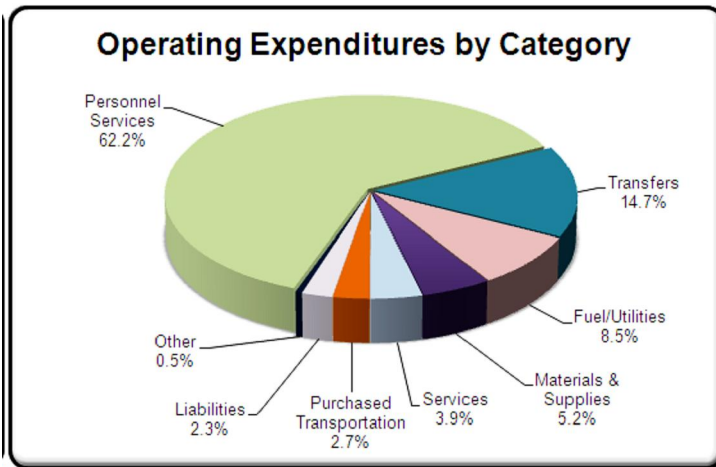
|   |                       |
|---|-----------------------|
| <b>Preventive Maintenance Reimbursements</b>  | <b>\$12.5M</b>        |
| <b>Fuel Tax Reimbursement</b>                 | <b>\$ 1.3M</b>        |
| <b><u>Reimbursed Labor &amp; Material</u></b> | <b><u>\$ 1.7M</u></b> |
| <b>Total</b>                                  | <b>\$15.5M</b>        |

#### **Rationale:**

This category primarily is 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. 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 has been reduced to \$14.9 million, and the goal will be achieved. Service has been reduced and the amount of preventive maintenance has been reduced because fewer buses and one less facility, with the closure of Harvard Garage, are being maintained. The improved financial situation means that the Authority does not need to draw as much preventive reimbursement to operate the General Fund. Reimbursed expenditures are budgeted at \$15.5 million for 2013 and planned to hold at \$17.5 million in 2014. This means that more funds from formula grants will 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 2013 include the appropriation and expenditure changes as described below. As with revenues, expenditures are estimated not only for the 2013 Budget Year, but also for the two subsequent years. The Fund Balance Analysis projections include those out-years to demonstrate the longer-term impacts of various items contained in the 2013 Budget (collective bargaining agreements, service changes, requirements of the Capital Improvement Plan, etc.).



The chart on page TL-15 summarizes the budgeted increases/reductions in expenditures for 2013. The chart highlights the ardent effort by management to align the Authority's expenditures with the projected revenue. As a result of the efforts made in 2009, 2010 and 2011 to control and reduce expenditures and the improvement in Sales Tax collections, the Authority was able to avoid a service reduction in 2011 and 2012 and will do so again in 2013. In fact, small service increases were made

in 2012 and will be again in 2013.

**Compensation Issues** include the wage and fringe payments consistent with current collective bargaining agreements with the ATU (Amalgamated Transit Union) and FOP (Fraternal Order of Police), 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 due to the 2008-2009 recession and in fare revenue due to high unemployment caused by that recession meant RTA had to get 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 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 to establish the wage increase for 2012. Under the contract, wages are tied to these revenues but may be no less than 0% and no more than 3%. The Health Care contribution increases from 12% to 14% but non-smoking employees receive a 1% credit and employees who complete the GCRTA Wellness Incentive Program can also receive a 1% credit. The FOP received a 1.75% wage increase in September. Non-bargaining personnel received the same increase in August. On the basis of 2011 revenue both 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

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Sales Tax increase of 4.75% in 2012 and a Fare Revenue increase of 1.5%, all personnel will receive the 3% maximum wage increase for 2013. For 2014 and 2015, Sales Tax and Fare Revenue are projected to increase by 2.0% and the wage increase is calculated to match.

**Fuel costs** have been stabilized. Fuel prices were out of control in 2008 and RTA had to find a better process to purchase fuel because this is the second highest cost area. For much of 2008, RTA worked process improvements to establish a new methodology of purchasing diesel fuel. To get that accomplished, State law had to be changed, which was enacted 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 was 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, slightly more than a million under budget. The budgeted cost for fuel for 2012 is \$12.803 million. Projections indicate an actual cost of about \$12.375 million.

The Authority is authorized to buy fuel hedges out to 36 months in advance. This enables the Authority to buy 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. The budget for diesel fuel is set for \$13.835 million for 2013. The volatility experienced in the past has been eradicated. Costs were stabilized for 2010, 2011 and 2012. Those amounts were less than the Authority paid for fuel in 2007.

**Cost Reduction Measures** will continue to result in significant savings. The Authority closely reviewed 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 lowered the rate/kWh again. A three year contract for electricity is in place and at a very favorable rate. This rate can extend through 2017 and this possibility is being analyzed. 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. GCRTA aggressively uses TransitStat to control costs such as overtime, inventory costs, towing and workers compensation costs. Further, customer service is enhanced with improved operation of the telephone information center and improved on time performance.

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The actions taken in the TransitStat forum will affect operations for as long as the process of relentless follow-up continues on what has already been done to address other areas into the future.

### **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 million. For 2013 a transfer of \$1.4 million is anticipated. The Automated Passenger Alert System has effectively warned pedestrians of turning busses and reduced collisions.

### **Transfer to the Supplemental Pension Fund**

As in previous budget years, the 2013 budget estimates that the Supplemental Pension Fund will need transfers of \$100,000 for 2013 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 recent 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 to the inclusion of a number of capital grants to reimburse Operating Expenses that requires a local match from this source.

As Sales Tax revenue recovered in recent years, this measure gradually improved from 18.4% in 2011 to 17.6% 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 \$39.59 million and equal 21.4% 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 \$18.32 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.

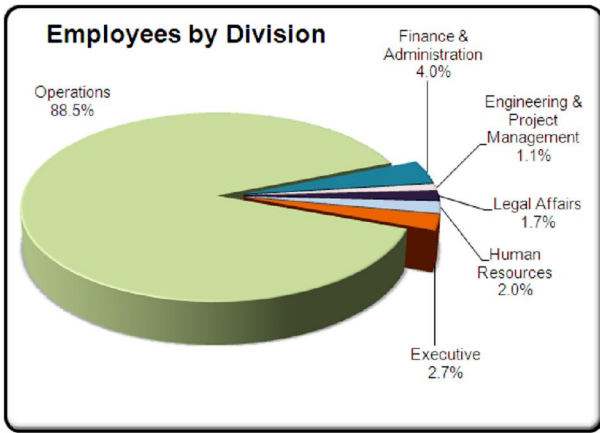
At 21.8%, the transfer at a projected \$41.23 million will remain at a high level in 2014 as additional local funds are again transferred to capital for the bus improvement program. It will then decline to a projected \$35.06 million, or 18.1% in 2015 as transfers for the bus improvement program cease. 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  
2013 Budget**

|   |              |                      |              |
|---|--------------|----------------------|--------------|
| <b>2012 Projected Operating Expenses</b>    |              | <b>\$224,433,840</b> |              |
| <b>Compensation Issues</b>                  |              | <b>\$ 5,376,651</b>  | <b>2.40%</b> |
| Hourly & Salary Labor Increase              | \$ 4,186,456 |                      |              |
| Fringe Benefits                             | \$ 1,125,050 |                      |              |
| Unemployment Compensation                   | \$ 65,145    |                      |              |
| <b>Fuel / Utilities</b>                     |              | <b>\$ 4,069,392</b>  | <b>1.81%</b> |
| Diesel Fuel                                 | \$ 1,720,216 |                      |              |
| Propulsion Power                            | \$ 547,905   |                      |              |
| Other Utilities                             | \$ 1,801,271 |                      |              |
| <b>Service Opportunities</b>                |              | <b>\$ 2,393,866</b>  | <b>1.07%</b> |
| ADA Purchased Transportation                | \$ 593,162   |                      |              |
| Services                                    | \$ 1,459,712 |                      |              |
| Materials & Supplies                        | \$ 377,247   |                      |              |
| Inventory                                   | \$ (36,255)  |                      |              |
| <b>Administration Changes</b>               |              | <b>\$ 1,376,848</b>  | <b>0.61%</b> |
| Workers' Compensation                       | \$ 566,327   |                      |              |
| Property Tax                                | \$ 136,859   |                      |              |
| Other (Net)                                 | \$ 673,662   |                      |              |
| <b>Expenditure Growth</b>                   |              | <b>\$ 13,216,757</b> | <b>5.89%</b> |
| <b>2013 Budgeted Operating Expenditures</b> |              | <b>\$237,650,597</b> |              |

**Employment Level Analysis**



The chart below summarizes changes in staffing from the 2012 original Budget to the level included in the 2013 Budget.

The 2013 Budget reflects staffing of 2,302.5, an overall increase of 6 positions from the amended 2012 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.

In 2013, with the completion of the HRV exterior overhaul, 13 of the 23 positions will be eliminated. The other 10 positions will remain to assist with the HRV Interior overhaul. Employees who are currently in these 13 positions will be moved into currently vacant positions. Four Operator positions will be needed with the service increase and 14.5 support positions for operations have been added to the budget. One administrative position will be added and a part-time position will be changed to full-time.

| <b>2013 Budget</b>                   |                |
|--------------------------------------|----------------|
| <b>2012 Original Budget</b>          | <b>2,282.5</b> |
| <b>Operations</b>                    | <b>12.5</b>    |
| Budget Amendment Operating Positions | 11             |
| Overhaul Positions                   | -13            |
| Operators                            | 4              |
| Clean Team                           | 2.5            |
| Fare Enforcement                     | 4              |
| Paratransit/ADA                      | 4              |
| <b>Service / Support</b>             | <b>4</b>       |
| Budget Amendment Support Positions   | 1              |
| Mechanics/Support Positions          | 3              |
| <b>Administrative Staff</b>          | <b>3.5</b>     |
| Budget Amendment Admin Positions     | 2              |
| Key Positions                        | 1.5            |
| <b>2013 Budget</b>                   | <b>2,302.5</b> |

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### **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 will again be pushed up by more than 5%.

| <b>Service Levels</b> | <b>2012</b> | <b>2013</b> | <b>% Change (2013-2012)</b> |
|-----------------------|-------------|-------------|-----------------------------|
| Service Hours         | 1,793,570   | 1,889,372   | 5.3%                        |
| Service Miles         | 24,088,963  | 25,396,496  | 5.4%                        |

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 in 2012. 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.

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 along E. 9<sup>th</sup> and E. 12<sup>th</sup> 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 but vanpool has been increased for 2013, including Paratransit ADA service. Requests for Paratransit services continue to increase. RTA will continue the commitment to ADA service and requirements.

**2013 Budgeted Service Levels By Mode  
Compared to 2012 Budgeted Service Levels by Mode**

| Service Mode             | Service Hours    |                  |               |                  | Service Miles     |                   |                  |                  |
|--------------------------|------------------|------------------|---------------|------------------|-------------------|-------------------|------------------|------------------|
|                          | 2012 Budget      | 2013 Budget      | Variance      | Percent Variance | 2012 Budget       | 2013 Budget       | Variance         | Percent Variance |
| <b>Rail</b>              |                  |                  |               |                  |                   |                   |                  |                  |
| Heavy Rail(Red)          | 120,133          | 132,400          | 12,267        | 10.2%            | 2,164,503         | 2,599,200         | 434,697          | 20.1%            |
| Light Rail(Blue/Green)   | 59,264           | 63,200           | 3,936         | 6.6%             | 719,593           | 876,400           | 156,807          | 21.8%            |
| <b>Total Rail</b>        | <b>179,397</b>   | <b>195,600</b>   | <b>16,203</b> | <b>9.0%</b>      | <b>2,884,096</b>  | <b>3,475,600</b>  | <b>591,504</b>   | <b>20.5%</b>     |
| <b>Bus</b>               |                  |                  |               |                  |                   |                   |                  |                  |
| RTA                      | 1,233,446        | 1,296,500        | 63,054        | 5.1%             | 15,175,476        | 15,755,300        | 579,824          | 3.8%             |
| Van Pool                 | 29,000           | 29,000           | 0             | 0.0%             | 680,000           | 640,000           | (40,000)         | -5.9%            |
| <b>Total Bus</b>         | <b>1,262,446</b> | <b>1,325,500</b> | <b>63,054</b> | <b>5.0%</b>      | <b>15,855,476</b> | <b>16,395,300</b> | <b>539,824</b>   | <b>3.4%</b>      |
| <b>Paratransit</b>       |                  |                  |               |                  |                   |                   |                  |                  |
| In-House                 | 201,881          | 207,937          | 6,056         | 3.0%             | 3,042,177         | 3,103,021         | 60,844           | 2.0%             |
| Contract                 | 149,846          | 160,335          | 10,489        | 7.0%             | 2,307,214         | 2,422,575         | 115,361          | 5.0%             |
| <b>Total Paratransit</b> | <b>351,727</b>   | <b>368,272</b>   | <b>16,545</b> | <b>4.7%</b>      | <b>5,349,391</b>  | <b>5,525,596</b>  | <b>176,205</b>   | <b>3.3%</b>      |
| <b>Grand Totals</b>      | <b>1,793,570</b> | <b>1,889,372</b> | <b>95,802</b> | <b>5.3%</b>      | <b>24,088,963</b> | <b>25,396,496</b> | <b>1,307,533</b> | <b>5.4%</b>      |

## 2013 TRANSMITTAL LETTER

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### **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**

For 2013, Operating Revenues will account for 22.3% 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% and 2012 of 23.2%. The decrease of operating expenses in 2011 and 2012 boosted the budgeted ratios of 22.5% 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 was met again in 2011 and 2012 with a month operating reserve of 2.1 and 1.9, respectively. The Operating Ratio comes very close to the 1-month reserve in 2013 at 0.9. The Authority intends to execute the budget to achieve an end of year reserve higher than the 0.9 now budgeted.

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 cost has moved downward steadily from 9.1% in 2009 to 6.0% in 2010, and increased to 9.5% in 2011. This objective is expected to be met in 2012, with a rate of .6.2%, due to revenue hours increasing at a greater rate than operating expenses. For 2013, revenue hours will remain steady but operating expenses are expected to increase, which increases the Cost per Hour of Service to a rate of 5.2%.

#### **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 2.90 at the end of the year as Tax receipts continued to grow, the Authority stretched the use of its 2008 borrowing for four years, and it pre-paid a State Infrastructure Bank loan in 2011.

In 2012, it is projected to decline to 2.69, but it will again exceed the budget goal for the year of 1.99 primarily due to the continued improvement in Sales Tax receipts. At a projected 1.78 in 2013, it will again meet the coverage measure, but is expected to continue its decline to 1.16 in 2014 and to 0.86 as total resources within the General Fund decrease in those years.

## 2013 TRANSMITTAL LETTER

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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 17.6% in 2012 will be reversed in 2013 and 2014 due to transfers of additional local funds into capital for the multi-year bus replacement program. The contribution to capital is expected grow to 21.4% in 2013, then to 21.8% in 2014 before declining to 18.1% in 2015, but it will remain above the Board's maximum goal in the next three years.

The projected ratio of 97.9% in 2012 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 2013 and 2014, at 96.3% and 94.0% respectively, 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, 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.

Three of the six financial objectives will be met in 2012 and a fourth will be very close to goal. This is a significant improvement from the difficult 2009 fiscal year when none of the objectives were met. Only one of the six financial objectives will be met in the 2013 Budget - Debt Service Coverage. The One Month Operating Reserve will be very close at 0.9 months. The Operating Ratio remains above 22.0% but not quite at 25%, due to the flattening of the Sales & Use Tax monthly receipts. The operating budget Growth per Year is expected to increase at 5.2%, above the rate of inflation. Sales Tax Contribution to Capital is expected to be at 21.4% in 2013 with the focus of capital projects on maintenance, rehabilitation, and replacement of current assets. In 2014 and 2015, out of the six financial policy goals, only the Growth per Year is expected to be met, given the current expectations for 2012 and 2013.

### 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 \$3.0 million, Hospitalization at \$1.9 million, and Compensated Absences budgeted at \$2.3 million.

## **2013 TRANSMITTAL LETTER**

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A fourth reserve fund is 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 proposed, where savings in operating expenditures from the current year will be set aside and transferred to the Capital Improvement Fund the following year. For 2012, this fund is expected to be \$7.0 million and in 2013, \$6.0 million has been budgeted for this purpose.

### **CAPITAL PROGRAM**

The proposed Capital Improvement Plan (CIP) provides for the purchase, maintenance, and improvement of the Authority's capital assets covering Fiscal Years (FY) 2013 through 2017. 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. and 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.

The first year of the CIP presents the proposed 2013 Capital Improvement Budget and Year continues to focus the Authority's capital programs on supporting the Operating Budget through the reimbursement of preventive maintenance and other Operating Budget expenses and achieving a State of Good Repair (SOGR) through the reconstruction, rehabilitation, and maintenance of the Authority's capital assets.

Two years ago, additional resources needed to be identified and allocated in order to meet the needs of maintaining the Authority's capital assets in a SOGR. Since then and due, in part, to the improved financial conditions of the Authority this goal has been achieved 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 at addressing 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. This led to the creation of 12 new capital projects and to the reallocation of grant funds to various SOGR capital projects including the long deferred reconstructions of the Airport Tunnel and Red Line S-Curve.

Though subject to revisions in upcoming years, the four out-years of the CIP outline the longer-term plans of the organization and continues to meet the goal of redirecting capital funds to needed SOGR projects. The 2013 - 17 CIP outlines a combined \$387.58 million of budget authority for assorted capital projects that is entirely funded with exception of the identified expansion projects. The reduction of \$21.4 million relative to the 2012 - 16 CIP of \$409.01 million, is a reflection of the decrease in budget authority for preventive maintenance

## **2013 TRANSMITTAL LETTER**

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reimbursements and the shift of available formula grant funds to previously unfunded, budgeted capital projects as well as to the projected reduction Federal formula grants in the upcoming budget years. 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.

The Authority's capital projects are grouped into seven categories as shown in the proposed 2013 - 17 Capital Improvement Plan on the following page. Some of the larger budgeted programs included within the five-year plan are:

- Bus & Paratransit Bus Replacement Programs \$107.4 million
- Preventive Maintenance Reimbursements \$85.0 million
- Blue Line (Light Rail) Extension \$44.0 million
- Track & Rail Infrastructure Improvements \$35.0 million
- Rail Station Reconstructions & Rehabilitations \$32.8 million
- Other Operating Expense Reimbursements \$18.5 million



## 2013-2017 CAPITAL IMPROVEMENT PLAN

Budget Authority

| PROJECT CATEGORY               | 2013 Budget         | 2014 Plan           | 2015 Plan           | 2016 Plan           | 2017 Plan           | 2013-2017            | %             |
|--------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|----------------------|---------------|
| Buses                          | \$34,766,205        | \$28,081,016        | \$10,781,392        | \$15,515,766        | \$18,296,616        | \$107,440,995        | 27.7%         |
| Equipment & Vehicles           | \$9,489,715         | \$2,581,500         | \$2,318,000         | \$1,697,000         | \$2,265,600         | \$18,351,815         | 4.7%          |
| Facilities Improvements        | \$8,364,410         | \$6,150,000         | \$2,005,000         | \$5,090,000         | \$2,175,000         | \$23,784,410         | 6.1%          |
| Other Projects                 | \$2,813,360         | \$2,818,810         | \$2,912,560         | \$2,912,560         | \$2,916,360         | \$14,373,650         | 3.7%          |
| Preventive Maint./Oper. Reimb. | \$17,813,578        | \$18,305,000        | \$20,805,000        | \$23,305,000        | \$23,305,000        | \$103,533,578        | 26.7%         |
| Rail Projects                  | \$19,516,385        | \$16,848,250        | \$36,392,874        | \$35,694,500        | \$9,185,050         | \$117,637,059        | 30.4%         |
| Transit Centers                | \$1,299,463         | \$288,783           | \$288,783           | \$288,783           | \$288,783           | \$2,454,595          | 0.6%          |
| <b>TOTALS</b>                  | <b>\$94,063,116</b> | <b>\$75,073,359</b> | <b>\$75,503,609</b> | <b>\$84,503,609</b> | <b>\$58,432,409</b> | <b>\$387,576,102</b> | <b>100.0%</b> |

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In FY 2013, the total Capital Improvement Budget is \$94.06 million, of which \$3.91 million, or 4.2%, is for RTA Capital Fund projects and \$90.09 million, or 95.8%, is for RTA Development Fund projects. The increase of some activities to the locally supported RTA Capital Fund reflects the improved financial standing of the Authority and the intent to supplement available grant funds with local funding when prudent.

The \$387.6 million of capital projects included in the 2013 through 2017 CIP continues to focus on the maintenance and rehabilitation of existing capital assets of the Authority, especially during in the first several years of the proposed CIP, while meeting the operational needs of the Authority. The GCRTA remains committed to the policy goals of Customer Service and Improving Financial Health by continuing to develop a more realistic capital program that both meets the Authority's needs as well as its ability to finance it.

### **CONCLUSION**

The lack of growth in sales tax continuously affected the RTA budget from 2001-2007. The increase in fuel prices had a major impact on the budget in 2008. The Great Recession of 2008-2009 had an even greater effect in 2009. The net effect is the RTA had fewer funds to use to provide service. Necessary actions were taken over the years to manage the finances. Service was reduced in 2008, 2009 and 2010 and fares rose in 2006, 2008 and 2009. Implementing TransitStat reduced costs for overtime, inventory management, towing and workers compensation. The program also improved customer service, safety and on time performance. Improving processes such as fuel purchasing and electricity usage also 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. The funds borrowed in 2008 were tightly rationed and lasted four years instead of the customary two. All of these actions have been taken to ensure the Authority got the maximum it could out of each dollar of revenue available. The Authority has become a smaller, leaner entity.

The temporary funds used from ARRA for operating funds and grants from NOACA provided supplemental funding to get through 2009 and allowed the time to adjust operations for the future. The tough decisions required have been made. Service has been reduced to match funds. Long-term changes have been made to the cost structure. RTA has rolled back expenses to where they were six years prior. As such, adjustments have been made again and some service has been cautiously restored to reduce overcrowding and match service with funds available. A grant from the Northeast Ohio MPO, NOACA, has allowed the expansion of the downtown trolley service to the Casino and the new Convention Center. Sales Tax has recovered and increased at a 5% rate for the last three years. With these improved revenues, Capitalized Operating Assistance has been reduced to further enhance the formula grant funds to be made available for maintenance of the extensive infrastructure.

The end result is a better financial structure. The goal to have a sustainable budget is being neared. Service has been maintained and increased judiciously. Expenses have been rolled back to levels in place six years ago. The fund balance for 2011 and 2012 has been

## **2013 TRANSMITTAL LETTER**

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maintained at levels well above the goal for the Operating Reserve. Funds have been shifted to Capital to properly maintain the infrastructure. Long term revenue vehicle replacement plans are being formulated and executed. The credit rating has been significantly upgraded. The 2013 budget has been planned to continue this pattern. It is the intention of the Authority to execute this budget in the same fashion as the last three years and continue on the path to a sustainable budget.

ATTACHMENT A

# General Fund Balance Analysis

| Assumptions:                                    |                    |                    |                    |                    |                    |                    |                    |  |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--|
| Passenger Fare Annual Growth                    | 3.3%               | -5.2%              | 1.8%               | 4.7%               | 2.0%               | 2.0%               | 1.5%               |  |
| Sales Tax Annual Growth                         | -10.9%             | 5.6%               | 6.1%               | 4.8%               | 2.1%               | 2.0%               | 2.5%               |  |
| Personnel & Fringe Cost Growth                  | 2.1%               | -11.1%             | -1.3%              | 8.3%               | 3.2%               | 1.5%               | 1.9%               |  |
| Non-Personnel Cost Growth                       | -6.5%              | -1.8%              | 4.2%               | -2.4%              | 13.8%              | -0.2%              | -0.2%              |  |
| Operating Expenses Growth                       | -0.6%              | -12.5%             | -11.8%             | 7.6%               | 5.9%               | 1.1%               | 1.2%               |  |
| Capital Contribution                            | 27,877,062         | 29,876,950         | 31,895,296         | 32,023,887         | 39,594,436         | 41,228,629         | 35,063,409         |  |
|   | 18.0%              | 18.3%              | 18.4%              | 17.6%              | 21.4%              | 21.8%              | 18.1%              |  |
|   | <b>2009</b>        | <b>2010</b>        | <b>2011</b>        | <b>2012</b>        | <b>2013</b>        | <b>2014</b>        | <b>2015</b>        |  |
|   | <b>Actual</b>      | <b>Actual</b>      | <b>Actual</b>      | <b>Estimate</b>    | <b>Budget</b>      | <b>Budget</b>      | <b>Budget</b>      |  |
| <b>Beginning Balance</b>                        | <b>8,401,085</b>   | <b>2,880,104</b>   | <b>19,846,961</b>  | <b>36,375,981</b>  | <b>34,946,382</b>  | <b>17,218,993</b>  | <b>1,965,334</b>   |  |
| <b>Revenue</b>                                  |                    |                    |                    |                    |                    |                    |                    |  |
| Passenger Fares                                 | 49,757,083         | 47,153,709         | 48,017,726         | 50,259,213         | 51,264,397         | 52,289,685         | 53,074,030         |  |
| Advertising & Concessions                       | 1,197,713          | 956,688            | 904,153            | 1,200,000          | 1,100,000          | 1,100,000          | 1,100,000          |  |
| Sales & Use Tax                                 | 154,586,220        | 163,220,649        | 173,242,329        | 181,478,753        | 185,289,807        | 188,995,603        | 193,720,493        |  |
| Operating Assistance - ARRA Federal Grants      | 0                  | 3,196,015          | 0                  | 0                  | 0                  | 0                  | 0                  |  |
| Short Term Notes                                | 8,000,000          | 0                  | 0                  | 0                  | 0                  | 0                  | 0                  |  |
| CMAQ Reimbursement for the Healthline           | 1,930,603          | 1,069,397          | 7,129,442          | 2,128,337          | 0                  | 0                  | 0                  |  |
| Operating Assistance - Paratransit Operations   | 0                  | 4,320,000          | 3,109,000          | 3,089,000          | 3,089,000          | 3,089,000          | 3,089,000          |  |
| Ohio Elderly Fare Assistance                    | 2,756,762          | 619,057            | 0                  | 0                  | 0                  | 0                  | 0                  |  |
| State Funding Fuel Initiative                   | 7,875,683          | 1,165,200          | 0                  | 0                  | 0                  | 0                  | 0                  |  |
| CMAQ Reimbursement - Trolley                    | 0                  | 1,765,764          | 980,980            | 0                  | 1,500,000          | 1,500,000          | 600,000            |  |
| Access to Jobs Program                          | 2,697,111          | 2,399,907          | 1,559,639          | 1,800,000          | 2,074,440          | 2,074,440          | 651,120            |  |
| Investment Income                               | 198,200            | 71,468             | 131,592            | 200,000            | 200,000            | 200,000            | 200,000            |  |
| Other Revenue                                   | 2,053,241          | 1,892,101          | 1,500,537          | 1,050,000          | 1,000,000          | 1,000,000          | 1,000,000          |  |
| Reimbursed Expenditures                         | 33,461,105         | 39,212,130         | 25,600,974         | 14,922,825         | 15,500,000         | 17,500,000         | 20,000,000         |  |
| <b>Total Revenue</b>                            | <b>264,513,721</b> | <b>267,042,085</b> | <b>262,176,372</b> | <b>256,128,128</b> | <b>261,017,644</b> | <b>267,748,728</b> | <b>273,434,643</b> |  |
| <b>Total Resources</b>                          | <b>272,914,806</b> | <b>269,922,189</b> | <b>282,023,333</b> | <b>292,504,109</b> | <b>295,964,026</b> | <b>284,967,721</b> | <b>275,399,977</b> |  |
| <b>Operating Expenditures</b>                   |                    |                    |                    |                    |                    |                    |                    |  |
| Personnel Services                              | 176,631,322        | 156,964,659        | 154,927,523        | 167,851,897        | 173,228,548        | 175,886,728        | 179,224,449        |  |
| Diesel Fuel                                     | 17,357,364         | 7,936,072          | 9,918,864          | 12,114,919         | 13,835,135         | 13,777,323         | 13,501,963         |  |
| Other Expenditures                              | 44,548,954         | 43,739,803         | 45,555,668         | 44,467,024         | 50,586,914         | 50,509,708         | 50,404,592         |  |
| <b>Total Operating Expenditures</b>             | <b>238,537,640</b> | <b>208,640,535</b> | <b>210,402,056</b> | <b>224,433,840</b> | <b>237,650,597</b> | <b>240,173,759</b> | <b>243,131,004</b> |  |
| <b>Short Term Notes Payment</b>                 | <b>0</b>           | <b>8,254,743</b>   | <b>0</b>           | <b>0</b>           | <b>0</b>           | <b>0</b>           | <b>0</b>           |  |
| <b>Transfer to the Insurance Fund</b>           | <b>3,520,000</b>   | <b>3,203,000</b>   | <b>3,250,000</b>   | <b>1,000,000</b>   | <b>1,400,000</b>   | <b>1,500,000</b>   | <b>1,700,000</b>   |  |
| <b>Transfer to the Pension Fund</b>             | <b>100,000</b>     | <b>100,000</b>     | <b>100,000</b>     | <b>100,000</b>     | <b>100,000</b>     | <b>100,000</b>     | <b>100,000</b>     |  |
| <b>Transfers to Capital</b>                     |                    |                    |                    |                    |                    |                    |                    |  |
| Bond Retirement Fund                            | 17,327,062         | 17,351,950         | 19,793,855         | 19,386,892         | 18,324,392         | 20,744,079         | 21,566,293         |  |
| Capital Improvement Fund                        | 10,550,000         | 12,525,000         | 12,101,441         | 12,636,995         | 21,270,044         | 20,484,550         | 13,497,116         |  |
| <b>Total Transfers to Capital</b>               | <b>27,877,062</b>  | <b>29,876,950</b>  | <b>31,895,296</b>  | <b>32,023,887</b>  | <b>39,594,436</b>  | <b>41,228,629</b>  | <b>35,063,409</b>  |  |
| <b>Total Expenditures</b>                       | <b>270,034,702</b> | <b>250,075,228</b> | <b>245,647,351</b> | <b>257,557,727</b> | <b>278,745,033</b> | <b>283,002,388</b> | <b>279,994,413</b> |  |
| <b>Ending Balance</b>                           | <b>2,880,104</b>   | <b>19,846,961</b>  | <b>36,375,981</b>  | <b>34,946,382</b>  | <b>17,218,993</b>  | <b>1,965,334</b>   | <b>-4,594,437</b>  |  |
| <b>Brookpark Lightning Strike Reserve Funds</b> | <b>0</b>           | <b>0</b>           | <b>1,100,000</b>   | <b>1,100,000</b>   | <b>0</b>           | <b>0</b>           | <b>0</b>           |  |
| <b>Rolling Stock Reserve Funds</b>              | <b>0</b>           | <b>0</b>           | <b>0</b>           | <b>7,000,000</b>   | <b>6,000,000</b>   | <b>0</b>           | <b>0</b>           |  |
| <b>Reserved Funds</b>                           | <b>0</b>           | <b>4,639,000</b>   | <b>6,602,000</b>   | <b>7,202,000</b>   | <b>7,202,000</b>   | <b>7,202,000</b>   | <b>7,202,000</b>   |  |
| <b>Available Ending Balance</b>                 | <b>2,880,104</b>   | <b>15,207,961</b>  | <b>28,673,981</b>  | <b>19,644,382</b>  | <b>4,016,992</b>   | <b>-5,236,667</b>  | <b>-11,796,438</b> |  |

## 2013 Base Budget

### Financial Policy Objectives

|                            |   | Description  | Goal  | 2010 Actual | 2011 Actual | 2012 Estimate | 2013 Budget | 2014 Budget  | 2015 Budget |
|----------------------------|---|--|---|-------------|-------------|---------------|-------------|--------------|-------------|
| Operating Efficiency       | <b>Operating Ratio</b>                    | <i>Ratio that shows the efficiency of management by comparing operating expenses to operating revenues. Operating Revenues divided by Operating Expenses</i>                     | <b>25%</b>                                  | 23.8%       | 23.8%       | 23.2%         | 22.3%       | 22.6%        | 22.6%       |
|                            | <b>Cost/Hour of Service</b>               | <i>Measure of service efficiency. Total Operating Expenses divided by Total Service Hours</i>  |   | \$122.0     | \$133.6     | \$125.3       | \$131.9     | \$131.4      | \$131.7     |
|                            | <b>Growth per Year</b>                    | <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>                             | <b>_ Rate of Inflation</b>                  | 6.0%        | 9.5%        | <b>-6.2%</b>  | 5.2%        | <b>-0.4%</b> | <b>0.2%</b> |
|                            | <b>Operating Reserve (Months)</b>         | <i>Equal or above one month's operating expenses to cover unforeseen or extraordinary fluctuations in revenues or expenses.</i>  | <b>_ 1 month</b>                            | <b>1.2</b>  | <b>2.1</b>  | <b>1.9</b>    | 0.9         | 0.1          | -0.2        |
| Capital Efficiency         | <b>Debt Service Coverage</b>              | <i>The measure of the Authority's ability to meet annual interest and principal payments on outstanding debts.</i>   | <b>1.5</b>                                  | <b>2.02</b> | <b>2.82</b> | <b>2.62</b>   | <b>1.71</b> | 1.09         | 0.79        |
|                            | <b>Sales Tax Contribution to Capital</b>  | <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> | <b>10% - 15%</b>                            | 18.3%       | 18.4%       | 17.6%         | 21.4%       | 21.8%        | 18.1%       |
|                            | <b>Capital Maintenance to Expansion</b>   | <i>The capital program requires a critical balance between maintenance of existing assets and expansion efforts.</i>   | <b>75% - 90%</b>                            | 99.0%       | 98.2%       | 97.9%         | 96.3%       | 94.0%        | 72.8%       |
| End of Year Reserved Funds | <b>Fuel Reserve Funds</b>                 | <i>A reserve designated to protect the Authority from a significant and continuing rise in fuel prices. (In Millions)</i>  | <b>Fuel Budget less Annual Expenditures</b> | \$1.39      | \$2.41      | \$3.01        | \$3.01      | \$3.01       | \$3.01      |
|                            | <b>Compensated Absences Reserve Funds</b> | <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>                                | <b>25% of Accrued Liability</b>             | \$1.25      | \$2.25      | \$2.25        | \$2.25      | \$2.25       | \$2.25      |
|                            | <b>Hospitalization Reserve Funds</b>      | <i>Protect against substantial cost increases from unfunded mandates or out of the ordinary costs for catastrophic illnesses. (In Millions)</i>                                  | <b>10% of Annual Hospitalization Costs</b>  | \$2.00      | \$1.94      | \$1.94        | \$1.94      | \$1.94       | \$1.94      |
|                            | <b>Rolling Stock Reserve Funds</b>        | <i>A reserve designated to protect the Authority from a significant and continuing rise in replacement of revenue vehicles (in Millions)</i>                                     | <b>Savings in Operating Funds</b>           | \$0.00      | \$0.00      | \$7.00        | \$6.00      | \$0.00       | \$0.00      |

## ATTACHMENT C

## RTA Development Fund Balance Analysis

|                                  | 2009<br>Actual     | 2010<br>Actual     | 2011<br>Actual    | 2012<br>Estimate   | 2013<br>Budget     | 2014<br>Budget     | 2015<br>Budget     |
|----------------------------------|--------------------|--------------------|-------------------|--------------------|--------------------|--------------------|--------------------|
| <b>Beginning Balance</b>         | <b>33,485,254</b>  | <b>30,508,300</b>  | <b>21,135,307</b> | <b>25,947,255</b>  | <b>58,441,750</b>  | <b>53,871,577</b>  | <b>46,769,154</b>  |
| <b>Revenue</b>                   |                    |                    |                   |                    |                    |                    |                    |
| General Obligation Debt Proceeds | 0                  | 0                  | 0                 | 25,000,000         | 0                  | 0                  | 20,000,000         |
| Transfer from RTA Capital Fund   | 8,346,054          | 9,275,000          | 9,601,441         | 9,620,255          | 18,970,255         | 17,734,255         | 10,684,255         |
| Investment Income                | 271,990            | 244,766            | 242,341           | 160,585            | 235,000            | 245,000            | 245,000            |
| Federal Capital Grants           | 73,648,082         | 81,487,975         | 51,104,869        | 47,023,123         | 67,243,750         | 70,687,500         | 67,787,500         |
| State Capital Grants             | 9,162,154          | 1,807,284          | 778,956           | 1,135,673          | 1,730,822          | 1,730,822          | 1,730,822          |
| Other Revenue                    | 0                  | 0                  | 1,500,000         | 3,304,859          | 0                  | 0                  | 0                  |
| <b>Total Revenue</b>             | <b>91,428,280</b>  | <b>92,815,025</b>  | <b>63,227,607</b> | <b>86,244,495</b>  | <b>88,179,827</b>  | <b>90,397,577</b>  | <b>100,447,577</b> |
| <b>Total Resources</b>           | <b>124,913,534</b> | <b>123,323,325</b> | <b>84,362,914</b> | <b>112,191,750</b> | <b>146,621,577</b> | <b>144,269,154</b> | <b>147,216,731</b> |
| <b>Expenditures</b>              |                    |                    |                   |                    |                    |                    |                    |
| Capital Outlay                   | 93,705,234         | 101,488,018        | 58,415,659        | 53,750,000         | 92,750,000         | 97,500,000         | 93,500,000         |
| Transfer to Bond Retirement Fund | 700,000            | 700,000            | 0                 | 0                  | 0                  | 0                  | 0                  |
| <b>Total Expenditures</b>        | <b>94,405,234</b>  | <b>102,188,018</b> | <b>58,415,659</b> | <b>53,750,000</b>  | <b>92,750,000</b>  | <b>97,500,000</b>  | <b>93,500,000</b>  |
| <b>Ending Balance</b>            | <b>30,508,300</b>  | <b>21,135,307</b>  | <b>25,947,255</b> | <b>58,441,750</b>  | <b>53,871,577</b>  | <b>46,769,154</b>  | <b>53,716,731</b>  |

## ATTACHMENT D

## RTA Capital Fund Balance Analysis

|                                  | 2009<br>Actual    | 2010<br>Actual    | 2011<br>Actual    | 2012<br>Estimate  | 2013<br>Budget    | 2014<br>Budget    | 2015<br>Budget    |
|----------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| <b>Beginning Balance</b>         | <b>270,264</b>    | <b>197,782</b>    | <b>814,717</b>    | <b>2,061,599</b>  | <b>3,003,989</b>  | <b>1,854,228</b>  | <b>1,354,923</b>  |
| <b>Revenue</b>                   |                   |                   |                   |                   |                   |                   |                   |
| Transfer from General Fund       | 10,550,000        | 12,525,000        | 12,101,441        | 12,636,995        | 21,270,044        | 20,484,550        | 13,497,116        |
| Investment Income                | 370               | 235               | 265               | 650               | 450               | 400               | 400               |
| Other Revenue                    | 0                 | 41                | 0                 | 0                 | 0                 | 0                 | 0                 |
| <b>Total Revenue</b>             | <b>10,550,370</b> | <b>12,525,276</b> | <b>12,101,706</b> | <b>12,637,645</b> | <b>21,270,494</b> | <b>20,484,950</b> | <b>13,497,516</b> |
| <b>Total Resources</b>           | <b>10,820,634</b> | <b>12,723,058</b> | <b>12,916,423</b> | <b>14,699,244</b> | <b>24,274,483</b> | <b>22,339,178</b> | <b>14,852,439</b> |
| <b>Expenditures</b>              |                   |                   |                   |                   |                   |                   |                   |
| Asset Maintenance                | 1,197,531         | 1,703,742         | 708,534           | 1,150,000         | 1,350,000         | 1,300,000         | 1,300,000         |
| Routine Capital                  | 1,079,267         | 929,599           | 544,849           | 925,000           | 2,100,000         | 1,950,000         | 1,600,000         |
| Transfer to RTA Development Fund | 8,346,054         | 9,275,000         | 9,601,441         | 9,620,255         | 18,970,255        | 17,734,255        | 10,684,255        |
| <b>Total Expenditures</b>        | <b>10,622,852</b> | <b>11,908,341</b> | <b>10,854,824</b> | <b>11,695,255</b> | <b>22,420,255</b> | <b>20,984,255</b> | <b>13,584,255</b> |
| <b>Ending Balance</b>            | <b>197,782</b>    | <b>814,717</b>    | <b>2,061,599</b>  | <b>3,003,989</b>  | <b>1,854,228</b>  | <b>1,354,923</b>  | <b>1,268,184</b>  |

## ATTACHMENT E

## Bond Retirement Fund Balance Analysis

|                                    | 2009<br>Actual    | 2010<br>Actual    | 2011<br>Actual    | 2012<br>Estimate  | 2013<br>Budget    | 2014<br>Budget    | 2015<br>Budget    |
|------------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| <b>Beginning Balance</b>           | 1,733,884         | 2,084,582         | 1,790,289         | 1,737,726         | 4,157,004         | 1,738,788         | 1,733,259         |
| <b>Revenue</b>                     |                   |                   |                   |                   |                   |                   |                   |
| Transfer from General Fund         | 17,327,062        | 17,351,950        | 19,793,855        | 19,386,892        | 18,324,392        | 20,744,079        | 21,566,293        |
| Transfer from RTA Development Fund | 700,000           | 700,000           | 0                 | 0                 | 0                 | 0                 | 0                 |
| Investment Income                  | 36,270            | 26,959            | 39,161            | 19,500            | 26,500            | 37,500            | 37,500            |
| Bond Premium Proceeds              | 0                 | 0                 | 0                 | 3,779,561         | 0                 | 0                 | 0                 |
| Other Revenue                      | 0                 | 4,519             | 0                 | 0                 | 0                 | 0                 | 0                 |
| <b>Total Revenue</b>               | <b>18,063,332</b> | <b>18,083,428</b> | <b>19,833,016</b> | <b>23,185,953</b> | <b>18,350,892</b> | <b>20,781,579</b> | <b>21,603,793</b> |
| <b>Total Resources</b>             | <b>19,797,216</b> | <b>20,168,010</b> | <b>21,623,305</b> | <b>24,923,679</b> | <b>22,507,896</b> | <b>22,520,367</b> | <b>23,337,052</b> |
| <b>Expenditures</b>                |                   |                   |                   |                   |                   |                   |                   |
| Debt Service                       |                   |                   |                   |                   |                   |                   |                   |
| Principal                          | 10,012,244        | 11,108,564        | 13,139,510        | 13,990,000        | 13,905,000        | 14,485,000        | 15,360,818        |
| Interest                           | 7,700,390         | 7,269,157         | 6,746,069         | 6,776,675         | 6,861,608         | 6,299,608         | 6,174,896         |
| Other Expenditures                 | 0                 | 0                 | 0                 | 0                 | 2,500             | 2,500             | 2,500             |
| <b>Total Expenditures</b>          | <b>17,712,634</b> | <b>18,377,721</b> | <b>19,885,579</b> | <b>20,766,675</b> | <b>20,769,108</b> | <b>20,787,108</b> | <b>21,538,214</b> |
| <b>Ending Balance</b>              | <b>2,084,582</b>  | <b>1,790,289</b>  | <b>1,737,726</b>  | <b>4,157,004</b>  | <b>1,738,788</b>  | <b>1,733,259</b>  | <b>1,798,838</b>  |



## ATTACHMENT F

## Insurance Fund Balance Analysis

|                            | 2009<br>Actual   | 2010<br>Actual   | 2011<br>Actual   | 2012<br>Estimate | 2013<br>Budget   | 2014<br>Budget   | 2015<br>Budget   |
|----------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| <b>Beginning Balance</b>   | <b>5,432,199</b> | <b>4,634,855</b> | <b>5,448,731</b> | <b>6,883,060</b> | <b>6,487,631</b> | <b>5,900,131</b> | <b>5,397,631</b> |
| <b>Revenue</b>             |                  |                  |                  |                  |                  |                  |                  |
| Investment Income          | 75,515           | 70,551           | 72,788           | 43,968           | 57,500           | 62,500           | 62,500           |
| Transfer from General Fund | 3,520,000        | 3,203,000        | 3,250,000        | 1,000,000        | 1,400,000        | 1,500,000        | 1,700,000        |
| <b>Total Revenue</b>       | <b>3,595,515</b> | <b>3,273,551</b> | <b>3,322,788</b> | <b>1,043,968</b> | <b>1,457,500</b> | <b>1,562,500</b> | <b>1,762,500</b> |
| <b>Total Resources</b>     | <b>9,027,714</b> | <b>7,908,406</b> | <b>8,771,519</b> | <b>7,927,028</b> | <b>7,945,131</b> | <b>7,462,631</b> | <b>7,160,131</b> |
| <b>Expenditures</b>        |                  |                  |                  |                  |                  |                  |                  |
| Claims and Premium Outlay  | 4,392,859        | 2,459,675        | 1,888,459        | 1,439,397        | 2,045,000        | 2,065,000        | 2,065,000        |
| Other Expenditures         | 0                | 0                | 0                | 0                | 0                | 0                | 0                |
| <b>Total Expenditures</b>  | <b>4,392,859</b> | <b>2,459,675</b> | <b>1,888,459</b> | <b>1,439,397</b> | <b>2,045,000</b> | <b>2,065,000</b> | <b>2,065,000</b> |
| <b>Ending Balance</b>      | <b>4,634,855</b> | <b>5,448,731</b> | <b>6,883,060</b> | <b>6,487,631</b> | <b>5,900,131</b> | <b>5,397,631</b> | <b>5,095,131</b> |

## ATTACHMENT G

## Supplemental Pension Fund Balance Analysis

|                            | 2009<br>Actual   | 2010<br>Actual   | 2011<br>Actual   | 2012<br>Estimate | 2013<br>Budget   | 2014<br>Budget   | 2015<br>Budget   |
|----------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| <b>Beginning Balance</b>   | <b>1,036,017</b> | <b>1,083,091</b> | <b>1,121,472</b> | <b>1,161,820</b> | <b>1,190,818</b> | <b>1,220,668</b> | <b>1,251,318</b> |
| <b>Revenue</b>             |                  |                  |                  |                  |                  |                  |                  |
| Investment Income          | 28,441           | 17,532           | 15,704           | 8,098            | 8,750            | 9,150            | 9,350            |
| Transfer from General Fund | 100,000          | 100,000          | 100,000          | 100,000          | 100,000          | 100,000          | 100,000          |
| <b>Total Revenue</b>       | <b>128,441</b>   | <b>117,532</b>   | <b>115,704</b>   | <b>108,098</b>   | <b>108,750</b>   | <b>109,150</b>   | <b>109,350</b>   |
| <b>Total Resources</b>     | <b>1,164,458</b> | <b>1,200,623</b> | <b>1,237,176</b> | <b>1,269,918</b> | <b>1,299,568</b> | <b>1,329,818</b> | <b>1,360,668</b> |
| <b>Expenditures</b>        |                  |                  |                  |                  |                  |                  |                  |
| Benefit Payments           | 81,366           | 79,151           | 75,357           | 79,100           | 78,900           | 78,500           | 78,500           |
| Other Expenditures         | 0                | 0                | 0                | 0                | 0                | 0                | 0                |
| <b>Total Expenditures</b>  | <b>81,366</b>    | <b>79,151</b>    | <b>75,357</b>    | <b>79,100</b>    | <b>78,900</b>    | <b>78,500</b>    | <b>78,500</b>    |
| <b>Ending Balance</b>      | <b>1,083,091</b> | <b>1,121,472</b> | <b>1,161,820</b> | <b>1,190,818</b> | <b>1,220,668</b> | <b>1,251,318</b> | <b>1,282,168</b> |

## ATTACHMENT H

## Law Enforcement Fund Balance Analysis

|                           | 2009<br>Actual | 2010<br>Actual | 2011<br>Actual | 2012<br>Estimate | 2013<br>Budget | 2014<br>Budget | 2015<br>Budget |
|---------------------------|----------------|----------------|----------------|------------------|----------------|----------------|----------------|
| <b>Beginning Balance</b>  | <b>172,193</b> | <b>152,517</b> | <b>191,563</b> | <b>298,091</b>   | <b>157,867</b> | <b>127,992</b> | <b>118,117</b> |
| <b>Revenue</b>            |                |                |                |                  |                |                |                |
| Law Enforcement Revenue   | 11,280         | 2,340          | 0              | 0                | 0              | 0              | 0              |
| Investment Income         | 425            | 171            | 171            | 119              | 125            | 125            | 125            |
| Other Revenue             | 28,937         | 126,011        | 164,467        | 55,000           | 55,000         | 55,000         | 55,000         |
| <b>Total Revenue</b>      | <b>40,642</b>  | <b>128,522</b> | <b>164,638</b> | <b>55,119</b>    | <b>55,125</b>  | <b>55,125</b>  | <b>55,125</b>  |
| <b>Total Resources</b>    | <b>212,835</b> | <b>281,039</b> | <b>356,201</b> | <b>353,210</b>   | <b>212,992</b> | <b>183,117</b> | <b>173,242</b> |
| <b>Expenditures</b>       |                |                |                |                  |                |                |                |
| Capital & Related Items   | 60,318         | 89,476         | 58,110         | 127,271          | 85,000         | 65,000         | 65,000         |
| <b>Total Expenditures</b> | <b>60,318</b>  | <b>89,476</b>  | <b>58,110</b>  | <b>127,271</b>   | <b>85,000</b>  | <b>65,000</b>  | <b>65,000</b>  |
| Reconciling Journal Entry | 0              | 0              | 0              | 68,072           | 0              | 0              | 0              |
| <b>Ending Balance</b>     | <b>152,517</b> | <b>191,563</b> | <b>298,091</b> | <b>157,867</b>   | <b>127,992</b> | <b>118,117</b> | <b>108,242</b> |

ATTACHMENT I  
**All Funds Balance Analysis**

|                                  | 2009<br>Actual     | 2010<br>Actual     | 2011<br>Actual     | 2012<br>Estimate   | 2013<br>Budget     | 2014<br>Budget     | 2015<br>Budget     |
|----------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| <b>Beginning Balance</b>         | <b>50,530,896</b>  | <b>41,541,232</b>  | <b>50,349,041</b>  | <b>74,465,533</b>  | <b>108,385,442</b> | <b>81,932,378</b>  | <b>58,589,736</b>  |
| <b>Revenue</b>                   |                    |                    |                    |                    |                    |                    |                    |
| Passenger Fares                  | 49,757,083         | 47,153,709         | 48,017,726         | 50,259,213         | 51,264,397         | 52,289,685         | 53,074,030         |
| Sales & Use Tax                  | 154,586,220        | 163,220,649        | 173,242,329        | 181,478,753        | 185,289,807        | 188,995,603        | 193,720,493        |
| Federal (Including ARRA)         | 73,648,082         | 84,683,990         | 51,104,869         | 47,023,123         | 67,243,750         | 70,687,500         | 67,787,500         |
| State                            | 21,725,202         | 8,980,938          | 11,017,398         | 6,353,010          | 4,819,822          | 4,819,822          | 4,819,822          |
| Investment Income                | 611,211            | 431,682            | 502,022            | 432,920            | 528,325            | 554,675            | 554,875            |
| Other Revenue                    | 47,449,387         | 46,359,501         | 32,210,750         | 26,112,245         | 21,229,440         | 23,229,440         | 23,406,120         |
| General Obligation Debt Proceeds | 0                  | 0                  | 0                  | 25,000,000         | 0                  | 0                  | 20,000,000         |
| <b>Total Revenue</b>             | <b>347,777,185</b> | <b>350,830,469</b> | <b>316,095,094</b> | <b>336,659,264</b> | <b>330,375,541</b> | <b>340,576,725</b> | <b>363,362,840</b> |
| <b>Total Resources</b>           | <b>398,308,081</b> | <b>392,371,701</b> | <b>366,444,135</b> | <b>411,124,797</b> | <b>438,760,983</b> | <b>422,509,103</b> | <b>421,952,576</b> |
| <b>Expenditures</b>              |                    |                    |                    |                    |                    |                    |                    |
| Personnel Services               | 176,631,322        | 156,964,659        | 154,927,523        | 167,851,897        | 173,228,548        | 175,886,728        | 179,224,449        |
| Diesel Fuel                      | 17,357,364         | 7,936,072          | 9,918,864          | 12,114,919         | 13,835,135         | 13,777,323         | 13,501,963         |
| Other Expenditures               | 49,083,497         | 54,622,849         | 47,577,594         | 46,180,864         | 52,798,314         | 52,720,708         | 52,615,592         |
| Capital Outlay                   | 95,982,032         | 104,121,359        | 59,669,042         | 55,825,000         | 96,200,000         | 100,750,000        | 96,400,000         |
| Debt Service                     | 17,712,634         | 18,377,721         | 19,885,579         | 20,766,675         | 20,766,608         | 20,784,608         | 21,535,714         |
| <b>Total Expenditures</b>        | <b>356,766,849</b> | <b>342,022,659</b> | <b>291,978,603</b> | <b>302,739,355</b> | <b>356,828,605</b> | <b>363,919,367</b> | <b>363,277,718</b> |
| <b>Available Ending Balance</b>  | <b>41,541,232</b>  | <b>50,349,041</b>  | <b>74,465,533</b>  | <b>108,385,442</b> | <b>81,932,378</b>  | <b>58,589,736</b>  | <b>58,674,858</b>  |

## **2013 Performance Management**

**TransitStat**

PM - 1

**Energy Price Risk Management**

PM - 10

### **Performance Management**

The 2013 Performance Management describes the successes we have had in the TransitStat program. TransitStat is the Authority's structured continuous management program, which entails frequent gathering, reviewing, and analyzing of day-to-day government performance. TransitStat is a critical link to achieving high-level performance directed towards the Authority's three most critical needs: Maintaining Financial Health, Improving Customer Service, and Enhancing the Image of RTA.

# 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 (6 $\sigma$ ), 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, how many officers were on duty, and where the officers were located during those times. By placing officers at the high crime areas, this technique was widely credited with contributing to the dramatic reduction in New York City's crime levels.

Through the leadership of Mayor Martin O'Malley, the City of Baltimore developed CitiStat. CitiStat brought STAT tenets and strategies to general government by tracking performance in waste collection, road repairs, housing enforcement, etc. The city 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), and Washington State (Office of Financial Management . OFM). 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 TransitStat leadership team (panel) includes:

- 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.**

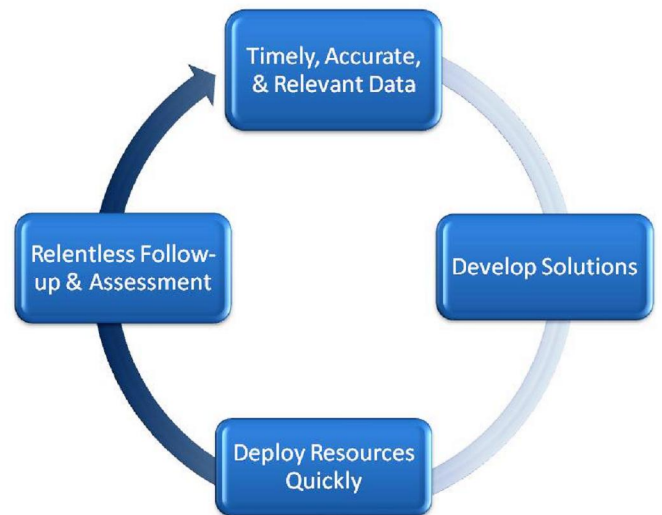
A performance program requires performance data. Use the data to discuss, examine, and analyze the agency's recent performance.

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

In 2011, fifteen employees went through the Six Sigma (6 ) 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; another employee in the Rail District will be training for his in 2013.

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 began May 2012 and runs through June 2013; and the third began June 2012 and runs through July 2013. Each cohort will encompass approximately 12 months and will review all aspects of management, including labor negotiation, crisis management, and financial management. Within each cohort, the members will divide into groups and each group will identify a project to work on.

For 2013, 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<br>Train Cleaning Improvement<br>Mobile Clean Teams<br>HealthLine Exterior<br>HRV Interior & Exterior | On-Time Performance & Scheduling Enhancements<br>Vehicle Reliability & Mechanic Shift Change<br>Not-In-Stock Parts<br>Bus Stops<br>UltraMain | Fare Enforcement<br>Crime & Security Strategies<br>Customer Complaints & Commendations<br>Farebox Defects |

Specific meetings, outside of the TransitStat arena, or through task forces, will monitor the remainder of the presentations from 2012 and before. In May and September, these groups will update the TransitStat Panel on the progress, challenges, and outcomes of the projects.



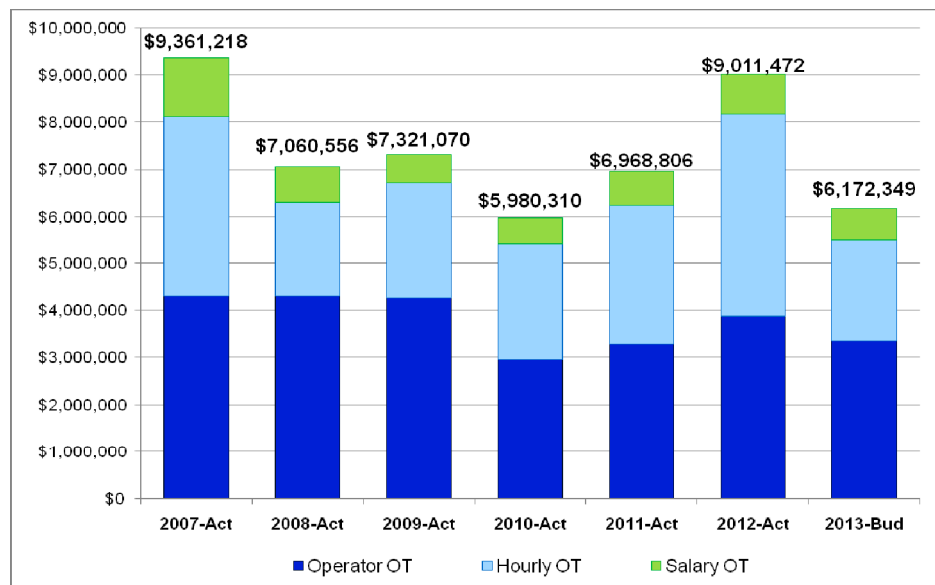
# Performance Management

## Successes

The true success of the TransitStat program can be seen in the savings over the past five years. The chart below shows the quantifiable savings by cost driver. Additional explanations of some of these cost drivers are presented in the following pages as well as some of the qualitative savings. Over the past 5 years through the TransitStat program, the Authority has been able to save over \$48 Million. As Dr. Flounsay Caver states, "That's real money!"

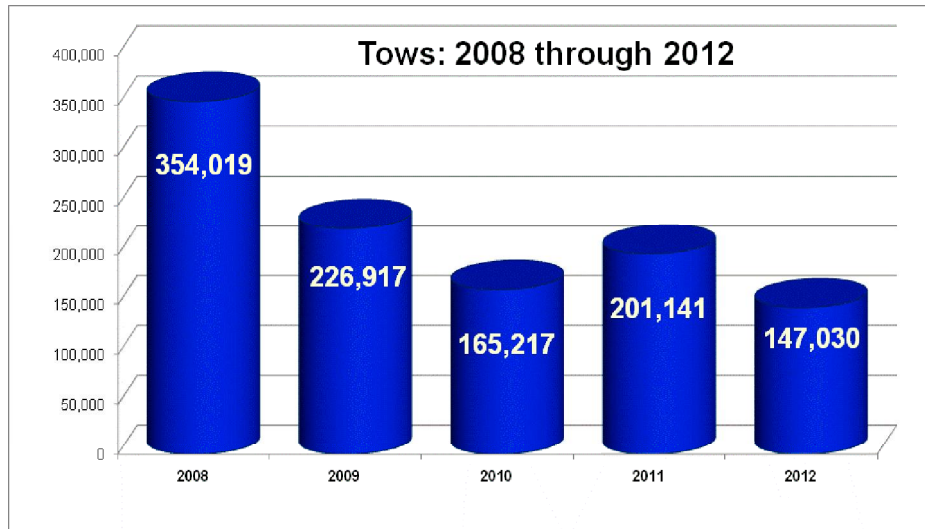
| 5-Year TransitStat Savings |                      |                     |                  |                     |                     |                                   |                     |                       |                  |                             |                      |
|----------------------------|----------------------|---------------------|------------------|---------------------|---------------------|-----------------------------------|---------------------|-----------------------|------------------|-----------------------------|----------------------|
| Year                       | Overtime             | Inventory           | Tows             | Propulsion Power    | Fuel Hedging        | W/C Claims, Liabilities, Lawsuits | Utilities           | Engineering Retrofits | P-Card           | Safety Blitzes/ Initiatives | Total per Year       |
| 2008                       | \$ 2,300,661         | \$ 433,890          |                  |                     |                     |                                   |                     |                       |                  |                             | \$ 2,734,551         |
| 2009                       | \$ 2,040,147         | \$ 1,189,555        | \$127,102        |                     |                     |                                   |                     |                       |                  |                             | \$ 3,356,804         |
| 2010                       | \$ 3,380,906         | \$ 2,478,111        | \$188,802        | \$1,027,820         | \$ 9,894,237        | \$ 145,444                        |                     |                       |                  | \$1,532,000                 | \$ 18,647,320        |
| 2011                       | \$ 2,392,412         | \$ 1,998,846        | \$152,878        | \$1,383,316         | \$ 3,691,998        | \$ 136,579                        | \$1,117,359         | \$ 716,000            | \$238,620        | \$1,513,000                 | \$ 13,341,008        |
| 2012                       | \$ 349,746           | \$ 102,417          | \$206,989        | \$2,144,723         | \$ 2,108,072        | \$1,007,388                       | \$2,258,017         | \$ 316,499            | \$132,675        | \$1,613,071                 | \$ 10,239,597        |
| <b>Total</b>               | <b>\$ 10,463,872</b> | <b>\$ 6,202,819</b> | <b>\$675,771</b> | <b>\$ 4,555,859</b> | <b>\$15,694,307</b> | <b>\$ 1,289,411</b>               | <b>\$ 3,375,376</b> | <b>\$ 1,032,499</b>   | <b>\$371,295</b> | <b>\$ 4,658,071</b>         | <b>\$ 48,319,280</b> |

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 due to the completion of some maintenance projects along the rail lines, yet continued to be monitored throughout the year. With the completion of these projects, overtime for 2013 is expected to return to prior year levels.



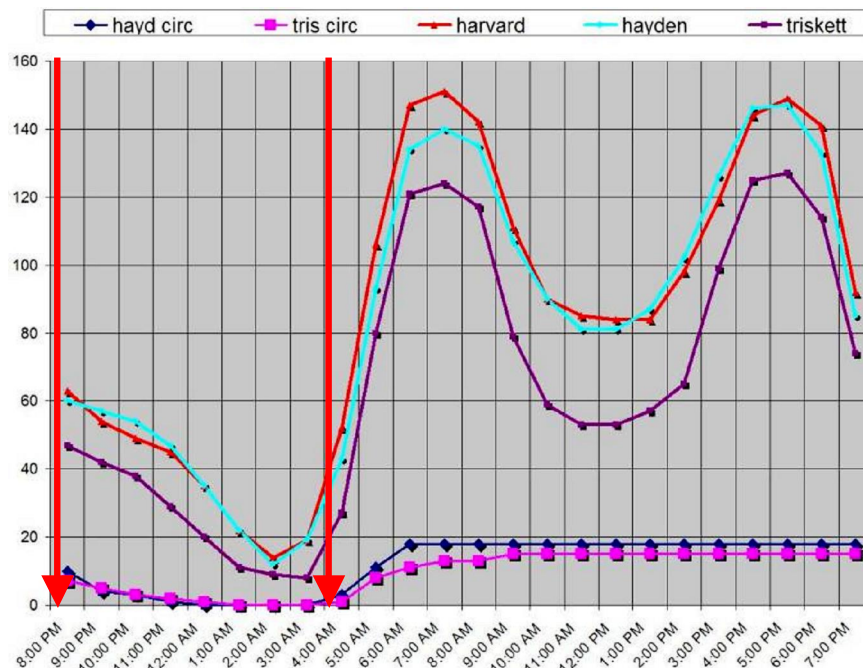
# Performance Management

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 43.2% from 2008 levels. The towing charges for 2012 continue to drop as seen in the graph.



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 43.2% from 2008 levels. The towing charges for 2012 continue to drop as seen in the graph.

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.



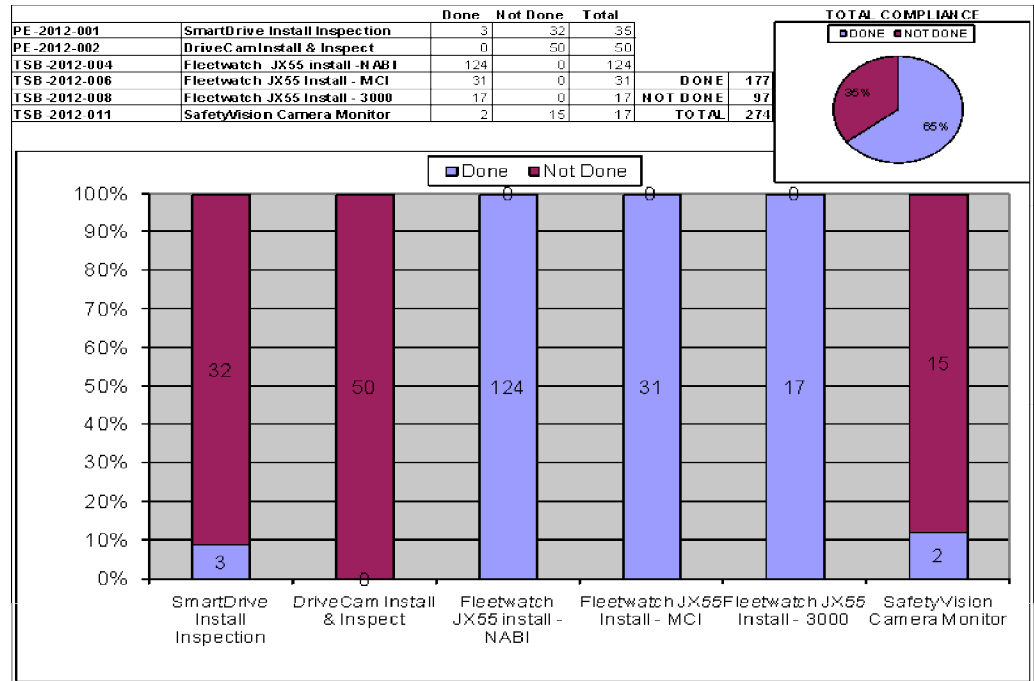
The graph below displays the number of buses per District that are on the road at a given time. Between 8:00pm and 4:00am is the time when the least number of buses are in revenue service and the greatest number of buses are in the garages. This time span is when the most mechanics are needed to schedule,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

# Performance Management

These new shifts were implemented mid to late 2009 among all the bus districts. In mid-2012, the mechanics entered into a 6-month pilot program for the shift change. Performance metrics will be monitored throughout the program. At the end of the 6-month pilot, the program may be extended upon agreement with the ATU.

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 the Triskett District.



The Safety Department has developed a Stat-format in their Executive Safety Committee (ESC) meetings. They utilized 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 Operators' 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.

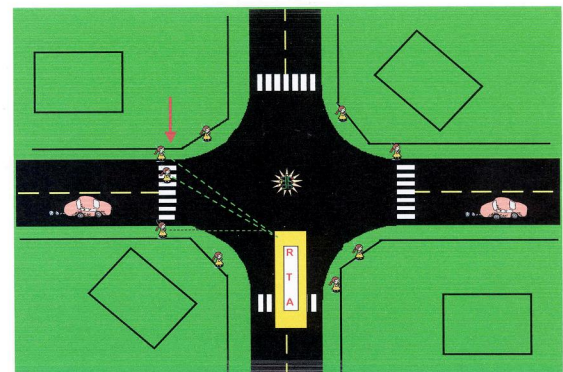
The Safety Department and Training & Employee Development Department, with assistance from other Operations Departments, created a training program for left-hand turns. CBM installed safety alerts (aka talking buses) on all the buses, warning the public that a bus is turning and alerting the operator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



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

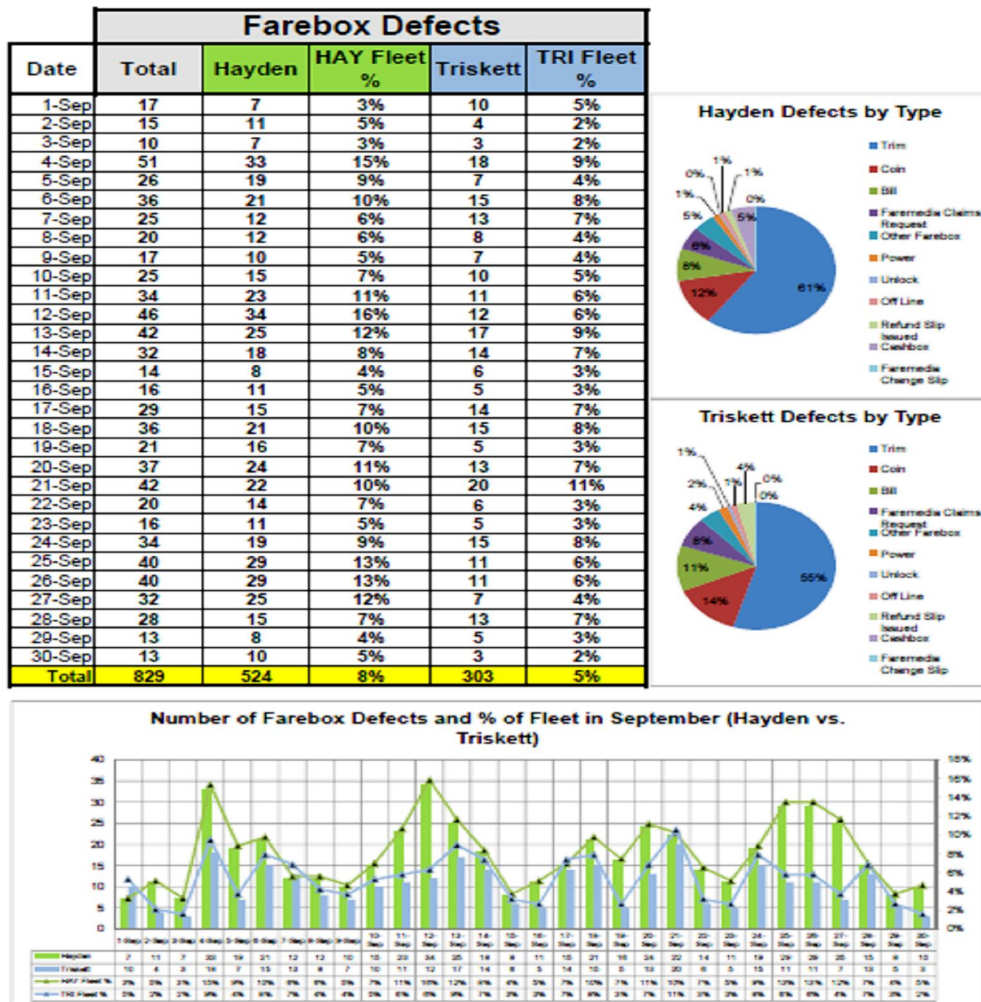
Scan Early and Scan Often While Turning

# 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 were conducted, the first on Safety Leadership and the second on Supervisory and Management Safety Accountability.

In 2012, the Service Quality Department started monitoring farebox defects by month and day, type of defect and the percentage of the fleets at each District with farebox problems. Below is an example of the dashboard reports that Service Quality emails daily to management.

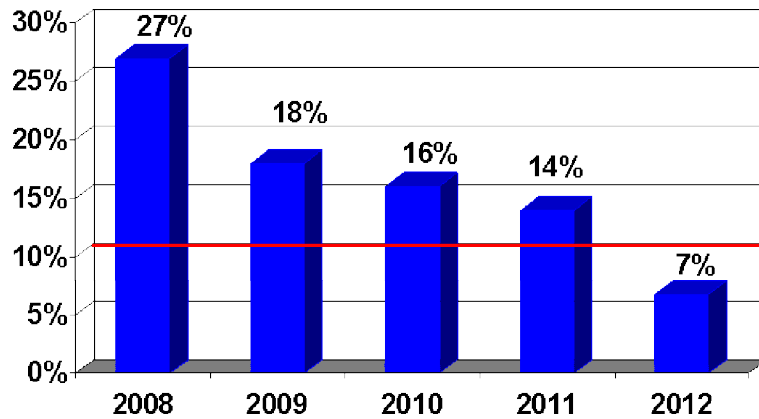


# Performance Management

The Telephone Information Center (TIC) is a section within the Marketing and Communications Department and has been reporting performance at TransitStat since 2009.

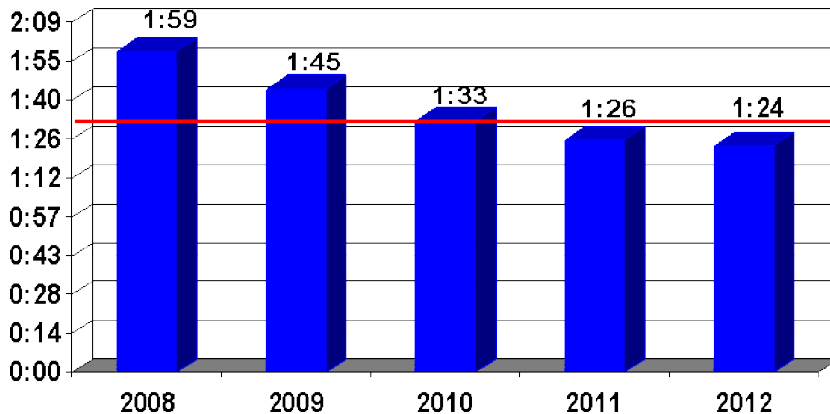
The TIC improved and maintained their performance beyond their goals, thus eliminating the problem. Performance will now be monitored within the Department rather than through the TransitStat forum.

### Lost Calls

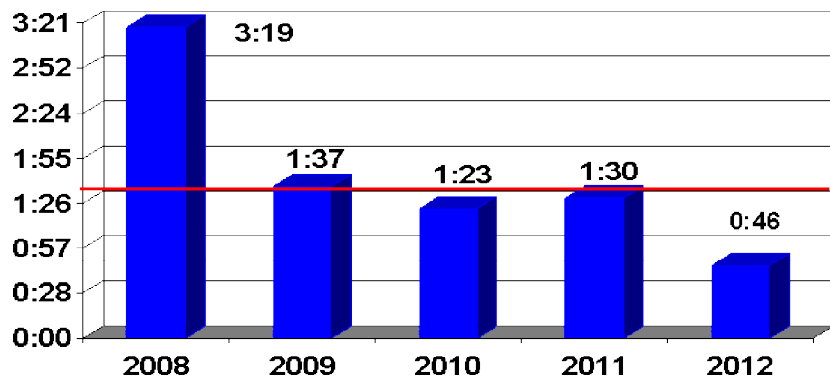


The graphs improvement TIC has made over the years.

### Average Talk Time

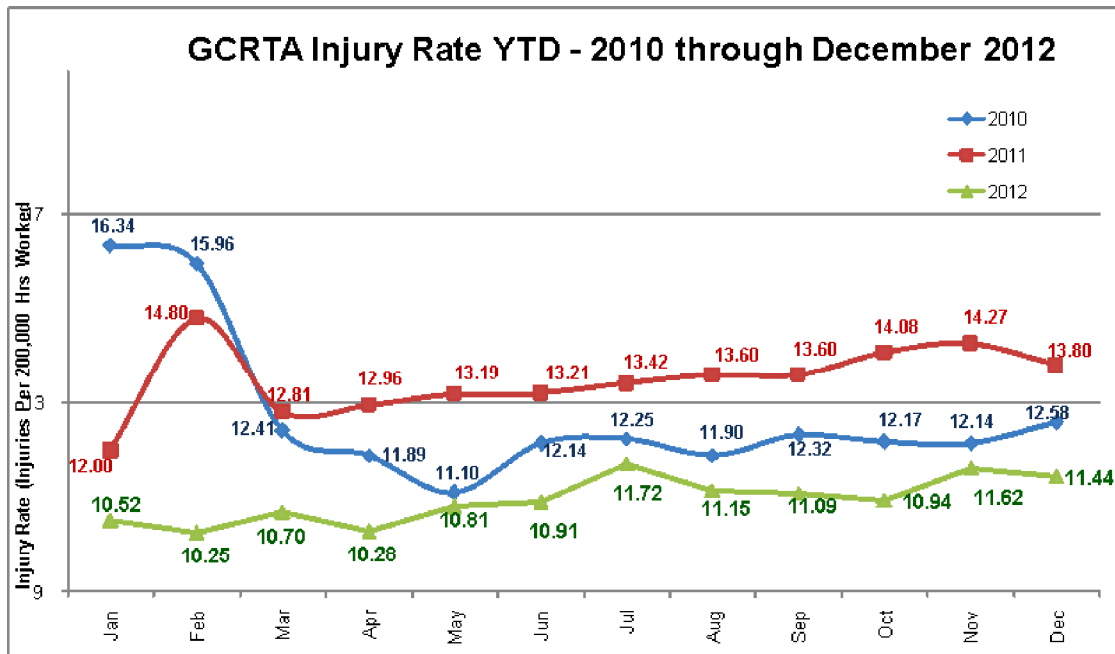


### Average Speed of Answer



# Performance Management

Risk Management has been monitoring the number of On-the-Job Injury (OJI) claims submitted each month, the reason for the claims, and the type of claims. GCRTA encourages a stay-at-work culture, which has helped to decrease the lost time and medical only claims.



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 \$8.0M in 2010, to \$9.9M, in 2011 and \$12.6M in 2012.

Additional information about this program is on PM-10.

## TransitStat Moving Forward

In 2013, performance monitoring of the Administrative and Operations divisions will continue through Task Forces. These groups will present updates in May and September. The employees who graduated the Green-Belt Six Sigma class will be leading the projects and helping others analyze data and problems.

The CEO identified three HOT topics for the year: Clean, On-Time, and Safe. The Stat programs will be used to focus on critical initiatives that can better position GCRTA to address impending economic threats.

# 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 Derivatives 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 2012 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. Fuel has been hedged for 88% of 2013 and 55% of 2014. Fuel will be hedged for 2015 at the next opportunity the market presents. Fuel is projected at \$13.8 million for 2013.

# 2013 Budget Guide

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## Budget Guide

The 2013 Budget Guide describes the decision-making process involved in adopting the annual budget. It begins with a description of what is found in the various chapters of the Adopted Budget Plan. Then, it explains the financial and budgetary policies adopted by the Board of Trustees that guide budget decisions. The budget process is described, including the methods used to monitor the budget once it is adopted. This chapter ends with a glossary of key technical terms used throughout the document.



# 2013 Budget Guide

## Organization of the Adopted Budget Plan

The purpose of this section is to describe the contents of the 2013 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 2013 and those planned for 2014 through 2017. This section discusses funding sources, debt limits, capital improvement planning cycle, and the criteria used to establish priorities.

# 2013 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.

# 2013 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 2013, estimated resources total \$296.0 million: current revenues of \$261.0 million plus an estimated beginning balance of \$34.9 million. Total estimated expenditures for 2012 equal \$278.7 million and are within the estimate of total resources available. The ending balance, \$17.2 million, is just 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.

# 2013 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 2011 investments and at the same time meet its outstanding financial commitments with an investment yield of 0.50%.



***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 2013 General Fund, which exclude transfers to other funds, are \$237.7 million, which represent an increase of over \$6.7 million, or 2.9%, over 2012 budget. The largest Operating Budget appropriation, \$173.2 million, is for Personnel Services, which accounts for 72.9% of the total operating appropriation. The 2013 appropriation for personnel costs is 2.1% higher than the 2012 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 2012. 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.



# 2013 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. During 2010, Sales Tax receipts increased \$9 million from 2009 levels due to the additional tax on managed health care. The Sales Tax was not expected to return to the 2008 levels until 2015. The Authority planned on a new base level of revenue at a reduced amount. In late 2009, State Legislature added Managed Health Care to the sales tax base. For 2010, this change added about \$5 million in Sales Tax receipts for the Authority. In 2011 and the first half of 2012, Sales Tax collections continued to be above expectation. In the second half of 2012, 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.



**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 was met again in 2011, at 2.1, and will be again in 2012, with an estimate of 1.9. The reduction in expenditures over the past two years has helped this financial policy to be achieved. This policy goal is expected to be close to goal in 2013, at 0.9. Expenses will be monitored throughout the year to help reach the goal of 1.0 month reserve by the end of the year.



# 2013 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 in 2012 is estimated at -6.2%, considerably lower than the projected inflation rate. This is due to service hours increasing at 15.1% but operating expenses increasing at 6.7%. Operating expenses have been maintained throughout the year and service hours increasing with the annualization of the three new Trolley Lines and additional buses and trains added to decrease overcrowding. For 2013, operating expenditures are budgeted to increase by 5.9% from 2012 estimates. The majority of this increase is in Personnel Services with a 3% wage increase budgeted for ATU, FOP, and non-bargaining personnel, as well as an increase in hospitalization costs. Service hours for 2013 are budgeted to increase by 0.7%, compared to 2012 estimates. This policy goal is not expected to be met in 2013, at 5.2%, but is projected to be met in 2014 and 2015, at -0.4% and 0.2%, 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 transfers to other funds, which are charged to and reimbursed by the Capital Program.

The ratio increased in 2010 to 23.8%, although still below the 25% goal, with the decrease in operating expenses, primarily due to the implementation of the fuel-hedging program and decrease in the cost of diesel fuel. In 2011, the ratio was maintained at 23.8% and in 2012, the Operating Ratio is projected to take a slight downturn to 23.2% due to projected increases in labor, purchased transportation, and inventory materials. For 2013, operating revenues are expected to account for 22.3% of total operating expenses and the ratio is expected to stabilize in 2014 and 2015 at 22.6% for each year.



***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.

# 2013 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 is estimated to be 2.62 at the end of FY 2012. The Authority stretched the use of borrowing from 2008 for four years and pre-paid a State Infrastructure Bank (SIB) loan in 2011.

In 2012, the Debt Service Coverage ratio is projected to decline to 2.62, which will still exceed the minimum of 1.5. At a projected 1.71 in 2013 it will again meet the minimum requirement. The ratio is expected to decline in 2014 and 2015 to 1.09 and 0.79, 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 the 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. Growth in Authority-wide capital needs progressively increased this ratio between 2003 and 2008, from 11.4% to 14.3%.

In 2009, the contribution to capital increased to 18%, about \$10.5 million, however, Sales and Use Tax receipts plummeted, losing 11% of revenue, which increased the percentage transferred to capital. In 2010, Sales Tax collections increased 5.6%, compared to 2009 and 18.3% of the revenue was transferred to Capital, about \$12.5 million. Stimulus funds provided through ARRA grants in 2009 provided almost a year's funding amount for shovel-ready projects. The Authority was able to utilize those funds effectively and catch up on needed infrastructure work.

Capital requirements for 2012 were reduced from the 2008-2009 levels and 17.6% of the Sales Tax was transferred. In 2013, local funds will be transferred to the capital program for the multi-year bus replacement program, which will total \$39.59 million and equal 21.4% of the Sales 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 \$18.32 million to the Bond Retirement Fund for debt

# 2013 Budget Guide

service payments. At 21.8%, the transfer at a projected \$41.23 million will remain at a high level in 2014. This transfer will decline in 2015, to 18.1%, as the bus improvement project will end.



***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.

**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. In 2013 and 2014, at 96.3% and 94.0%, respectively, 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.



***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.



# 2013 Budget Guide

**Implementation:** Limited availability of funding at the Federal, State, and Local levels meant the Authority could only place emphasis on the most essential and realistic capital projects during the 2013 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 21<sup>st</sup> Century (MAP-21) and will continue to focus on improving out internal capability to plan, finance, and implement its Capital Improvement Plan.

## **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 2012 were held at \$100,000 per year. In 2013, 2014, and 2015, \$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 2013, nearly \$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 \$2.0 million is budgeted in the Insurance Fund for claims outlay and to cover insurance premiums for catastrophic or extraordinary losses.



# 2013 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. Approximately \$3.5 million, \$3.2 million, \$3.3 million, and \$1.0 million were transferred to the Insurance Fund in 2009, 2010, 2011, and 2012, respectively. For 2013, the transfer is expected to be \$1.4 million.

Transfers of \$1.5 million and \$1.7 million are projected in 2014 and 2015, respectively, to maintain the Fund at its 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 2012, the outstanding debt for the Authority totaled \$151.94 million in general obligation (GO) and revenue (RB) bonds, requiring principal and interest payments of \$20.75 million in 2013. 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.



# 2013 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. For 2013, the inside millage is projected to drop by another 5 percent.

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 11.46 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.

Beyond that, it should be noted that in 1996, the Authority's bond rating, a major determinant of the interest rate charged on notes and bonds, was upgraded by Fitch Investors Service from A- to A. The Authority last issued G.O. debt in 2008, and refinanced debt at a lower interest rate. In FY 2012, the Authority issued revenue bonds for \$25.0 million in new debt and \$17.4 million in a refinancing issuance. The Authority currently holds a AAA rating with S & P and an Aa2 rating with Moody's.

# 2013 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.

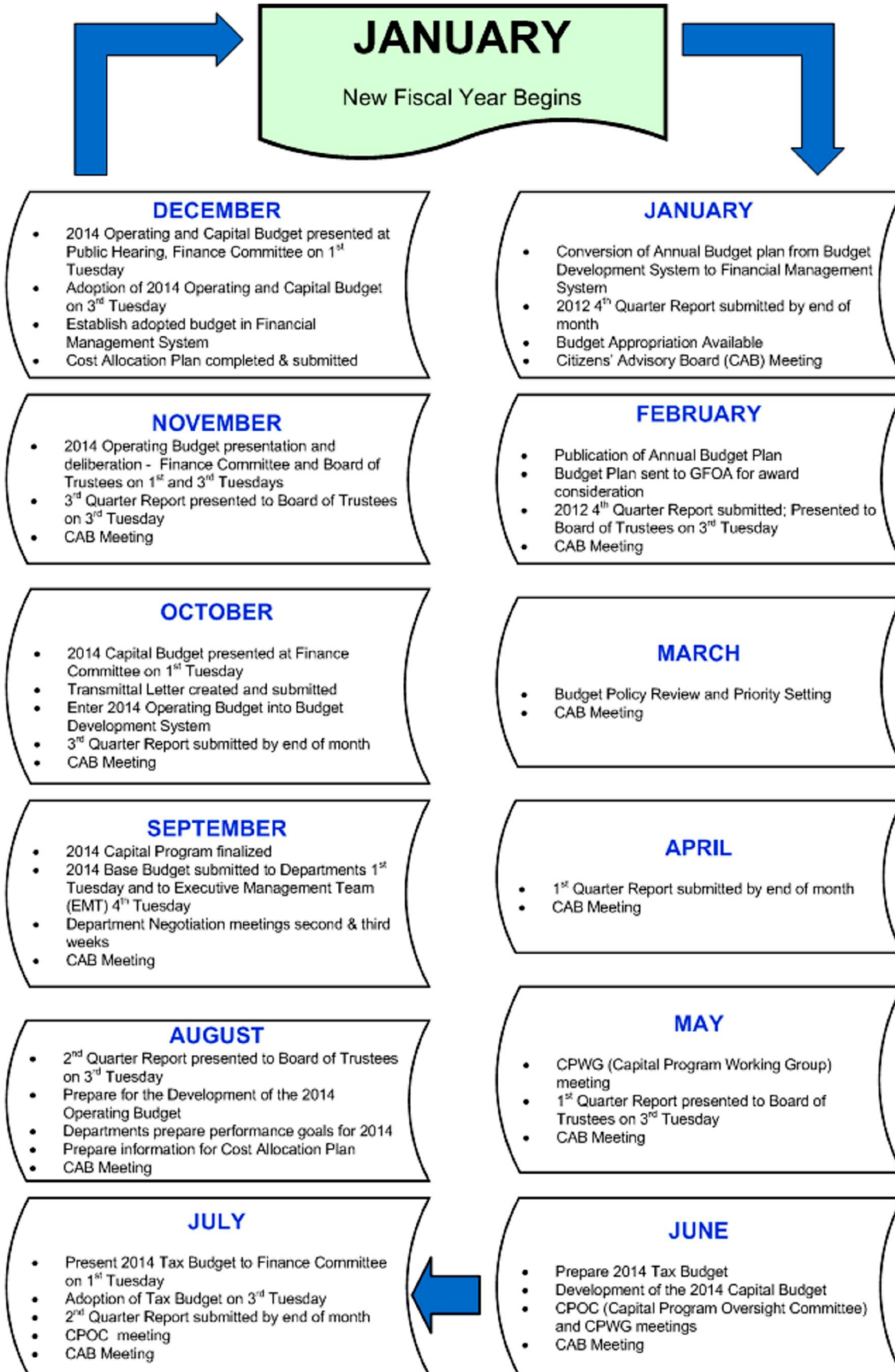
Around the same time, a mid-year review of spending patterns and budget variances is conducted. The July review and the Tax Budget are essential components of the base level appropriations assumed for the succeeding budget cycle. The development of this base budget begins the annual budget process, which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

# 2013 Budget Guide

- The finalized CEO/General Managers 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 Managers Recommended Budget is presented to the Executive Management Team (EMT) in October
- The CEO/General Managers 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.

# 2013 Budget Guide



# 2013 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 2013, 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 and 2013, 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 division staffing level remains 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.

|  |   |           |
|--|---|-----------|
| <b>Population</b>                                | 2011 Census (estimate)  | 1,270,294 |
|  | % Change from 2000 Census   | -8.9%     |
|  | Projected 2020 Population   | 1,301,870 |
|  | % Change from 2000 Census   | -6.6%     |
|  | Land Area (square miles)  | 458.3     |
|  | % Female  | 52.5%     |
|  | Persons per Square Mile   | 2,772     |
|  | % White   | 65.1%     |
|  | % Black   | 30.0%     |
|  | % Hispanic/Latino   | 4.9%      |
|  | % Asian   | 2.6%      |
|  | % American Indian/Alaskan Native                                  | 0.2%      |
| <b>Housing</b>                                   | Persons per household, 2007-2011                                  | 2.34      |
|  | # Owner Occupied Homes  | 330,799   |
|  | # Renter Occupied Homes/Apts.                                     | 206,404   |
|  | # Vacant Housing  | 85,004    |
| <b>Income</b>                                    | 2011 Median Household Income                                      | \$44,324  |
|  | 2000 Median Household Income                                      | \$39,168  |
|  | % Under Poverty Level   | 17.1%     |
|  | Cost of Living Index (U.S. Avg.: 100)                             | 93        |
| <b>Largest Cities (2010)</b><br>(# of Residents) | City of Cleveland (2010)  | 396,815   |
|  | Parma (2010)  | 81,601    |
|  | Lakewood (2010)   | 52,131    |
|  | Euclid (2010)   | 48,920    |
|  | Cleveland Heights (2010)  | 46,121    |
|  | Strongsville (2010)   | 44,750    |
|  | Westlake (2010)   | 32,729    |
|  | North Olmsted (2010)  | 32,718    |
|  | North Royalton (2010)   | 30,444    |
|  | Garfield Heights (2010)   | 28,849    |
| <b>Land Use/Land Cover (2010)</b>                | 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

|  |  |                |
|--|--|----------------|
| <b>State Parks, Forests, Nature Preserves, and Wildlife Areas (2010)</b> | Areas, Facilities                          | 1              |
|  | Acreage                                    | 13.5           |
| <b>Education (2010)</b>  | Public Schools                             | 373            |
|  | Non-Public Schools                         | 149            |
|  | 4-Year Public Universities                 | 1              |
|  | 2-Year Public Colleges                     | 1              |
|  | Private Universities & Colleges            | 5              |
|  | Public Libraries                           | 9              |
|  | Branch Libraries                           | 64             |
| <b>Transportation (2010)</b>   | Registered Motor Vehicles                  | 1,075,255      |
|  | Interstate Highway Miles                   | 132.0          |
|  | U.S. Highway Miles                         | 18.8           |
|  | State Highway Miles                        | 232.5          |
|  | County, Township, and Municipal road miles | 4,326.6        |
|  | Commercial Airports                        | 3              |
| <b>Travel time to Work (2010)</b><br>(16 yrs old and older)              | Less than 15 minutes                       | 24.9%          |
|  | 15 to 29 minutes                           | 43.4%          |
|  | 30 to 44 minutes                           | 21.9%          |
|  | 45 to 59 minutes                           | 5.6%           |
|  | 60 minutes or more                         | 4.3%           |
| <b>Major Employers (2010)</b><br>Type of Employment<br>(Non-Government)  | American Greetings Corp.                   | Manufacturing  |
|  | Case Western Reserve University            | Service        |
|  | Cleveland Clinic Health System             | Service        |
|  | Continental Airlines                       | Transportation |
|  | Eaton Corp.                                | Manufacturing  |
|  | Ford Motor Company                         | Manufacturing  |
|  | Giant Eagle                                | Food Service   |
|  | Group Management Services                  | Service        |
|  | KeyCorp                                    | Financial      |
|  | Lincoln Electric Holding Inc.              | Manufacturing  |
|  | Parker Hannifin Corp.                      | Manufacturing  |
|  | PNC Financial Services Group               | Financial      |
|  | Progressive Corp.                          | Insurance      |
| Sherwin-Williams Company   | Manufacturing                              |                |
| University Hospitals Health System                                       | Service                                    |                |

Sources:

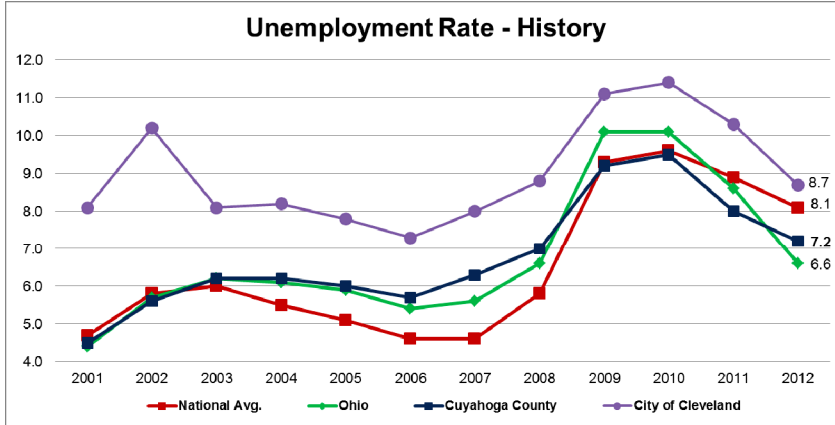
U.S. Department of Commerce (United States Census Bureau) Town & County Quick Facts:  
<http://quickfacts.census.gov/qfd/states/39/39035.html>

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

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

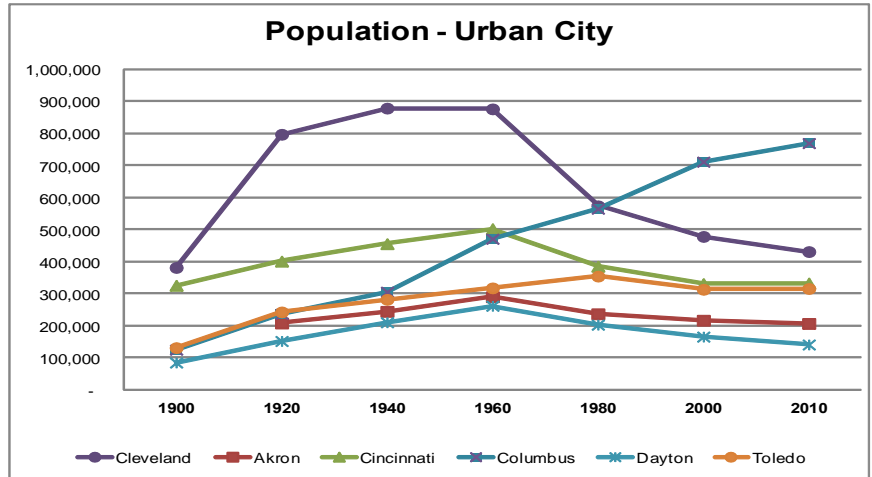
# Service Profile

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



| Year | National Avg. | Ohio | Cuyahoga County | City of Cleveland |
|------|---------------|------|-----------------|-------------------|
| 2001 | 4.7           | 4.4  | 4.5             | 8.1               |
| 2002 | 5.8           | 5.7  | 5.6             | 10.2              |
| 2003 | 6.0           | 6.2  | 6.2             | 8.1               |
| 2004 | 5.5           | 6.1  | 6.2             | 8.2               |
| 2005 | 5.1           | 5.9  | 6.0             | 7.8               |
| 2006 | 4.6           | 5.4  | 5.7             | 7.3               |
| 2007 | 4.6           | 5.6  | 6.3             | 8.0               |
| 2008 | 5.8           | 6.6  | 7.0             | 8.8               |
| 2009 | 9.3           | 10.1 | 9.2             | 11.1              |
| 2010 | 9.6           | 10.1 | 9.5             | 11.4              |
| 2011 | 8.9           | 8.6  | 8.0             | 10.3              |
| 2012 | 8.1           | 6.6  | 7.2             | 8.7               |

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.



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

|   |
|---|
| Ashtabula County - 101,497, down 1.2 percent from 102,728     |
| Cuyahoga County - 1,280,122, down 8.2 percent from 1,393,979. |
| Geauga County - 93,389, up 2.7 percent from 94,753.           |
| Lake County - 230,041, up 1.1 percent from 227,511.           |
| Lorain County - 301,356, up 5.9 percent from 284,664.         |
| Medina County - 172,332, up 14.1 percent from 151,095.        |
| Portage County - 161,419, up 6.2 percent from 152,061.        |
| Summit County - 541,781, down 0.2 percent from 542,899.       |

## Population - Census - Cities

| 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 |

## Population - Census - Metro Areas

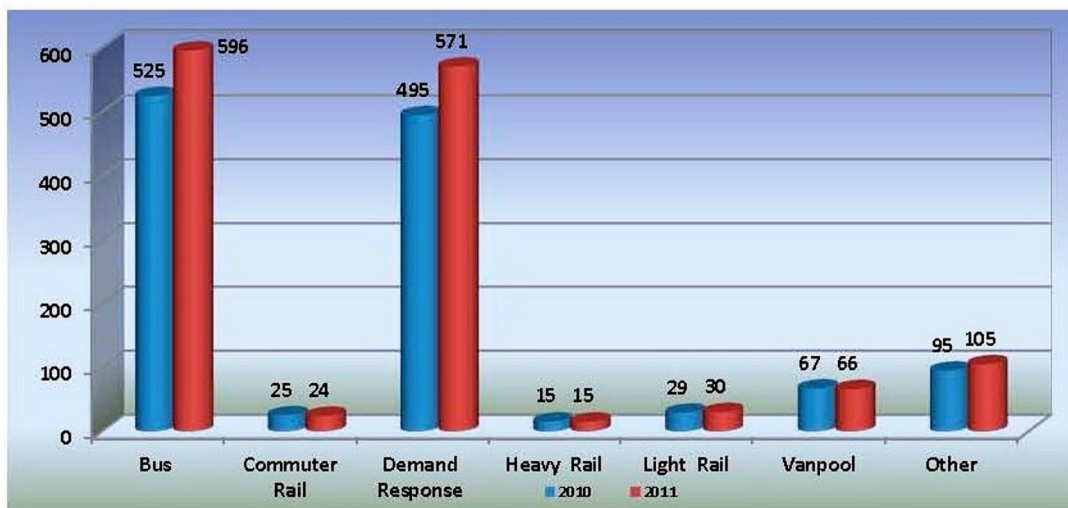
| Year | Cleveland Metro | Akron Metro | Cincinnati Metro | Columbus Metro | Dayton Metro | Toledo Metro |
|------|-----------------|-------------|------------------|----------------|--------------|--------------|
| 1990 | 2,102,248       | 657,575     | 1,844,915        | 1,405,168      | 843,835      | 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      |

# Transit Service Profile

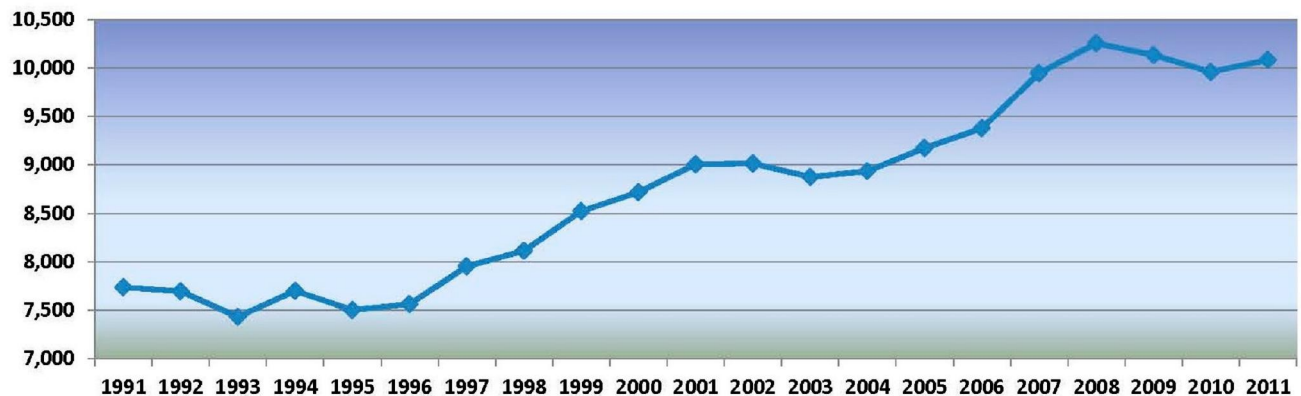
## National Transit Trends

A total of 717 Agencies reported data in the National Transit Database (NTD) in 2011. 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/](http://www.ntdprogram.gov/ntdprogram/))

### Number of Agencies reporting by Mode:



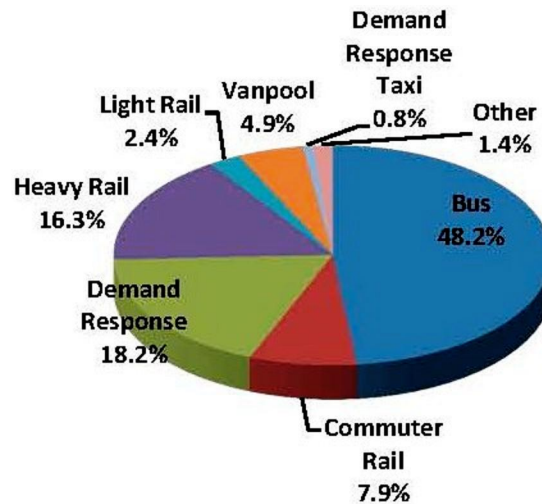
### Total Unlinked Passenger Trips (by year):



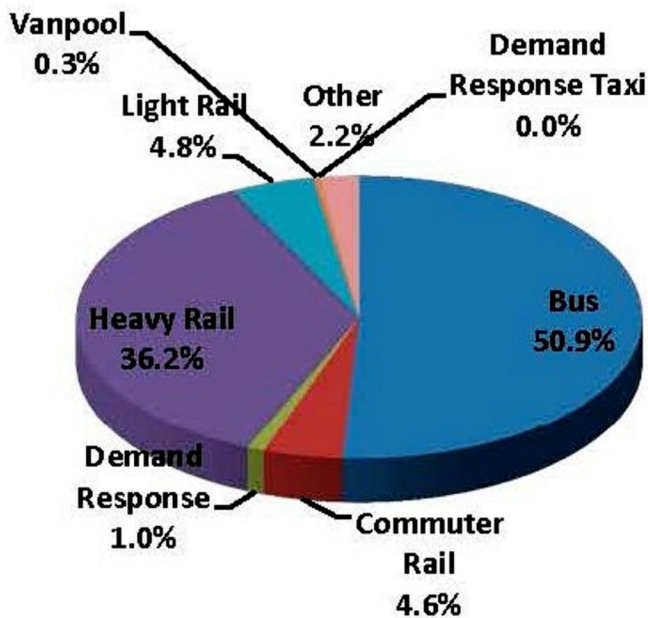
# Transit Service Profile

## 2011 Vehicle Revenue Miles

Distribution of Vehicle Revenue Miles by Mode (2011)



## 2011 Unlinked Passenger Trips



Distribution of Unlinked Passenger Trips by Mode (2011)

Source: National Transit Summaries and Trends for the 2011 National Transit Database Report Year

# Transit Service Profile

## Ohio Transit Trends 27 Agencies reported data in the National Transit Database in 2011

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          | 4,959,416                | 2,998,578             | 104                     |
|                           |        |           | DR           | 170,529                  | 885,665               | 78                      |
|                           |        |           | DR (Taxi)    | 67,884                   | 419,209               | 52                      |
|                           |        |           | Commuter Bus | 85,414                   | 157,015               | 6                       |
| Canton (SARTA)            | 567    | 375,586   | Bus          | 2,309,425                | 2,140,860             | 34                      |
|                           |        |           | DR           | 128,034                  | 977,902               | 23                      |
| Cincinnati (SORTA)        | 262    | 845,303   | Bus          | 18,784,769               | 9,178,341             | 287                     |
|                           |        |           | DR           | 172,963                  | 1,335,563             | 48                      |
| Cleveland (GCRTA)         | 458    | 1,412,140 | Bus          | 37,198,763               | 12,616,043            | 310                     |
|                           |        |           | HR           | 5,687,891                | 1,766,922             | 18                      |
|                           |        |           | LR           | 579,072                  | 4,560,276             | 13                      |
|                           |        |           | DR           | 2,745,106                | 715,539               | 116                     |
| Columbus (COTA)           | 337    | 1,081,405 | Bus          | 18,764,047               | 9,388,064             | 247                     |
|                           |        |           | DR           | 259,883                  | 3,003,424             | 64                      |
| Dayton (GDRTA)            | 274    | 559,062   | Bus          | 6,825,066                | 5,029,242             | 87                      |
|                           |        |           | DR           | 248,382                  | 2,348,220             | 72                      |
|                           |        |           | TB           | 2,291,953                | 862,124               | 28                      |
| Lake County<br>(Laketran) | 227    | 229,885   | Bus          | 303,874                  | 491,671               | 10                      |
|                           |        |           | DR           | 221,270                  | 1,759,629             | 60                      |
|                           |        |           | Commuter Bus | 187,424                  | 265,317               | 14                      |
| Toledo (TARTA)            | 149    | 407,784   | Bus          | 3,087,907                | 2,885,309             | 102                     |
|                           |        |           | DR           | 269,579                  | 1,588,698             | 52                      |
| Youngstown (WRTA)         | 452    | 238,823   | Bus          | 1,392,747                | 1,094,649             | 35                      |
|                           |        |           | DR           | 39,051                   | 412,172               | 12                      |

Data Source: 2011 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 Managers' 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 21<sup>st</sup> 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.

## 2013 Fund Budgets

|   |         |
|---|---------|
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### Fund Budgets

The Authority segregates its financial activity into a number of funds. These funds account for all receipts and expenditures for a specific purpose. The Fund Budgets chapter describes the fund structure used by the Authority, the sources of revenue, and the status of these funds in 2013 and beyond.

# 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.

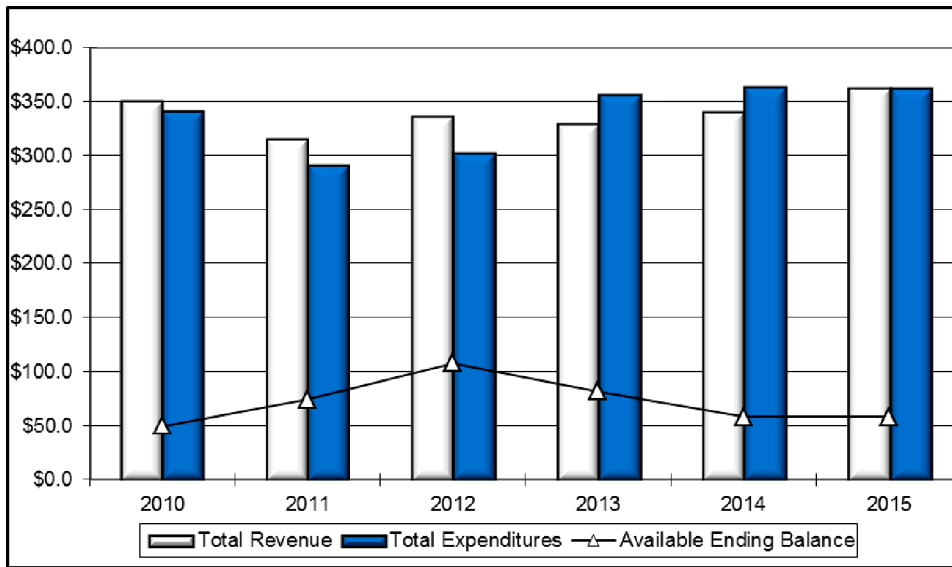


Figure FB-1

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 is by far 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 tax base in the Sales & Use Tax, which helped to increase tax receipts by about 8.6 million in 2010. Sales tax receipts increased \$8.1 million in 2011 and increased by nearly \$8.0 million for 2012. Expenses have been and will continue to be monitored.

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

|                                  | 2009               | 2010               | 2011               | 2012               | 2013               | 2014               | 2015               |
|----------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
|                                  | Actual             | Actual             | Actual             | Estimate           | Budget             | Budget             | Budget             |
| <b>Beginning Balance</b>         | <b>50,530,896</b>  | <b>41,541,232</b>  | <b>50,349,041</b>  | <b>74,465,533</b>  | <b>108,385,442</b> | <b>81,932,378</b>  | <b>58,589,736</b>  |
| <b>Revenue</b>                   |                    |                    |                    |                    |                    |                    |                    |
| Passenger Fares                  | 49,757,083         | 47,153,709         | 48,017,726         | 50,259,213         | 51,264,397         | 52,289,685         | 53,074,030         |
| Sales & Use Tax                  | 154,586,220        | 163,220,649        | 173,242,329        | 181,478,753        | 185,289,807        | 188,995,603        | 193,720,493        |
| Federal (Including ARRA)         | 73,648,082         | 84,683,990         | 51,104,869         | 47,023,123         | 67,243,750         | 70,687,500         | 67,787,500         |
| State                            | 21,725,202         | 8,980,938          | 11,017,398         | 6,353,010          | 4,819,822          | 4,819,822          | 4,819,822          |
| Investment Income                | 611,211            | 431,682            | 502,022            | 432,920            | 528,325            | 554,675            | 554,875            |
| Other Revenue                    | 47,449,387         | 46,359,501         | 32,210,750         | 26,112,245         | 21,229,440         | 23,229,440         | 23,406,120         |
| General Obligation Debt Proceeds | 0                  | 0                  | 0                  | 25,000,000         | 0                  | 0                  | 20,000,000         |
| <b>Total Revenue</b>             | <b>347,777,185</b> | <b>350,830,469</b> | <b>316,095,094</b> | <b>336,659,264</b> | <b>330,375,541</b> | <b>340,576,725</b> | <b>363,362,840</b> |
| <b>Total Resources</b>           | <b>398,308,081</b> | <b>392,371,701</b> | <b>366,444,135</b> | <b>411,124,797</b> | <b>438,760,983</b> | <b>422,509,103</b> | <b>421,952,576</b> |
| <b>Expenditures</b>              |                    |                    |                    |                    |                    |                    |                    |
| Personnel Services               | 176,631,322        | 156,964,659        | 154,927,523        | 167,851,897        | 173,228,548        | 175,886,728        | 179,224,449        |
| Diesel Fuel                      | 17,357,364         | 7,936,072          | 9,918,864          | 12,114,919         | 13,835,135         | 13,777,323         | 13,501,963         |
| Other Expenditures               | 49,083,497         | 54,622,849         | 47,577,594         | 46,180,864         | 52,798,314         | 52,720,708         | 52,615,592         |
| Capital Outlay                   | 95,982,032         | 104,121,359        | 59,669,042         | 55,825,000         | 96,200,000         | 100,750,000        | 96,400,000         |
| Debt Service                     | 17,712,634         | 18,377,721         | 19,885,579         | 20,766,675         | 20,766,608         | 20,784,608         | 21,535,714         |
| <b>Total Expenditures</b>        | <b>356,766,849</b> | <b>342,022,659</b> | <b>291,978,603</b> | <b>302,739,355</b> | <b>356,828,605</b> | <b>363,919,367</b> | <b>363,277,718</b> |
| <b>Available Ending Balance</b>  | <b>41,541,232</b>  | <b>50,349,041</b>  | <b>74,465,533</b>  | <b>108,385,442</b> | <b>81,932,378</b>  | <b>58,589,736</b>  | <b>58,674,858</b>  |

Figure FB-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.

|                                 | <b>2009<br/>Actual</b> | <b>2010<br/>Actual</b> | <b>2011<br/>Actual</b> | <b>2012<br/>Estimate</b> | <b>2013<br/>Budget</b> |
|---------------------------------|------------------------|------------------------|------------------------|--------------------------|------------------------|
| Beginning Balance               | \$8.4                  | \$2.9                  | \$19.8                 | \$36.4                   | \$34.9                 |
| <b>Total Revenue</b>            | <b>\$264.5</b>         | <b>\$267.0</b>         | <b>\$262.2</b>         | <b>\$256.1</b>           | <b>\$261.0</b>         |
| Total Resources                 | \$272.9                | \$269.9                | \$282.0                | \$292.5                  | \$296.0                |
| Operating Expenses              | \$238.5                | \$208.6                | \$210.4                | \$224.4                  | \$237.7                |
| Fund Transfers                  | \$31.5                 | \$41.4                 | \$35.2                 | \$33.1                   | \$41.1                 |
| <b>Total Expenditures</b>       | <b>\$270.0</b>         | <b>\$250.1</b>         | <b>\$245.6</b>         | <b>\$257.6</b>           | <b>\$278.7</b>         |
| <b>Available Ending Balance</b> | <b>\$2.9</b>           | <b>\$19.8</b>          | <b>\$36.4</b>          | <b>\$34.9</b>            | <b>\$17.2</b>          |

Figure FB-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

|   | 2009<br>Actual     | 2010<br>Actual     | 2011<br>Actual     | 2012<br>Estimate   | 2013<br>Budget     | 2014<br>Budget     | 2015<br>Budget     |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| <b>Beginning Balance</b>                        | <b>8,401,085</b>   | <b>2,880,104</b>   | <b>19,846,961</b>  | <b>36,375,981</b>  | <b>34,946,382</b>  | <b>17,218,993</b>  | <b>1,965,334</b>   |
| <b>Revenue</b>                                  |                    |                    |                    |                    |                    |                    |                    |
| Passenger Fares                                 | 49,757,083         | 47,153,709         | 48,017,726         | 50,259,213         | 51,264,397         | 52,289,685         | 53,074,030         |
| Advertising & Concessions                       | 1,197,713          | 956,688            | 904,153            | 1,200,000          | 1,100,000          | 1,100,000          | 1,100,000          |
| Sales & Use Tax                                 | 154,586,220        | 163,220,649        | 173,242,329        | 181,478,753        | 185,289,807        | 188,995,603        | 193,720,493        |
| Operating Assistance - ARRA Federal Grants      | 0                  | 3,196,015          | 0                  | 0                  | 0                  | 0                  | 0                  |
| Short Term Notes                                | 8,000,000          | 0                  | 0                  | 0                  | 0                  | 0                  | 0                  |
| CMAQ Reimbursement for the Healthline           | 1,930,603          | 1,069,397          | 7,129,442          | 2,128,337          | 0                  | 0                  | 0                  |
| Operating Assistance - Paratransit Operation    | 0                  | 4,320,000          | 3,109,000          | 3,089,000          | 3,089,000          | 3,089,000          | 3,089,000          |
| Ohio Elderly Fare Assistance                    | 2,756,762          | 619,057            | 0                  | 0                  | 0                  | 0                  | 0                  |
| State Funding Fuel Initiative                   | 7,875,683          | 1,165,200          | 0                  | 0                  | 0                  | 0                  | 0                  |
| CMAQ Reimbursement - Trolley                    | 0                  | 1,765,764          | 980,980            | 0                  | 1,500,000          | 1,500,000          | 600,000            |
| Access to Jobs Program                          | 2,697,111          | 2,399,907          | 1,559,639          | 1,800,000          | 2,074,440          | 2,074,440          | 651,120            |
| Investment Income                               | 198,200            | 71,468             | 131,592            | 200,000            | 200,000            | 200,000            | 200,000            |
| Other Revenue                                   | 2,053,241          | 1,892,101          | 1,500,537          | 1,050,000          | 1,000,000          | 1,000,000          | 1,000,000          |
| Reimbursed Expenditures                         | 33,461,105         | 39,212,130         | 25,600,974         | 14,922,825         | 15,500,000         | 17,500,000         | 20,000,000         |
| <b>Total Revenue</b>                            | <b>264,513,721</b> | <b>267,042,085</b> | <b>262,176,372</b> | <b>256,128,128</b> | <b>261,017,644</b> | <b>267,748,728</b> | <b>273,434,643</b> |
| <b>Total Resources</b>                          | <b>272,914,806</b> | <b>269,922,189</b> | <b>282,023,333</b> | <b>292,504,109</b> | <b>295,964,026</b> | <b>284,967,721</b> | <b>275,399,977</b> |
| <b>Operating Expenditures</b>                   |                    |                    |                    |                    |                    |                    |                    |
| Personnel Services                              | 176,631,322        | 156,964,659        | 154,927,523        | 167,851,897        | 173,228,548        | 175,886,728        | 179,224,449        |
| Diesel Fuel                                     | 17,357,364         | 7,936,072          | 9,918,864          | 12,114,919         | 13,835,135         | 13,777,323         | 13,501,963         |
| Other Expenditures                              | 44,548,954         | 43,739,803         | 45,555,668         | 44,467,024         | 50,586,914         | 50,509,708         | 50,404,592         |
| <b>Total Operating Expenditures</b>             | <b>238,537,640</b> | <b>208,640,535</b> | <b>210,402,056</b> | <b>224,433,840</b> | <b>237,650,597</b> | <b>240,173,759</b> | <b>243,131,004</b> |
| <b>Short Term Notes Payment</b>                 | <b>0</b>           | <b>8,254,743</b>   | <b>0</b>           | <b>0</b>           | <b>0</b>           | <b>0</b>           | <b>0</b>           |
| <b>Transfer to the Insurance Fund</b>           | <b>3,520,000</b>   | <b>3,203,000</b>   | <b>3,250,000</b>   | <b>1,000,000</b>   | <b>1,400,000</b>   | <b>1,500,000</b>   | <b>1,700,000</b>   |
| <b>Transfer to the Pension Fund</b>             | <b>100,000</b>     | <b>100,000</b>     | <b>100,000</b>     | <b>100,000</b>     | <b>100,000</b>     | <b>100,000</b>     | <b>100,000</b>     |
| <b>Transfers to Capital</b>                     |                    |                    |                    |                    |                    |                    |                    |
| Bond Retirement Fund                            | 17,327,062         | 17,351,950         | 19,793,855         | 19,386,892         | 18,324,392         | 20,744,079         | 21,566,293         |
| Capital Improvement Fund                        | 10,550,000         | 12,525,000         | 12,101,441         | 12,636,995         | 21,270,044         | 20,484,550         | 13,497,116         |
| <b>Total Transfers to Capital</b>               | <b>27,877,062</b>  | <b>29,876,950</b>  | <b>31,895,296</b>  | <b>32,023,887</b>  | <b>39,594,436</b>  | <b>41,228,629</b>  | <b>35,063,409</b>  |
| <b>Total Expenditures</b>                       | <b>270,034,702</b> | <b>250,075,228</b> | <b>245,647,351</b> | <b>257,557,727</b> | <b>278,745,033</b> | <b>283,002,388</b> | <b>279,994,413</b> |
| <b>Ending Balance</b>                           | <b>2,880,104</b>   | <b>19,846,961</b>  | <b>36,375,981</b>  | <b>34,946,382</b>  | <b>17,218,993</b>  | <b>1,965,334</b>   | <b>-4,594,437</b>  |
| <b>Brookpark Lightning Strike Reserve Funds</b> | <b>0</b>           | <b>0</b>           | <b>1,100,000</b>   | <b>1,100,000</b>   | <b>0</b>           | <b>0</b>           | <b>0</b>           |
| <b>Rolling Stock Reserve Funds</b>              | <b>0</b>           | <b>0</b>           | <b>0</b>           | <b>7,000,000</b>   | <b>6,000,000</b>   | <b>0</b>           | <b>0</b>           |
| <b>Reserved Funds</b>                           | <b>0</b>           | <b>4,639,000</b>   | <b>6,602,000</b>   | <b>7,202,000</b>   | <b>7,202,000</b>   | <b>7,202,000</b>   | <b>7,202,000</b>   |
| <b>Available Ending Balance</b>                 | <b>2,880,104</b>   | <b>15,207,961</b>  | <b>28,673,981</b>  | <b>19,644,382</b>  | <b>4,016,992</b>   | <b>-5,236,667</b>  | <b>-11,796,438</b> |

Figure FB-4

## 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.

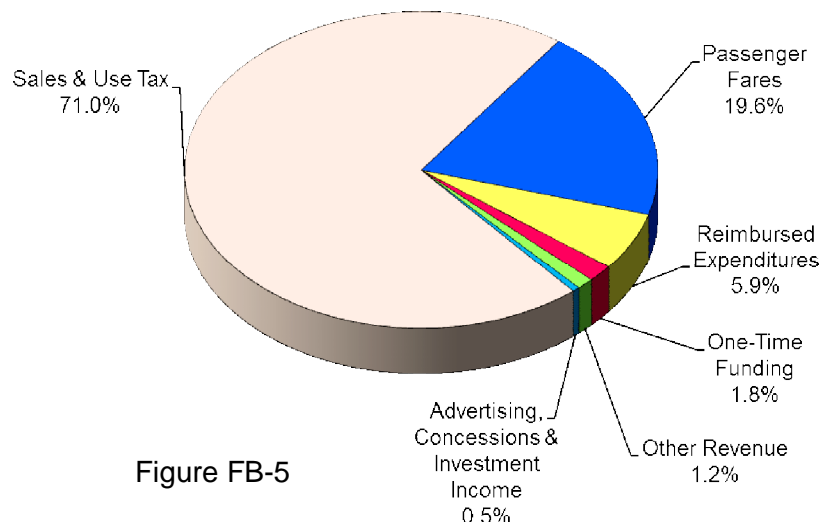


Figure FB-5

# Fund Budgets

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, \$163.2 million, moved above projection starting in June and was better than the original budget estimate or the revisions that had followed. This was due to the addition of managed health care to the tax base.

In 2011, Sales & Use Tax revenue was above projections for nearly the entire year, increasing at an average of 4.3% per month, ending the year 6.1% above 2010 receipts. Passenger Fares also increased by 5.0%, compared to 2010. 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.

Revenues for 2012 are projected at \$256.1 million. Passenger Fares are estimated to increase by 1.5%, compared to 2011 and Sales & Use Tax is projected to end the year 4.8% above 2011 figures. Intergovernmental sources (Federal and State assistance) are projected to be 8.7% of total revenue, with reimbursed expenditures projected at \$14.9 million. General Obligation Debt Proceeds will be \$25 million and expected to last three years. The capital program required additional debt sales to support planned capital activities.

Sales & Use Tax and Passenger Fare Revenues are projected at 2.1% and 2.0%, respectively, above 2012 estimates. Intergovernmental sources (Federal and State assistance) are projected at 8.5% of total revenue for 2013, an increase of only \$223,278, compared to 2012.

## 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). In late 2009, Managed Health Care was added to the tax base.

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 FB-5) 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.

# Fund Budgets

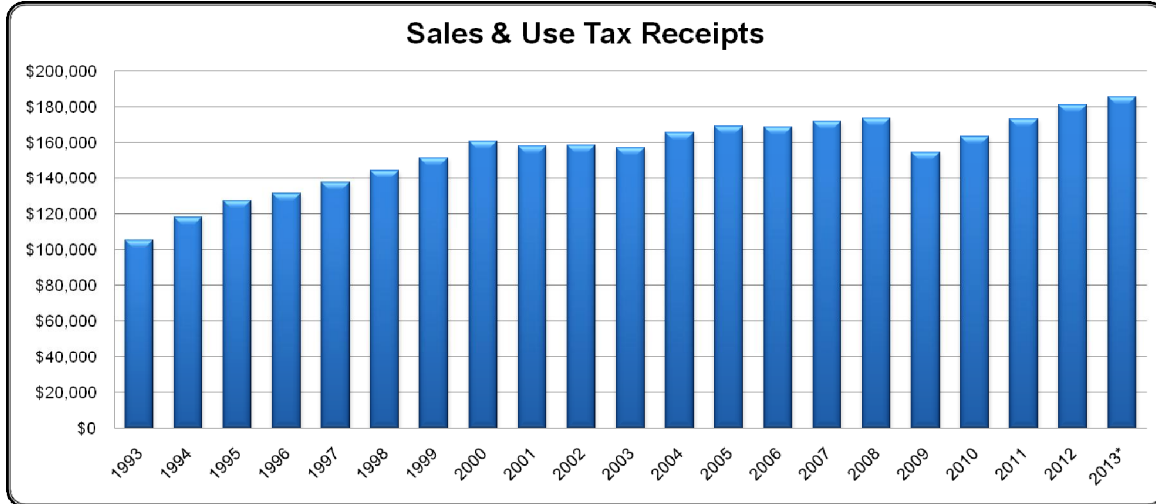


Figure FB-6

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 and again in 2010 and 2011 at 5.6% and 6.1%, respectively. There was minimal growth in 2005 at 2.2%, a negative 0.2% growth in 2006, a 1.8% growth in 2007, and a 1.1% increase in 2008, then a staggering 11% decline in 2009.

The increases projected for 2012 reflects a 4.8% increase from 2011. For 2013, the Sales & Use Tax is expected to have minimal growth, at 2.1%, compared to 2012 receipts. 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 Fourth District Federal Reserve is projecting a 2% growth in the economy for 2013.

## Passenger Fares

Passenger Fares are the second largest source of revenue to the General Fund, comprising 18.3% of the total revenue in 2011. 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.

# Fund Budgets

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, then executed. 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.

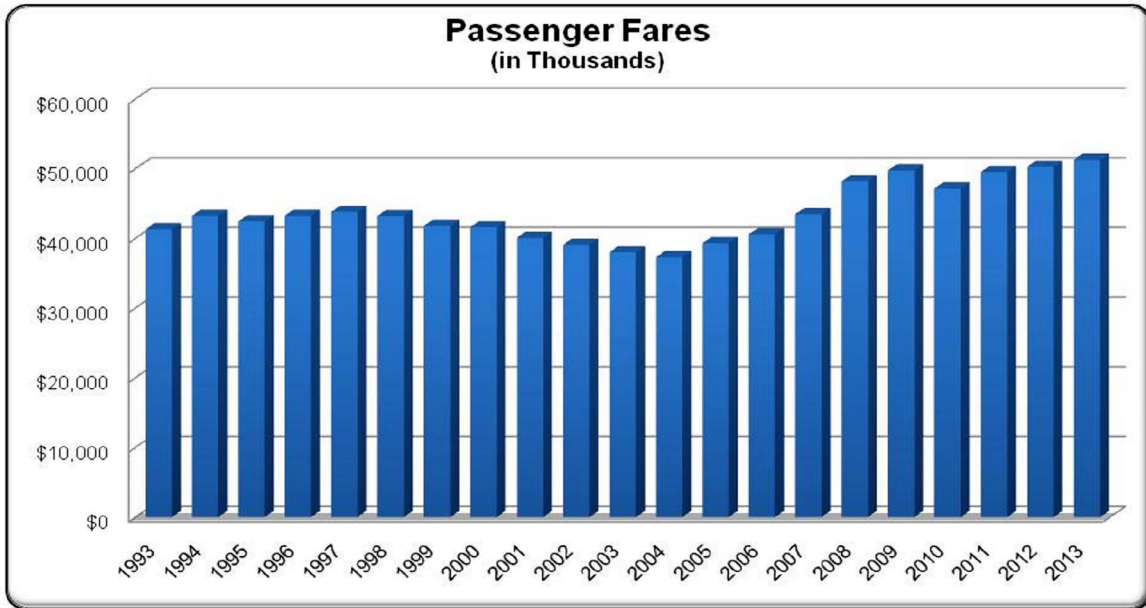


Figure FB-7

In 2011, passenger fares of \$48.0 million represented an increase of \$864,017, or 1.8%, over the 2010 level. 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 at \$50.3 million, or a 4.7% increase from 2011. For 2013, Passenger Fares are expected to increase by only 2.0%, compared to 2012 receipts.

## 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 lower balances and Federal Reserve actions lowering short-term rates. Investment income for 2011 was \$131,592, an increase of

# Fund Budgets

84%. In 2012, Investment income is estimated at \$200,000, an increase of 52% from the 2011 level. This is due to a higher ending balance and the end of each year. For 2013 and the two out-years, \$200,000 is estimated for each 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 new contract was signed in mid 2011 guaranteeing \$725,000 with a potential to increase this to \$1 million. In addition, the Authority will receive \$175,000 (net) from the HealthLine naming rights contract. In 2011 and 2012, the Authority received \$904,153 and \$1,375,671 through the new contract. In combination with a small amount of concessions revenue, \$1.1 million is expected in 2013 and the category is projected to remain steady in 2014 and 2015.

## 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 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

# Fund Budgets

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 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. In 2010, the amount received for elderly and handicapped fare assistance was further reduced to \$619,057.

The State eliminated this funding for 2011 and funding of future years is questionable. A 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.

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.



# Fund Budgets

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 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.

The 2013 Budget includes a 5% increase in service to alleviate overcrowding on some additional rail and bus lines, the annualization of three new Downtown Trolley routes, and a proposed new Park-N-Ride facility in Independence. As a result, a net increase of 20 positions is included in the 2013 budget, totaling 2,302.5 positions. Personnel costs, including fringe benefits, are budgeted at \$173.2 million, an increase of \$15 million from 2012 projections. This includes not only the additional 50 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 are assumed as %trade-offs+ thus representing no net increase in cost, demonstrating a commitment to financial control. The operating budget for 2013 is \$6.7 million more than budgeted in 2012, with \$3.6 million of that estimated for personnel services and \$1.4 million for inventory.

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 \$19.8 million in 2012 to cover increases in debt service payments and a planned debt issuance of \$25 million. 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 will to \$18.3 million. The transfer will remain steady in the future, at \$20.7 million in 2014 and 2015 reflecting actual debt payments.

In 2012, budgeted transfers to support the capital program equaled \$11.8 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.

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 2013, due to the need of additional financial resources in the capital fund for the upcoming bus replacement purchases, the capital contribution will increase to \$39.59 million, or 21.4% of all revenue from Sales & Use Tax collections. In 2014 it will again increase to \$41.23 million, or 21.8% as additional funds are moved for the bus replacement program, before dropping back to \$35.06 million, or 18.1% in FY 2015. To maintain the proper balance in the Insurance and

# Fund Budgets

Pension Funds, transfers of \$1.4 million and \$100,000, respectively, are needed in 2013. In 2014 and 2015, the Insurance Fund transfer will increase slightly to \$1.5 million and \$1.7 million respectively while the Pension Fund is projected to need transfers of \$100,000 in both years.

| <b>Areas of Expenditure Growth<br/>2013 Budget</b> |              |                      |              |
|--|--------------|----------------------|--------------|
| <b>2012 Projected Operating Expenses</b>           |              | <b>\$224,433,840</b> |              |
| <b>Compensation Issues</b>                         |              | <b>\$ 5,376,651</b>  | <b>2.40%</b> |
| Hourly & Salary Labor Increase                     | \$ 4,186,456 |                      |              |
| Fringe Benefits                                    | \$ 1,125,050 |                      |              |
| Unemployment Compensation                          | \$ 65,145    |                      |              |
| <b>Fuel / Utilities</b>                            |              | <b>\$ 4,069,392</b>  | <b>1.81%</b> |
| Diesel Fuel  | \$ 1,720,216 |                      |              |
| Propulsion Power                                   | \$ 547,905   |                      |              |
| Other Utilities                                    | \$ 1,801,271 |                      |              |
| <b>Service Opportunities</b>                       |              | <b>\$ 2,393,866</b>  | <b>1.07%</b> |
| ADA Purchased Transportation                       | \$ 593,162   |                      |              |
| Services   | \$ 1,459,712 |                      |              |
| Materials & Supplies                               | \$ 377,247   |                      |              |
| Inventory  | \$ (36,255)  |                      |              |
| <b>Administration Changes</b>                      |              | <b>\$ 1,376,848</b>  | <b>0.61%</b> |
| Workers' Compensation                              | \$ 566,327   |                      |              |
| Property Tax                                       | \$ 136,859   |                      |              |
| Other (Net)  | \$ 673,662   |                      |              |
| <b>Expenditure Growth</b>                          |              | <b>\$ 13,216,757</b> | <b>5.89%</b> |
| <b>2013 Budgeted Operating Expenditures</b>        |              | <b>\$237,650,597</b> |              |

Figure FB - 8

# 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 2012, the Authority has five General Obligation (G.O.) Bond Issues outstanding and at the end of FY 2012, had outstanding debt of \$151.94 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 1<sup>st</sup>.

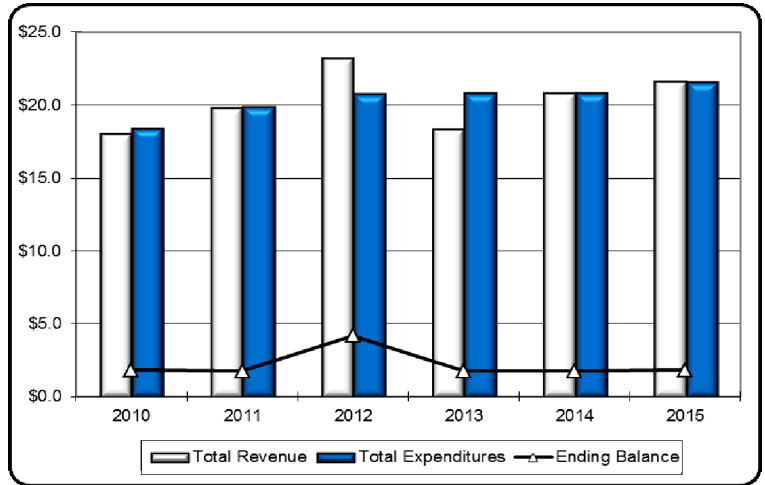


Figure FB - 9

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 \$13.91 million in principal and pay nearly \$6.86 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 2013 Budget, a transfer of \$18.32 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

|                                    | 2009              | 2010              | 2011              | 2012              | 2013              | 2014              | 2015              |
|------------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
|                                    | Actual            | Actual            | Actual            | Estimate          | Budget            | Budget            | Budget            |
| <b>Beginning Balance</b>           | 1,733,884         | 2,084,582         | 1,790,289         | 1,737,726         | 4,157,004         | 1,738,788         | 1,733,259         |
| <b>Revenue</b>                     |                   |                   |                   |                   |                   |                   |                   |
| Transfer from General Fund         | 17,327,062        | 17,351,950        | 19,793,855        | 19,386,892        | 18,324,392        | 20,744,079        | 21,566,293        |
| Transfer from RTA Development Fund | 700,000           | 700,000           | 0                 | 0                 | 0                 | 0                 | 0                 |
| Investment Income                  | 36,270            | 26,959            | 39,161            | 19,500            | 26,500            | 37,500            | 37,500            |
| Other Revenue                      | 0                 | 4,519             | 0                 | 3,779,561         | 0                 | 0                 | 0                 |
| <b>Total Revenue</b>               | <b>18,063,332</b> | <b>18,083,428</b> | <b>19,833,016</b> | <b>23,185,953</b> | <b>18,350,892</b> | <b>20,781,579</b> | <b>21,603,793</b> |
| <b>Total Resources</b>             | <b>19,797,216</b> | <b>20,168,010</b> | <b>21,623,305</b> | <b>24,923,679</b> | <b>22,507,896</b> | <b>22,520,367</b> | <b>23,337,052</b> |
| <b>Expenditures</b>                |                   |                   |                   |                   |                   |                   |                   |
| Debt Service                       |                   |                   |                   |                   |                   |                   |                   |
| Principal                          | 10,012,244        | 11,108,564        | 13,139,510        | 13,990,000        | 13,905,000        | 14,485,000        | 15,360,818        |
| Interest                           | 7,700,390         | 7,269,157         | 6,746,069         | 6,776,675         | 6,861,608         | 6,299,608         | 6,174,896         |
| Other Expenditures                 | 0                 | 0                 | 0                 | 0                 | 2,500             | 2,500             | 2,500             |
| <b>Total Expenditures</b>          | <b>17,712,634</b> | <b>18,377,721</b> | <b>19,885,579</b> | <b>20,766,675</b> | <b>20,769,108</b> | <b>20,787,108</b> | <b>21,538,214</b> |
| <b>Ending Balance</b>              | <b>2,084,582</b>  | <b>1,790,289</b>  | <b>1,737,726</b>  | <b>4,157,004</b>  | <b>1,738,788</b>  | <b>1,733,259</b>  | <b>1,798,838</b>  |

Figure FB - 10

# 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. Transfers to the General Fund totaling \$6.2 million were made in 1998-1999 to clear the excess amount in the fund above the required \$5.0 million,

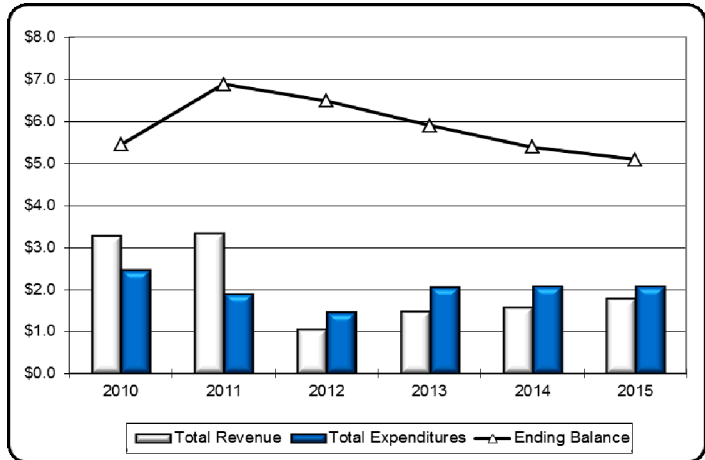


Figure FB - 11

representing a change in the structure of this fund. Unfortunately, unexpected claims costs and a decision to increase the fund balance back to \$7.5 million resulted in the necessity to infuse \$6.2 million back into the Insurance Fund from the General Fund between 2000 through 2003 to maintain the required minimum balance. 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 back to the \$5.0 million minimum level. The 2012 budget required a transfer of \$1.0 million to maintain this balance. In 2013, 2014, and 2015, transfers of \$1.4 million, \$1.5 million, and \$1.7 million, respectively, will be needed to maintain the required minimum balance.

### Insurance Fund Balance Analysis

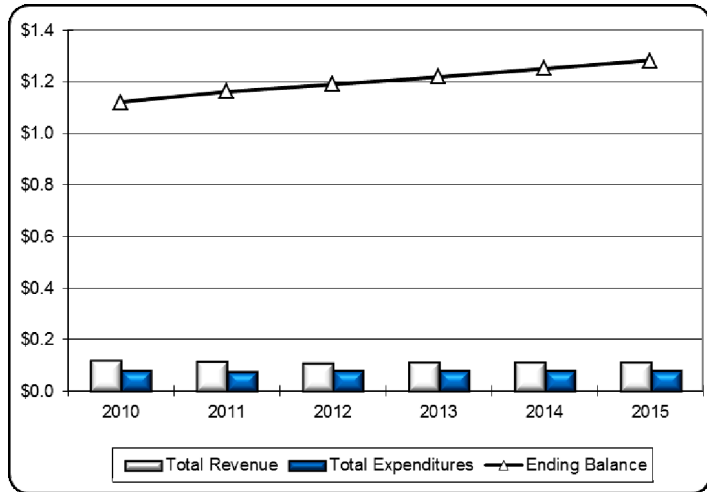
|                            | 2009<br>Actual   | 2010<br>Actual   | 2011<br>Actual   | 2012<br>Estimate | 2013<br>Budget   | 2014<br>Budget   | 2015<br>Budget   |
|----------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| <b>Beginning Balance</b>   | 5,432,199        | 4,634,855        | 5,448,731        | 6,883,060        | 6,487,631        | 5,900,131        | 5,397,631        |
| <b>Revenue</b>             |                  |                  |                  |                  |                  |                  |                  |
| Investment Income          | 75,515           | 70,551           | 72,788           | 43,968           | 57,500           | 62,500           | 62,500           |
| Transfer from General Fund | 3,520,000        | 3,203,000        | 3,250,000        | 1,000,000        | 1,400,000        | 1,500,000        | 1,700,000        |
| <b>Total Revenue</b>       | <b>3,595,515</b> | <b>3,273,551</b> | <b>3,322,788</b> | <b>1,043,968</b> | <b>1,457,500</b> | <b>1,562,500</b> | <b>1,762,500</b> |
| <b>Total Resources</b>     | <b>9,027,714</b> | <b>7,908,406</b> | <b>8,771,519</b> | <b>7,927,028</b> | <b>7,945,131</b> | <b>7,462,631</b> | <b>7,160,131</b> |
| <b>Expenditures</b>        |                  |                  |                  |                  |                  |                  |                  |
| Claims and Premium Outlay  | 4,392,859        | 2,459,675        | 1,888,459        | 1,439,397        | 2,045,000        | 2,065,000        | 2,065,000        |
| Other Expenditures         | 0                | 0                | 0                | 0                | 0                | 0                | 0                |
| <b>Total Expenditures</b>  | <b>4,392,859</b> | <b>2,459,675</b> | <b>1,888,459</b> | <b>1,439,397</b> | <b>2,045,000</b> | <b>2,065,000</b> | <b>2,065,000</b> |
| <b>Ending Balance</b>      | <b>4,634,855</b> | <b>5,448,731</b> | <b>6,883,060</b> | <b>6,487,631</b> | <b>5,900,131</b> | <b>5,397,631</b> | <b>5,095,131</b> |

Figure FB - 12

# 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 FB - 13

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 2013, 2014, and 2015, 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 2012, payments will be approximately \$79,100, decreasing to \$78,900 in 2013 and decreasing again to \$78,500 in 2014 and 2015. The ending balance in the fund is projected to be stable at \$1.2 million over the next three years.

### Supplemental Pension Fund Balance Analysis

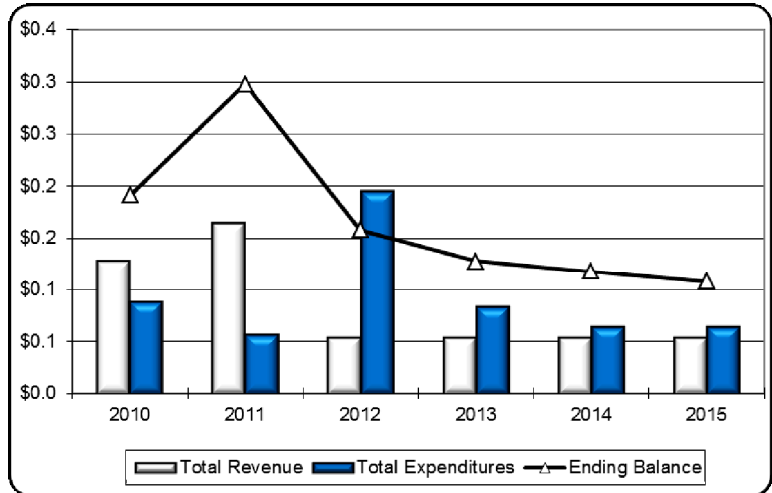
|                            | 2009<br>Actual | 2010<br>Actual | 2011<br>Actual | 2012<br>Estimate | 2013<br>Budget | 2014<br>Budget | 2015<br>Budget |
|----------------------------|----------------|----------------|----------------|------------------|----------------|----------------|----------------|
| <b>Beginning Balance</b>   | 1,036,017      | 1,083,091      | 1,121,472      | 1,161,820        | 1,190,818      | 1,220,668      | 1,251,318      |
| <b>Revenue</b>             |                |                |                |                  |                |                |                |
| Investment Income          | 28,441         | 17,532         | 15,704         | 8,098            | 8,750          | 9,150          | 9,350          |
| Transfer from General Fund | 100,000        | 100,000        | 100,000        | 100,000          | 100,000        | 100,000        | 100,000        |
| <b>Total Revenue</b>       | 128,441        | 117,532        | 115,704        | 108,098          | 108,750        | 109,150        | 109,350        |
| <b>Total Resources</b>     | 1,164,458      | 1,200,623      | 1,237,176      | 1,269,918        | 1,299,568      | 1,329,818      | 1,360,668      |
| <b>Expenditures</b>        |                |                |                |                  |                |                |                |
| Benefit Payments           | 81,366         | 79,151         | 75,357         | 79,100           | 78,900         | 78,500         | 78,500         |
| Other Expenditures         | 0              | 0              | 0              | 0                | 0              | 0              | 0              |
| <b>Total Expenditures</b>  | 81,366         | 79,151         | 75,357         | 79,100           | 78,900         | 78,500         | 78,500         |
| <b>Ending Balance</b>      | 1,083,091      | 1,121,472      | 1,161,820      | 1,190,818        | 1,220,668      | 1,251,318      | 1,282,168      |

Figure FB - 14

# Fund Budgets

## Law Enforcement Fund

In 1988, RTA became involved with the multi-jurisdictional 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.



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, ranging from over \$112,829 in 2008; \$60,318 in 2009; \$89,476 in 2010; \$58,110 in 2011, and \$127,271 in 2012, depending upon the levels of revenue obtained through the Task Force. These expenditures funded security items, protective equipment, and technical training equipment.

Figure FB - 15

## Law Enforcement Fund Balance Analysis

|                           | 2009<br>Actual | 2010<br>Actual | 2011<br>Actual | 2012<br>Estimate | 2013<br>Budget | 2014<br>Budget | 2015<br>Budget |
|---------------------------|----------------|----------------|----------------|------------------|----------------|----------------|----------------|
| <b>Beginning Balance</b>  | 172,193        | 152,517        | 191,563        | 298,091          | 157,867        | 127,992        | 118,117        |
| <b>Revenue</b>            |                |                |                |                  |                |                |                |
| Law Enforcement Revenue   | 11,280         | 2,340          | 0              | 0                | 0              | 0              | 0              |
| Investment Income         | 425            | 171            | 171            | 119              | 125            | 125            | 125            |
| Other Revenue             | 28,937         | 126,011        | 164,467        | 55,000           | 55,000         | 55,000         | 55,000         |
| <b>Total Revenue</b>      | <b>40,642</b>  | <b>128,522</b> | <b>164,638</b> | <b>55,119</b>    | <b>55,125</b>  | <b>55,125</b>  | <b>55,125</b>  |
| <b>Total Resources</b>    | <b>212,835</b> | <b>281,039</b> | <b>356,201</b> | <b>353,210</b>   | <b>212,992</b> | <b>183,117</b> | <b>173,242</b> |
| <b>Expenditures</b>       |                |                |                |                  |                |                |                |
| Capital & Related Items   | 60,318         | 89,476         | 58,110         | 127,271          | 85,000         | 65,000         | 65,000         |
| <b>Total Expenditures</b> | <b>60,318</b>  | <b>89,476</b>  | <b>58,110</b>  | <b>127,271</b>   | <b>85,000</b>  | <b>65,000</b>  | <b>65,000</b>  |
| Reconciling Journal Entry |                |                |                | 68,072           |                |                |                |
| <b>Ending Balance</b>     | <b>152,517</b> | <b>191,563</b> | <b>298,091</b> | <b>157,867</b>   | <b>127,992</b> | <b>118,117</b> | <b>108,242</b> |

Figure FB - 16

# 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

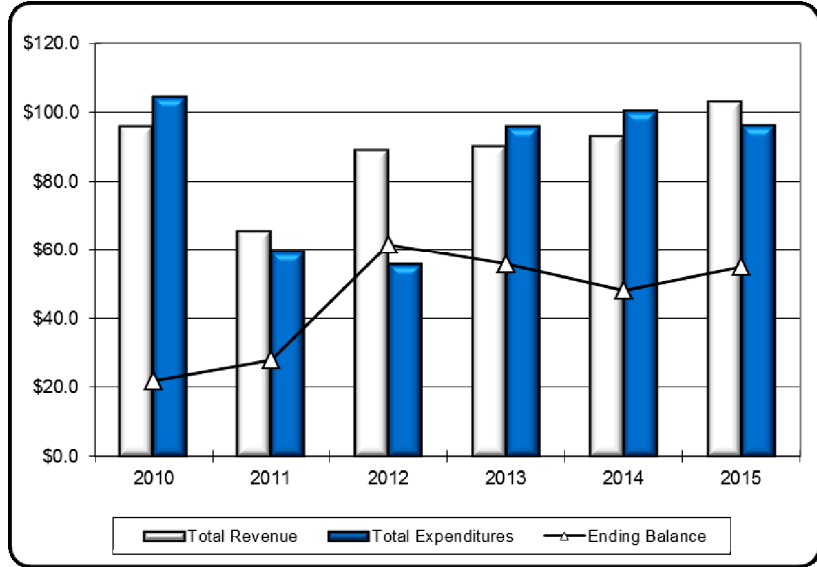


Figure FB - 17

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 grants. Projects from the Authority's Long Range Plan are included in this area and it includes those 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, and are routine in nature. Unlike the RTA Development Fund, where the majority of projects are funded with grants, the RTA Capital Fund is financed entirely through local dollars in the form of sales 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 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 this 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 FY2012. In 2012, the balance again increased due to a new debt issuance and a pause in the Authority's capital program in preparation for a busy FY 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

# 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.

The Authority's infrastructure needs continue to exceed the amount of available grant funding and most likely will require continued high levels of local financial support. In 2013, the Capital Budget appropriation request totals \$94.06 million for preventive maintenance and operating expense reimbursements, equipment, services, and construction projects to improve, replace or upgrade the Authority's facilities and infrastructure.

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 FY 2013, due to additional financial resources need for the upcoming bus replacement purchases, the Contribution to Capital from the General Fund is budgeted at \$21.27 million. It will slightly decrease in 2014 to \$20.48 million, and then drop to \$13.50 million in 2015 when the additional funding for bus replacements will end. 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

|                                  | 2009               | 2010               | 2011              | 2012               | 2013               | 2014               | 2015               |
|----------------------------------|--------------------|--------------------|-------------------|--------------------|--------------------|--------------------|--------------------|
|                                  | Actual             | Actual             | Actual            | Estimate           | Budget             | Budget             | Budget             |
| <b>Beginning Balance</b>         | <b>33,755,518</b>  | <b>30,706,082</b>  | <b>21,950,024</b> | <b>28,008,854</b>  | <b>61,445,739</b>  | <b>55,725,805</b>  | <b>48,124,077</b>  |
| <b>Revenue</b>                   |                    |                    |                   |                    |                    |                    |                    |
| Transfer from General Fund       | 10,550,000         | 12,525,000         | 12,101,441        | 12,636,995         | 21,270,044         | 20,484,550         | 13,497,116         |
| Investment Income                | 272,360            | 245,001            | 242,606           | 161,235            | 235,450            | 245,400            | 245,400            |
| Federal Capital Grants           | 73,648,082         | 81,487,975         | 51,104,869        | 47,023,123         | 67,243,750         | 70,687,500         | 67,787,500         |
| State Capital Grants             | 9,162,154          | 1,807,284          | 778,956           | 1,135,673          | 1,730,822          | 1,730,822          | 1,730,822          |
| General Obligation Debt Proceeds | 0                  | 0                  | 0                 | 25,000,000         | 0                  | 0                  | 20,000,000         |
| Other Revenue                    | 0                  | 41                 | 1,500,000         | 3,304,859          | 0                  | 0                  | 0                  |
| <b>Total Revenue</b>             | <b>93,632,596</b>  | <b>96,065,301</b>  | <b>65,727,872</b> | <b>89,261,885</b>  | <b>90,480,066</b>  | <b>93,148,272</b>  | <b>103,260,838</b> |
| <b>Total Resources</b>           | <b>127,388,114</b> | <b>126,771,383</b> | <b>87,677,896</b> | <b>117,270,739</b> | <b>151,925,805</b> | <b>148,874,077</b> | <b>151,384,916</b> |
| <b>Expenditures</b>              |                    |                    |                   |                    |                    |                    |                    |
| Capital Outlay                   | 95,982,032         | 104,121,359        | 59,669,042        | 55,825,000         | 96,200,000         | 100,750,000        | 96,400,000         |
| Other Expenditures               | 0                  | 0                  | 0                 | 0                  | 0                  | 0                  | 0                  |
| Transfer to Bond Retirement Fund | 700,000            | 700,000            | 0                 | 0                  | 0                  | 0                  | 0                  |
| <b>Total Expenditures</b>        | <b>96,682,032</b>  | <b>104,821,359</b> | <b>59,669,042</b> | <b>55,825,000</b>  | <b>96,200,000</b>  | <b>100,750,000</b> | <b>96,400,000</b>  |
| <b>Available Ending Balance</b>  | <b>30,706,082</b>  | <b>21,950,024</b>  | <b>28,008,854</b> | <b>61,445,739</b>  | <b>55,725,805</b>  | <b>48,124,077</b>  | <b>54,984,916</b>  |

Figure FB - 18



# 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, 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, and receives sales and use tax proceeds as part of the minimum 10% 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.

Even as revenue from the Sales & Use Tax stagnated and decreased in recent years, Transfers from General Fund revenue to the RTA Capital Fund have grown significantly in recent years to meet the financial needs of an aggressive capital program. Since 2007, these transfers grew from \$6.8 million to an estimated \$12.64 million in 2012. For the 2013 Budget Year, the Transfer from the General Fund will significantly increase to a planned \$21.27 million, to meet the needs of the capital program. The increase in this transfer in the FY 2013 and subsequent FY 2014 Budget Years is the result of aligning the local funding component of the Authority five-year bus replacement schedule into the correct capital fund. This amount, when combined with an expected \$18.32 million transfer to the Bond Retirement Fund will produce a total contribution of Sales & Use Tax revenue to capital of \$39.59 million, or 21.4 percent of all Sales & Use Tax Revenue, again exceeding the Authority's maximum target goal of 15%.

The General Fund Transfers to the RTA Capital Fund will again increase in FY 2014 to a combined \$41.23 million, or 21.8 percent, before decreasing to \$35.06 million, or 18.1 percent, in FY 2015 as the local funding component for the bus replacements is completed. The continued high levels in the General Fund contribution to capital, as well as this measure remaining well above the maximum goal of 15.0%, highlights the problem of meeting the operating needs of the Authority while maintaining the Authority's assets as well. Meeting both 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.

## 2013 Department Budgets

|  |         |
|--|---------|
| <b>Introduction</b>                        | DB - 1  |
| <b>Authority-Wide Organizational Chart</b> | DB - 3  |
| <b>Expenditures by Division</b>            | DB - 4  |
| <b>Staffing by Division</b>                | DB - 6  |
| <br>                                       |         |
| <b>Department Budgets</b>                  |         |
| Operations Division                        | DB - 7  |
| Finance & Administration Division          | DB - 37 |
| Engineering & Project Management Division  | DB - 53 |
| Legal Affairs Division                     | DB - 63 |
| Human Resources Division                   | DB - 73 |
| Executive Division                         | DB - 83 |

# 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 DB-3. General Fund expenditures by Division, with Department totals, are listed on pages DB-4 and DB-5, followed by Staffing by Division, with Department totals on DB-6 and DB-7.

Division . For each of the divisions within the Authority, a narrative introduces the mission and general description of the division. Achievements from 2012 are highlighted, in addition to priorities for the upcoming 2013 Budget Year.

Department . Detailed information is presented for each department, including a description of the department's functions. 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 below and on page 6 of the Transmittal Letter (TL-6).

1. **Customer Focus:** Provide safe, high-quality service to all customers and support our employees in that endeavor.
2. **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.
3. **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.
4. **Improve Financial Health:** Improve the agency's financial health through efficient use of resources and the pursuit of new and innovative revenue sources.
5. **Provide Community Benefits:** Provide social, economic, and environmental benefits to the community through system improvements and increase community awareness of these contributions.

# Department Budgets

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

|  |
|--|
| POSITION<br>TITLE<br>JOB CLASS<br>(# OF POSITIONS) |
|--|

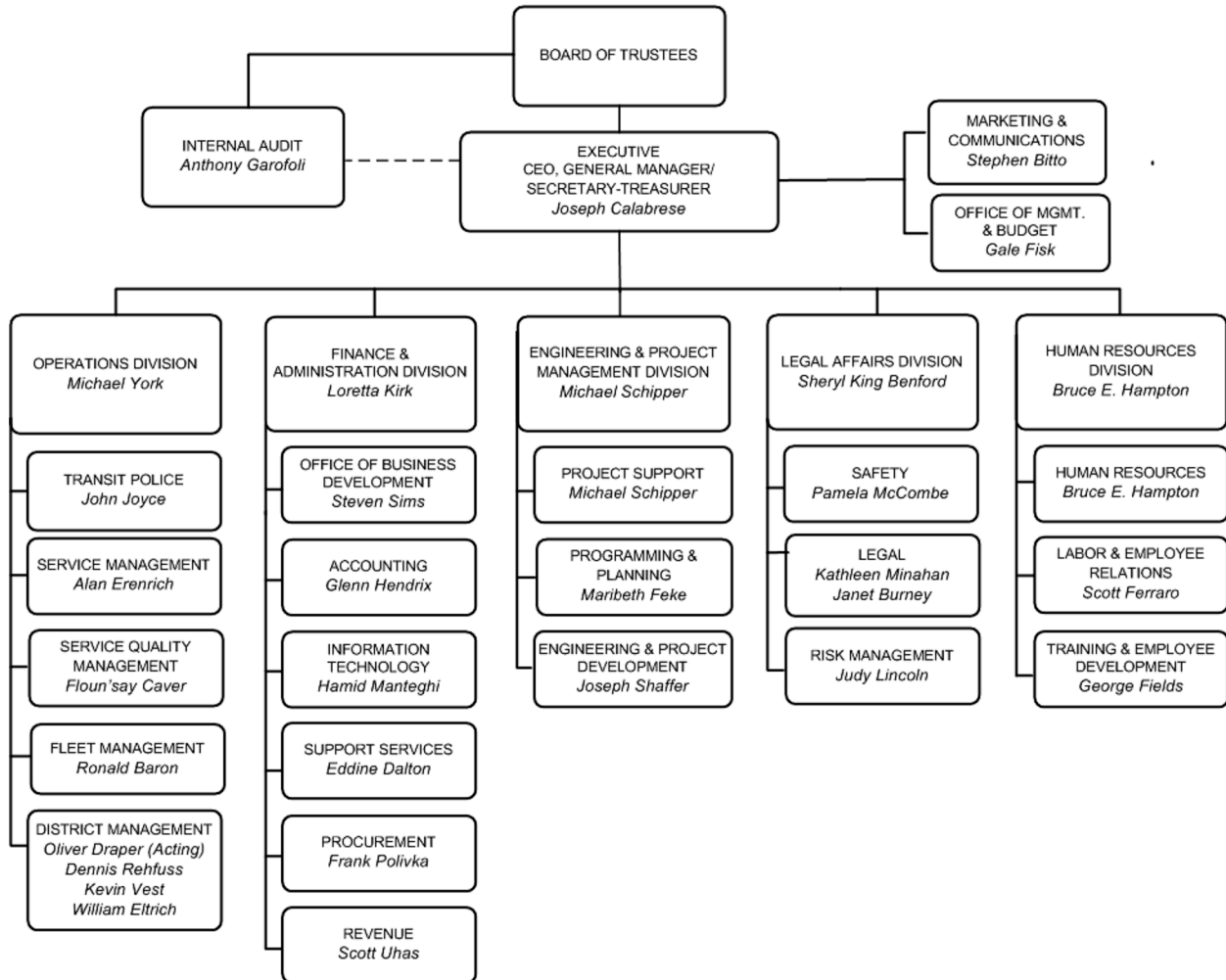
A solid box indicates that the position is budgeted and reports to the Department in which it is referenced. A dotted box denotes that the position has a reporting relationship with the particular Department but is not budgeted by the Department in which it is shown. A solid line from one box to another 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 2013 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.

Furthermore, the organizational charts included in the 2013 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.

# Department Budgets

GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY  
TABLE OF ORGANIZATION  
AS OF 2013 BUDGET ADOPTION



# Department Budgets

## General Fund Expenditures by Division

### DIV: 1 - OPERATIONS

| DEPT #                 | DESCRIPTION                | 2010 Actual           | 2011 Actual           | 2012 2nd Quarter      | 2013 Base Budget      | 2014 Budget           | 2015 Budget           |
|------------------------|----------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| 31                     | PARATRANSIT DISTRICT       | 15,946,317.77         | 17,235,195.56         | 17,424,632.56         | 20,258,807.00         | 20,457,435.70         | 20,699,591.97         |
| 32                     | RAIL DISTRICT              | 30,347,588.92         | 31,721,553.41         | 31,406,170.60         | 33,780,087.00         | 34,227,205.13         | 34,848,925.05         |
| 34                     | TRANSIT POLICE             | 10,114,804.44         | 10,370,218.27         | 10,479,979.73         | 12,381,232.00         | 12,559,697.29         | 12,787,269.63         |
| 35                     | SERVICE MANAGEMENT         | 12,088,046.49         | 6,858,197.44          | 7,668,715.41          | 8,647,677.46          | 8,631,737.79          | 8,533,455.72          |
| 38                     | SERVICE QUALITY MANAGEMENT | 5,533,532.35          | 5,522,593.42          | 5,619,160.70          | 6,378,271.00          | 6,475,766.33          | 6,598,158.37          |
| 39                     | FLEET MANAGEMENT           | 30,383,774.92         | 33,144,686.59         | 33,937,220.66         | 40,992,747.97         | 41,141,375.29         | 41,131,769.99         |
| 43                     | SATELLITES AND PASS THRU   | 274,999.90            | 269,627.91            | 270,268.98            | 286,110.00            | 286,110.00            | 286,110.00            |
| 46                     | HAYDEN DISTRICT            | 31,097,490.87         | 39,947,516.97         | 40,947,666.84         | 43,461,906.44         | 44,129,676.72         | 44,991,929.95         |
| 47                     | HARVARD DISTRICT           | 15,998,913.43         | (16,184.75)           | (16,184.75)           | 0.00                  | 0.00                  | 0.00                  |
| 49                     | TRISKETT DISTRICT          | 23,376,511.12         | 27,155,902.19         | 28,559,092.19         | 30,316,270.72         | 30,780,307.48         | 31,379,831.77         |
| <b>DIVISION TOTALS</b> |                            | <b>175,161,980.21</b> | <b>172,209,307.01</b> | <b>176,296,722.92</b> | <b>196,503,109.59</b> | <b>198,689,311.73</b> | <b>201,257,042.44</b> |

### DIV: 2 - FINANCE AND ADMINISTRATION

| DEPT #                 | DESCRIPTION                    | 2010 Actual          | 2011 Actual          | 2012 2nd Quarter     | 2013 Base Budget     | 2014 Budget          | 2015 Budget          |
|------------------------|--------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| 10                     | OFFICE OF BUSINESS DEVELOPMENT | 354,622.01           | 359,389.68           | 364,197.87           | 387,731.00           | 393,897.95           | 400,231.51           |
| 60                     | ACCOUNTING                     | 1,548,427.25         | 1,554,720.51         | 1,601,792.15         | 2,191,149.00         | 2,224,004.07         | 2,260,758.91         |
| 61                     | INFORMATION SYSTEMS            | 3,853,874.53         | 3,997,254.71         | 3,886,484.38         | 4,447,752.00         | 4,481,216.71         | 4,515,585.63         |
| 62                     | SUPPORT SERVICES               | 827,872.41           | 832,450.37           | 846,927.58           | 922,580.00           | 930,235.89           | 938,854.24           |
| 64                     | PROCUREMENT                    | 1,503,022.48         | 1,494,381.10         | 1,530,791.20         | 1,419,043.00         | 1,441,319.72         | 1,464,198.27         |
| 65                     | REVENUE                        | 1,924,982.24         | 1,975,265.37         | 2,140,023.95         | 2,205,811.00         | 2,227,999.77         | 2,252,822.26         |
| <b>DIVISION TOTALS</b> |                                | <b>10,012,800.92</b> | <b>10,213,461.74</b> | <b>10,370,217.13</b> | <b>11,574,066.00</b> | <b>11,698,674.12</b> | <b>11,832,450.82</b> |

### DIV: 3 - ENGINEERING & PROJECT MANAGEMENT

| DEPT #                 | DESCRIPTION                       | 2010 Actual         | 2011 Actual         | 2012 2nd Quarter    | 2013 Base Budget    | 2014 Budget         | 2015 Budget         |
|------------------------|-----------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| 09                     | EUCLID CORRIDOR TRANSP. PROJECT   | 0.00                | 0.00                | 0.00                | 0.00                | 0.00                | 0.00                |
| 55                     | PROJECT SUPPORT                   | 522,107.17          | 420,181.13          | 622,708.90          | 395,225.07          | 400,968.03          | 406,870.06          |
| 57                     | PROGRAMMING & PLANNING            | 614,943.52          | 678,838.38          | 725,343.31          | 814,657.41          | 821,545.73          | 828,620.15          |
| 80                     | ENGINEERING & PROJECT DEVELOPMENT | 1,211,390.45        | 1,380,416.48        | 1,386,314.05        | 1,969,128.23        | 2,000,562.03        | 2,032,845.05        |
| <b>DIVISION TOTALS</b> |                                   | <b>2,348,441.14</b> | <b>2,479,435.99</b> | <b>2,734,366.26</b> | <b>3,179,010.71</b> | <b>3,223,075.79</b> | <b>3,268,335.26</b> |

# Department Budgets

## General Fund Expenditures by Division

### DIV: 4 - LEGAL AFFAIRS

| DEPT #                 | DESCRIPTION     | 2010 Actual         | 2011 Actual         | 2012 2nd Quarter    | 2013 Base Budget     | 2014 Budget          | 2015 Budget          |
|------------------------|-----------------|---------------------|---------------------|---------------------|----------------------|----------------------|----------------------|
| 15                     | SAFETY          | 733,433.95          | 777,265.18          | 728,651.79          | 954,794.00           | 964,273.38           | 974,009.21           |
| 21                     | LEGAL           | 1,396,214.46        | 1,467,085.18        | 1,558,482.30        | 1,899,319.00         | 1,925,630.41         | 1,952,652.65         |
| 22                     | RISK MANAGEMENT | 7,355,524.91        | 7,482,643.67        | 7,136,276.40        | 8,067,266.00         | 8,089,052.53         | 8,112,630.05         |
| <b>DIVISION TOTALS</b> |                 | <b>9,485,173.32</b> | <b>9,726,994.03</b> | <b>9,423,410.49</b> | <b>10,921,379.00</b> | <b>10,978,956.32</b> | <b>11,039,291.91</b> |

### DIV: 5 - HUMAN RESOURCES

| DEPT #                 | DESCRIPTION                     | 2010 Actual         | 2011 Actual         | 2012 2nd Quarter    | 2013 Base Budget    | 2014 Budget         | 2015 Budget         |
|------------------------|---------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| 14                     | HUMAN RESOURCES                 | 984,103.41          | 1,129,757.68        | 1,030,413.85        | 1,608,210.00        | 1,628,946.36        | 1,650,265.41        |
| 18                     | LABOR & EMPLOYEE RELATIONS      | 1,868,382.03        | 1,011,664.49        | 1,186,040.91        | 966,555.00          | 968,111.98          | 974,846.10          |
| 30                     | TRAINING & EMPLOYEE DEVELOPMENT | 2,008,688.88        | 2,138,216.78        | 2,023,184.54        | 2,595,367.00        | 2,632,584.37        | 2,673,368.15        |
| <b>DIVISION TOTALS</b> |                                 | <b>4,861,174.32</b> | <b>4,279,638.95</b> | <b>4,239,639.30</b> | <b>5,170,132.00</b> | <b>5,229,642.71</b> | <b>5,298,479.67</b> |

### DIV: 6 - EXECUTIVE

| DEPT #                         | DESCRIPTION                          | 2010 Actual           | 2011 Actual           | 2012 2nd Quarter      | 2013 Base Budget      | 2014 Budget           | 2015 Budget           |
|--------------------------------|--------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| 12                             | EXECUTIVE                            | 1,965,347.00          | 1,936,509.65          | 814,101.59            | 924,374.00            | 935,783.86            | 947,507.63            |
| 16                             | SECRETARY/TREAS. - BOARD OF TRUSTEES | 344,991.90            | 299,567.18            | 307,407.14            | 340,805.00            | 342,919.43            | 345,090.98            |
| 19                             | INTERNAL AUDIT                       | 602,733.99            | 714,658.38            | 634,085.71            | 761,288.00            | 771,953.53            | 782,907.19            |
| 53                             | MARKETING & COMMUNICATIONS           | 2,907,031.83          | 2,999,507.36          | 3,019,210.53          | 3,138,561.00          | 3,172,232.11          | 3,209,901.86          |
| 67                             | OFFICE OF MANAGEMENT & BUDGET        | 950,859.81            | 5,609,399.44          | 3,093,685.52          | 5,137,872.00          | 5,156,174.86          | 5,174,972.19          |
| 99                             | FUND TRANSFERS                       | 41,434,693.00         | 35,245,296.00         | 34,898,192.00         | 41,094,436.00         | 41,203,579.00         | 37,175,723.00         |
| <b>DIVISION TOTALS</b>         |                                      | <b>48,205,657.53</b>  | <b>46,804,938.01</b>  | <b>42,766,682.49</b>  | <b>51,397,336.00</b>  | <b>51,582,642.79</b>  | <b>47,636,102.86</b>  |
| <b>OVERALL DIVISION TOTALS</b> |                                      | <b>250,075,227.44</b> | <b>245,713,775.73</b> | <b>245,831,038.59</b> | <b>278,745,033.30</b> | <b>281,402,303.46</b> | <b>280,331,702.96</b> |

# Department Budgets

## STAFFING LEVEL COMPARISONS Authorized Staffing Level by Division

|   | 2010         | 2011         | 2012           | 2013           | Variance<br>2013 - 2012 |
|---|--------------|--------------|----------------|----------------|-------------------------|
| <b>OPERATIONS</b>                           |              |              |                |                |                         |
| PARATRANSIT DISTRICT                        | 182          | 180          | 181.0          | 185.0          | 4.0                     |
| RAIL DISTRICT                               | 383          | 362          | 368.0          | 353.0          | -15.0                   |
| TRANSIT POLICE                              | 148          | 149          | 149.0          | 153.0          | 4.0                     |
| SERVICE MANAGEMENT                          | 64           | 68           | 72.0           | 75.0           | 3.0                     |
| SERVICE QUALITY MANAGEMENT                  | 67           | 67           | 68.0           | 70.5           | 2.5                     |
| FLEET MANAGEMENT                            | 174          | 163          | 164.0          | 169.0          | 5.0                     |
| HAYDEN DISTRICT                             | 411          | 590          | 611.0          | 610.0          | -1.0                    |
| HARVARD DISTRICT                            | 441          | -            | -              | -              | 0.0                     |
| TRISKETT DISTRICT                           | 336          | 394          | 421.0          | 423.0          | 2.0                     |
| <b>TOTALS</b>                               | <b>2,206</b> | <b>1,973</b> | <b>2,034.0</b> | <b>2,038.5</b> | <b>4.5</b>              |
| <b>FINANCE &amp; ADMINISTRATION</b>         |              |              |                |                |                         |
| OFFICE OF BUSINESS DEVELOPMENT              | 4            | 4            | 4.0            | 4.0            | 0.0                     |
| ACCOUNTING                                  | 22           | 22           | 24.0           | 24.0           | 0.0                     |
| INFORMATION TECHNOLOGY                      | 23           | 23           | 23.0           | 23.0           | 0.0                     |
| SUPPORT SERVICES                            | 8            | 7            | 7.0            | 7.0            | 0.0                     |
| PROCUREMENT                                 | 18           | 16           | 16.0           | 16.0           | 0.0                     |
| REVENUE                                     | 20           | 18           | 18.0           | 18.0           | 0.0                     |
| <b>TOTALS</b>                               | <b>95</b>    | <b>90</b>    | <b>92.0</b>    | <b>92.0</b>    | <b>0.0</b>              |
| <b>ENGINEERING &amp; PROJECT MANAGEMENT</b> |              |              |                |                |                         |
| PROJECT SUPPORT                             | 7            | 6            | 5.0            | 4.0            | -1.0                    |
| PROGRAMMING & PLANNING                      | 4            | 4            | 4.0            | 4.0            | 0.0                     |
| ENGINEERING & PROJECT DEVELOPMENT           | 13           | 13           | 16.0           | 17.0           | 1.0                     |
| <b>TOTALS</b>                               | <b>24</b>    | <b>23</b>    | <b>25.0</b>    | <b>25.0</b>    | <b>0.0</b>              |
| <b>LEGAL AFFAIRS</b>                        |              |              |                |                |                         |
| SAFETY                                      | 6            | 6            | 6.5            | 7.0            | 0.5                     |
| LEGAL                                       | 15           | 14           | 15.0           | 15.0           | 0.0                     |
| RISK MANAGEMENT                             | 17           | 17           | 16.5           | 16.5           | 0.0                     |
| <b>TOTALS</b>                               | <b>38</b>    | <b>37</b>    | <b>38.0</b>    | <b>38.5</b>    | <b>0.5</b>              |
| <b>HUMAN RESOURCES</b>                      |              |              |                |                |                         |
| HUMAN RESOURCES                             | 15           | 12           | 16.0           | 16.0           | 0.0                     |
| LABOR & EMPLOYEE RELATIONS                  | 6            | 5            | 5.0            | 5.0            | 0.0                     |
| TRAINING & EMPLOYEE DEVELOPMENT             | 24           | 25           | 25.0           | 26.0           | 1.0                     |
| <b>TOTALS</b>                               | <b>45</b>    | <b>42</b>    | <b>46.0</b>    | <b>47.0</b>    | <b>1.0</b>              |
| <b>EXECUTIVE</b>                            |              |              |                |                |                         |
| EXECUTIVE                                   | 12           | 14           | 5.0            | 5.0            | 0.0                     |
| SECRETARY/TREASURER - BOARD OF TRUSTEES     | 11           | 11           | 11.0           | 11.0           | 0.0                     |
| INTERNAL AUDIT                              | 7            | 7            | 7.0            | 7.0            | 0.0                     |
| MARKETING & COMMUNICATIONS                  | 29           | 26           | 27.5           | 27.5           | 0.0                     |
| OFFICE OF MANAGEMENT & BUDGET               | 10           | 10           | 11.0           | 11.0           | 0.0                     |
| <b>TOTALS</b>                               | <b>69</b>    | <b>68</b>    | <b>61.5</b>    | <b>61.5</b>    | <b>0.0</b>              |
| <b>GRAND TOTAL</b>                          | <b>2,477</b> | <b>2,233</b> | <b>2,296.5</b> | <b>2,302.5</b> | <b>6.0</b>              |

In 2010, the Harvard Garage closed. Most of the employees were relocated to one of the other two districts: Hayden or Triskett. In 2010 and 2011, the District General Managers (DGM) were budgeted in the Executive Department of the Executive Division. Beginning in 2012, the DGMs were budgeted in their respective Divisions. These changes have been noted on the Expenditures by Division and Staffing Level Comparisons charts.



## 2013 Department Budgets

### Operations Division

|                            |               |
|----------------------------|---------------|
| <b>Division Summary</b>    | <b>DB - 7</b> |
| Paratransit District       | DB - 10       |
| Rail District              | DB - 13       |
| Transit Police             | DB - 16       |
| Service Management         | DB - 19       |
| Service Quality Management | DB - 22       |
| Fleet Management           | DB - 25       |
| Pass-Thrus                 | DB - 29       |
| Hayden District            | DB - 30       |
| Harvard District           | DB - 33       |
| Triskett District          | DB - 34       |

# 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.

#### 2012 Achievements

- ◆ Resources were added to routes identified in the 2012 Service Management Plan (SMP) that were experiencing overloading.
- ◆ Running times were adjusted to routes identified in the 2012 SMP.
- ◆ Red Line weekday 15 minute service frequency and 20 minute service frequency on evenings and weekends will be instituted when the lightning strike damage is repaired. Shuttle bus service will match these service frequencies during the Airport Tunnel and S-Curve reconstruction projects.
- ◆ All Health Line trips were extended to the Stokes/Windermere RTS and the #7 and #32 routes were extended to Euclid Ave.
- ◆ All #81 trips were extended to Steelyard Commons 24/7.
- ◆ The C-Line Trolley, the Rock-Line weekend Trolley and the 9/12 E. 9<sup>th</sup> Trolley services were implemented on Sept. 10th.
- ◆ Continued fine-tuning of services to minimize cost and maximize service delivery productivity.
- ◆ Continued to improve the cost-effectiveness and efficiency of service delivery.
- ◆ 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.
- ◆ Continued to aggressively support and participate in the TransitStat program to reduce costs and improve the Authority's business practices and services.
- ◆ Continued to aggressively enforce energy conservation and sustainability initiatives.
- ◆ Continued Proof-of-Payment (POP) fare enforcement on the HealthLine and Red Line.
- ◆ Continued Brand Management efforts in conjunction with Marketing: HealthLine, Downtown Trolley, Red Line, Blue/Green Lines, Transit Centers and Park -and- Ride Service.
- ◆ Continued implementation of real-time service information for customers.

# Operations Division

- ◆ Expanded utilization of TransitMaster software to monitor schedule adherence on a real-time basis with immediate operator follow-up and correction.
- ◆ Began installation of doors with safety sensitive edges on Light Rail Vehicles.
- ◆ Resolve Siemens radio contract issues and closed the contract.
- ◆ Began replacement/upgrade 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 and emergency preparedness and operations plans and incorporated into the System Security Plan the recommendations from the 2011 FTA/ODOT Audit.
- ◆ Continued efforts for reducing crime on RTA vehicles and at RTA facilities.
- ◆ Procured and began installation of a new rail wheel lathe.
- ◆ Managed the NASA fuel cell project. Implementation of service in November.

## 2013 Objectives

- ◆ Restore weekday Waterfront Line when the Flats east bank mixed-use development currently under construction becomes substantially occupied.
- ◆ Implement the services identified in the 2013 Service Management Plan (SMP), including restoration of 15 min. all day Red Line service.
- ◆ Continue fine-tuning services to minimize cost and maximize service delivery productivity.
- ◆ Continue to improve the cost-effectiveness and efficiency of service delivery.
- ◆ Continue the Airport Tunnel construction bus shuttle operation and implement/operate a bus shuttle for the S-Curve construction.
- ◆ 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.
- ◆ Implement the MAP 21 Safety and State of Good Repair standards.
- ◆ Continue focus on Rail infrastructure repair/upgrades. The MAP 21 State of Good Repair standard will most likely address this issue.
- ◆ Procure & install event recorders for rail revenue vehicles.
- ◆ Continue to aggressively support and participate in the TransitStat program to reduce costs and improve the Authority's business practices and services.
- ◆ Include fare box and radio failures for TransitStat analyses and reporting.

# Operations Division

- ◆ Conduct cost/benefit analysis for the Operator/Vehicle Performance demonstrations (i.e., Green Roads, DriveCam & Smart Drive) and recommend disposition (i.e., procure or not).
- ◆ Continue to aggressively enforce energy conservation and sustainability initiatives.
- ◆ Continue Proof-of-Payment (POP) fare enforcement on the HealthLine and Red Line.
- ◆ Continue Brand Management efforts in conjunction with Marketing: HealthLine, Downtown Trolley, Red Line, Blue/Green Lines, Transit Centers and Park/Ride Service.
- ◆ Complete in-house rehabilitation of 40 Heavy Rail Vehicles.
- ◆ Complete installation of doors with safety sensitive edges on Light Rail Vehicles.
- ◆ Complete replacement/upgrade operator dispatch system (MIDAS replacement).
- ◆ Continue rail infrastructure rehabilitation.
- ◆ Continue establishment of standards/guidelines for measuring maintenance performance.
- ◆ Continue to refine RTA's system security and emergency preparedness and operations plans.
- ◆ Increase Transit Police presence on Red Line trains, particularly during school travel periods.
- ◆ Procure & implement a smart phone/web-based system whereby RTA customers and the general public can anonymously report security, safety, crime, etc. issues/observations to Transit Police.
- ◆ Continue efforts for reducing crime on RTA vehicles and at RTA facilities.
- ◆ Complete installation of the new rail wheel lathe in early 2013.
- ◆ Continue to manage the NASA fuel cell project and operate/maintain the FC Bus.
- ◆ Procure non-revenue vehicles as budgeted.
- ◆ Procure new buses as budgeted.
- ◆ Complete staffing of vacant rail management and technical positions.
- ◆ Conduct cost/benefit analysis of staffing weekend electronic maintenance for TVM, farebox and radio failures that occur on weekends.
- ◆ Implement mobile bus cleaning program.

# Operations Division

## 2013 OPERATING BUDGET SUMMARY Department 31 – Paratransit District

OLIVER DRAPER, DISTRICT DIRECTOR (ACTING)

### Department Priorities for 2013

- ◆ 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.
- ◆ Remit RFP for contracted 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.

|   | 2010<br>Actual | 2011<br>Actual | 2012<br>Estimate | 2013<br>Budget |
|---|----------------|----------------|------------------|----------------|
| <b>CALLS</b>  |                |                |                  |                |
| • Calls Taken (#1)                                    | 234,911        | 293,288        | 312,670          | 322,050        |
| • Average Wait Time (minutes) (#1)                    | 0:58           | 1:04           | 1:57             | 1:00           |
| • % Calls Abandoned (#1)                              | 3.8%           | 8.7%           | 7.9%             | 5.0%           |
| <b>TRIPS</b>  |                |                |                  |                |
| • Passenger Trips Completed (#1)                      | 550,714        | 578,355        | 645,600          | 684,336        |
| • Cost per Revenue Mile (#4)                          | \$4.35         | \$4.30         | \$4.30           | \$4.30         |
| • Unlinked Passenger Trip/Revenue Hour (#1)           | 2.05           | 2.08           | 2.00             | 2.00           |
| • Average # Revenue Vehicles Inspected per month (#1) | 41             | 40             | 40               | 40             |

### 2012 Highlights

- ◆ Achieved over 3 million trip requests
- ◆ Reached double digit ridership increase in 2012
- ◆ Maintained better than 90% total on-time performance
- ◆ Began service with additional contractor May 1, 2012
- ◆ Booked 6% of trips through Web/IVR

# Operations Division

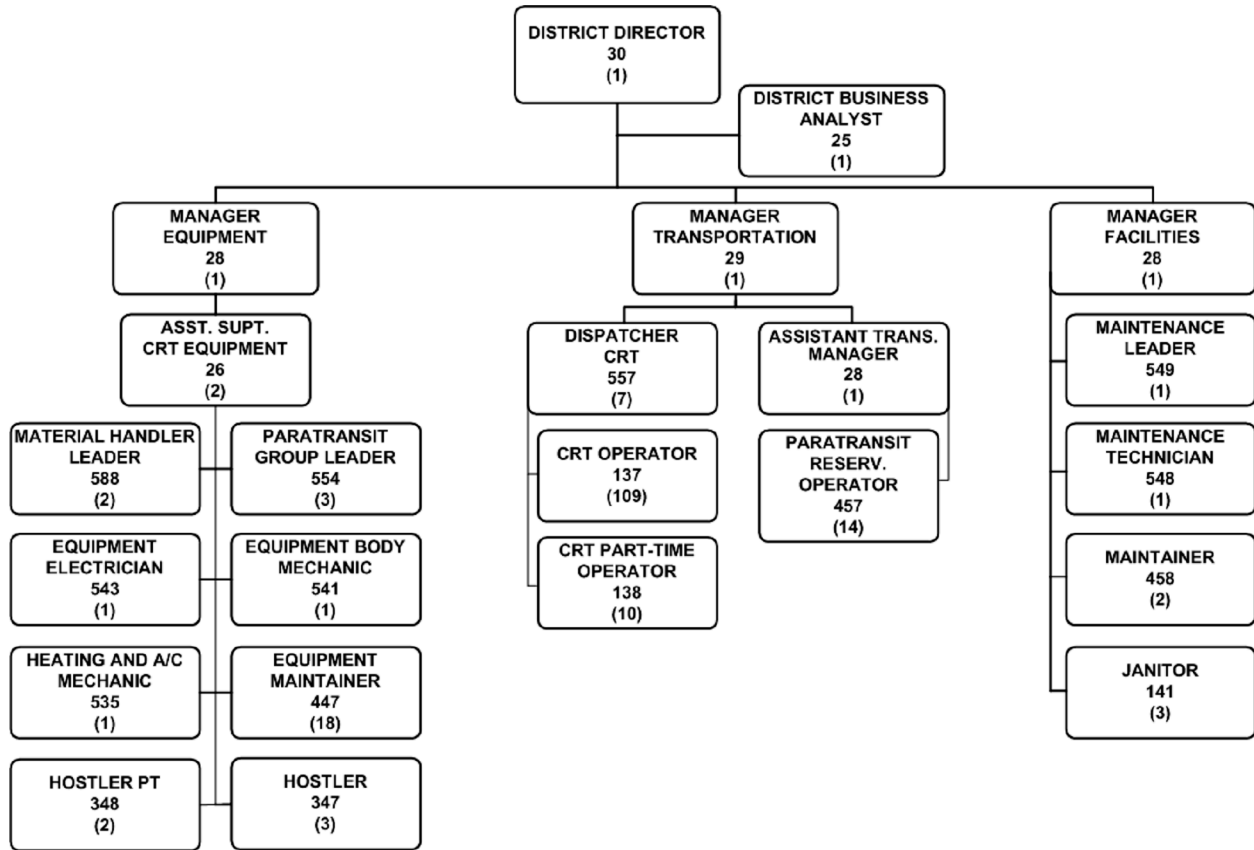
Below are budget and staffing highlights of the Paratransit District Department

| Obj. Class    | Description                         | 2010 Actual       | 2011 Actual       | 2012 Projection   | 2013 Budget       |
|---------------|-------------------------------------|-------------------|-------------------|-------------------|-------------------|
| 501100        | Operator Labor                      | 4,997,795         | 5,042,588         | 5,067,131         | 5,258,760         |
| 501110        | Overtime . Bus Operators            | 574,352           | 940,540           | 835,070           | 600,000           |
| 501200        | Hourly Employees Payroll            | 2,305,261         | 2,315,427         | 2,408,811         | 2,500,353         |
| 501210        | Overtime . Hourly Employees         | 137,489           | 206,540           | 197,661           | 200,000           |
| 501300        | Labor . Salaried Employees          | 884,999           | 883,932           | 865,209           | 1,091,160         |
| 501310        | Overtime . Salaried Employees       | 26,973            | 38,653            | 27,617            | 30,000            |
| 502000        | Fringe Benefits                     | 3,106,009         | 3,199,573         | 3,276,613         | 3,603,874         |
| 502071        | W.C. . Injuries & Damages           | 1,591             | 2,989             | 3,833             | 0                 |
| 503000        | Services                            | 194,655           | 160,189           | 178,350           | 280,800           |
| 504000        | Materials & Supplies                | 285,304           | 424,165           | 430,695           | 620,050           |
| 504030        | Gasoline Credit Cards               | 1,200             | 1,017             | 744               | 0                 |
| 508020        | Purchased Transportation . Suburban | 3,426,889         | 4,019,678         | 4,132,152         | 6,063,000         |
| 509000        | Miscellaneous Expenses              | 2,208             | (35)              | 945               | 8,450             |
| 512000        | Leases & Rentals                    | 1,594             | (30)              | (199)             | 2,360             |
| <b>Total:</b> |                                     | <b>15,946,318</b> | <b>17,235,196</b> | <b>17,424,633</b> | <b>20,258,807</b> |

## Staffing Comparison

| Grade        | Job Name                         | 2010         | 2011         | 2012         | 2013         |
|--------------|----------------------------------|--------------|--------------|--------------|--------------|
| 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                     | 3.0          | 2.0          | 2.0          | 2.0          |
|              | 0348 Hostler . PT                | 0.0          | 0.0          | 2.0          | 2.0          |
| 04           | 0447 Equipment Maintainer        | 17.0         | 17.0         | 17.0         | 18.0         |
|              | 0457 Paratransit Reservations Op | 13.0         | 12.0         | 12.0         | 14.0         |
|              | 0458 Maintainer                  | 2.0          | 2.0          | 2.0          | 2.0          |
| 05           | 0505 Staff Assistant             | 1.0          | 0.0          | 0.0          | 0.0          |
|              | 0535 Heating A/C Mechanic        | 1.0          | 1.0          | 1.0          | 1.0          |
|              | 0541 Equipment Body Mechanic     | 1.0          | 1.0          | 1.0          | 1.0          |
|              | 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          | 6.0          | 7.0          |
|              | 0588 Material Handler            | 2.0          | 2.0          | 2.0          | 2.0          |
| 25           | 1085 District Business Analyst   | 0.0          | 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          |
| <b>Total</b> |                                  | <b>181.0</b> | <b>180.0</b> | <b>181.0</b> | <b>185.0</b> |

# Operations Division



# Operations Division

## 2013 OPERATING BUDGET SUMMARY Department 32 – Rail District

DENNIS REHFUSS, DISTRICT DIRECTOR

### Department Priorities for 2013

- ◆ Begin the Heavy Rail Vehicle (HRV) Interior Overhaul project.
- ◆ Install wheel lathe.
- ◆ Continue to support the Rail Clean Corridor program for graffiti removal.
- ◆ Continue to aggressively replace cross ties.
- ◆ 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.
- ◆ Continue working with Engineering to rebuild Fairhill Substation and develop and implement a transformer and rectifier replacement plan; reconditioning of Airport Tunnel and rebuilding of the S-Curve.
- ◆ Continue aggressively pursuing training for all Rail disciplines, working with the Training Department to meet or exceed regulatory guidelines.
- ◆ Implement Customer Service training program.
- ◆ Support 2013 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.

|  | 2010<br>Actual | 2011<br>Actual | 2012<br>Estimate | 2013<br>Budget |
|--|----------------|----------------|------------------|----------------|
| Passenger Car Revenue Miles (#1)                   | 1,951,050      | 2,214,763      | 2,517,589        | 3,101,983      |
| % Deadhead miles (#1)                              | 1.2%           | 1.2%           | 1.2%             | 1.2%           |
| Cost per Passenger Trip (#4)                       | \$4.01         | \$5.08         | \$5.13           | 4.30           |
| Average Passenger Trips per Revenue Hour (#1)      | 55.26          | 50.96          | 55.00            | 60.00          |
| # Preventable Accidents per 100,000 miles (#1)     | 0.55           | 0.45           | 0.55             | 0.30           |
| % Vehicles completed in HRV Exterior Overhaul (#1) | 40%            | 60%            | 100%             | N/A            |
| % Vehicles completed in HRV Interior Overhaul (#1) | N/A            | N/A            | N/A              | 50%            |
| Miles Between Service Interruptions (#1)           | 9,167          | 111,861        | 34,708           | 55,500         |
| Annual Delay (Hours) (#1)                          | 23.25          | 22.39          | 21.45            | 19.00          |

### 2012 Highlights

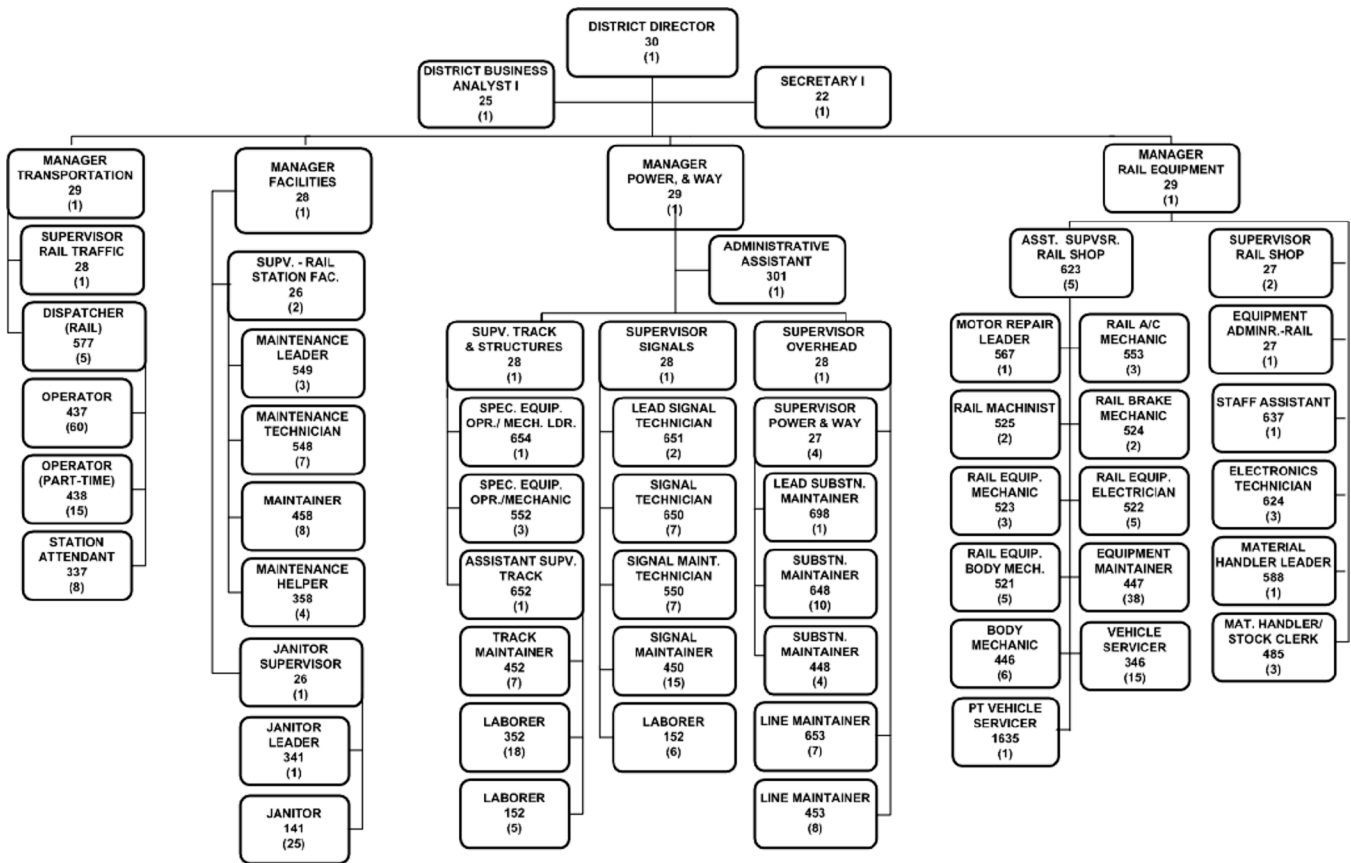
- ◆ Completed intense training for Rail Power, Track, and Signal employees.
- ◆ Exceeded TEAM (Together Everyone Achieves More) goal (8,500 miles) for miles between service interruptions.
- ◆ Completed HRV Exterior Overhaul.
- ◆ Procured a wheel lathe.
- ◆ Worked with Engineering to complete Brookpark Substation rebuild.
- ◆ Developed a clean corridor program to eradicate graffiti along the right of way.



# Operations Division

Below are budget and staffing highlights of the Rail District Department

| Obj. Class    | Description                   | 2010 Actual       | 2011 Actual       | 2012 Projection   | 2013 Budget       |
|---------------|-------------------------------|-------------------|-------------------|-------------------|-------------------|
| 501100        | Rail Operator Labor           | 3,876,683         | 4,152,865         | 4,129,011         | 5,072,176         |
| 501110        | Overtime . Rail Operators     | 248,238           | 251,727           | 228,152           | 350,000           |
| 501200        | Hourly Employees Payroll      | 9,564,535         | 10,388,190        | 10,465,468        | 11,077,450        |
| 501210        | Overtime . Hourly Employees   | 1,434,686         | 1,520,197         | 1,264,146         | 650,000           |
| 501300        | Labor . Salaried Employees    | 2,254,486         | 2,080,987         | 2,055,240         | 2,276,100         |
| 501310        | Overtime . Salaried Employees | 92,196            | 106,200           | 86,432            | 75,000            |
| 502000        | Fringe Benefits               | 5,723,950         | 6,119,810         | 6,278,847         | 7,259,935         |
| 502071        | W.C. . Injuries & Damages     | 2,465             | 7,902             | 3,970             | 0                 |
| 503000        | Services                      | 2,319,931         | 2,778,747         | 2,489,936         | 2,691,051         |
| 504000        | Materials & Supplies          | 843,503           | 702,680           | 530,984           | 748,500           |
| 504090        | Tires & Tubes                 | 4,562             | (806)             | (806)             | 3,000             |
| 505000        | Utilities                     | 328,926           | 379,303           | 363,085           | 559,400           |
| 505010        | Propulsion Power              | 3,513,999         | 3,158,502         | 3,349,951         | 2,945,000         |
| 509000        | Miscellaneous Expenses        | 138,277           | 73,948            | 61,158            | 65,475            |
| 512000        | Leases & Rentals              | 1,152             | 1,200             | 596               | 7,000             |
| <b>Total:</b> |                               | <b>30,347,589</b> | <b>31,721,533</b> | <b>31,406,171</b> | <b>33,780,087</b> |



# Operations Division

| Grade        | Job Name                       | 2010         | 2011         | 2012         | 2013         |
|--------------|--------------------------------|--------------|--------------|--------------|--------------|
| 00           | 9943 HRV Overhaul Leaders      | 5.0          | 5.0          | 5.0          | 0.0          |
| 01           | 0141 Janitor                   | 26.0         | 25.0         | 25.0         | 25.0         |
|              | 0152 Laborer                   | 12.0         | 11.0         | 11.0         | 11.0         |
| 03           | 0301 Administrative Assistant  | 0.0          | 0.0          | 1.0          | 1.0          |
|              | 0308 Stenographer              | 1.0          | 1.0          | 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                  | 74.0         | 58.0         | 58.0         | 60.0         |
|              | 0438 Operator . PT             | 16.0         | 15.0         | 15.0         | 15.0         |
|              | 0442 Equipment Servicer        | 20.0         | 0.0          | 0.0          | 0.0          |
|              | 0446 Body Mechanic             | 4.0          | 6.0          | 6.0          | 6.0          |
|              | 0447 Equipment Maintainer      | 27.0         | 45.0         | 45.0         | 38.0         |
|              | 0448 Substation Maintainer     | 3.0          | 5.0          | 5.0          | 5.0          |
|              | 0450 Signal Maintainer         | 13.0         | 15.0         | 15.0         | 15.0         |
|              | 0452 Track Maintainer          | 7.0          | 7.0          | 7.0          | 7.0          |
|              | 0453 Line Maintainer           | 7.0          | 8.0          | 8.0          | 8.0          |
|              | 0455 Upholsterer               | 1.0          | 1.0          | 1.0          | 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  | 4.0          | 5.0          | 5.0          | 5.0          |
|              | 0522 Rail Equip Electrician    | 5.0          | 5.0          | 5.0          | 5.0          |
|              | 0523 Rail Equipment Mechanic   | 3.0          | 3.0          | 3.0          | 3.0          |
|              | 0524 Rail Brake Mechanic       | 2.0          | 2.0          | 2.0          | 2.0          |
|              | 0525 Rail Machinist            | 2.0          | 2.0          | 1.0          | 2.0          |
|              | 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   | 6.0          | 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          | 5.0          |
|              | 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     | 11.0         | 10.0         | 10.0         | 10.0         |
|              | 0649 Assistant Supervisor      | 1.0          | 0.0          | 0.0          | 0.0          |
|              | 0650 Signal Technician         | 5.0          | 6.0          | 7.0          | 7.0          |
|              | 0651 Lead Signal Technician    | 3.0          | 3.0          | 2.0          | 2.0          |
|              | 0652 Asst Supervisor Track     | 1.0          | 1.0          | 1.0          | 1.0          |
|              | 0653 Line Maintainer           | 8.0          | 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       | 2.0          | 3.0          | 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          | 1.0          | 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          |
| <b>Total</b> |                                | <b>383.0</b> | <b>365.0</b> | <b>364.0</b> | <b>353.0</b> |

# Operations Division

## 2013 OPERATING BUDGET SUMMARY Department 34 – Transit Police

JOHN P. JOYCE, DIRECTOR OF SECURITY / CHIEF

### Department Priorities for 2013

- ◆ 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 equip remaining trains and busses with security cameras and digital video recording equipment.
- ◆ Manage project to replace Computer Aided Dispatch / Records Management System.

### 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.

|   | 2010<br>Actual | 2011<br>Actual | 2012<br>Estimate | 2013<br>Budget |
|---|----------------|----------------|------------------|----------------|
| Quality of Life Crimes                    |                |                |                  |                |
| Misconduct on Public Transit              | 4011           | 3827           | 3378             | 3100           |
| Aggravated Disorderly Conduct (D/C)       | 6              | 4              | 7                | 4              |
| Disorderly Conduct (D/C)                  | 204            | 135            | 102              | 100            |
| D/C/I                                     | 123            | 106            | 155              | 100            |
| Open Container                            | 37             | 260            | 293              | 250            |
| Gambling                                  | 0              | 0              | 1                | 0              |
| Trespassing                               | 63             | 44             | 57               | 50             |
| Soliciting                                | 1              | 1              | 1                | 1              |
| Fare Evasion Citations . Health Line (#1) | 1790           | 1541           | 1458             | 1,100          |
| Fare Evasion Citations . Red Line (#1)    | 2175           | 2180           | 1812             | 1,500          |

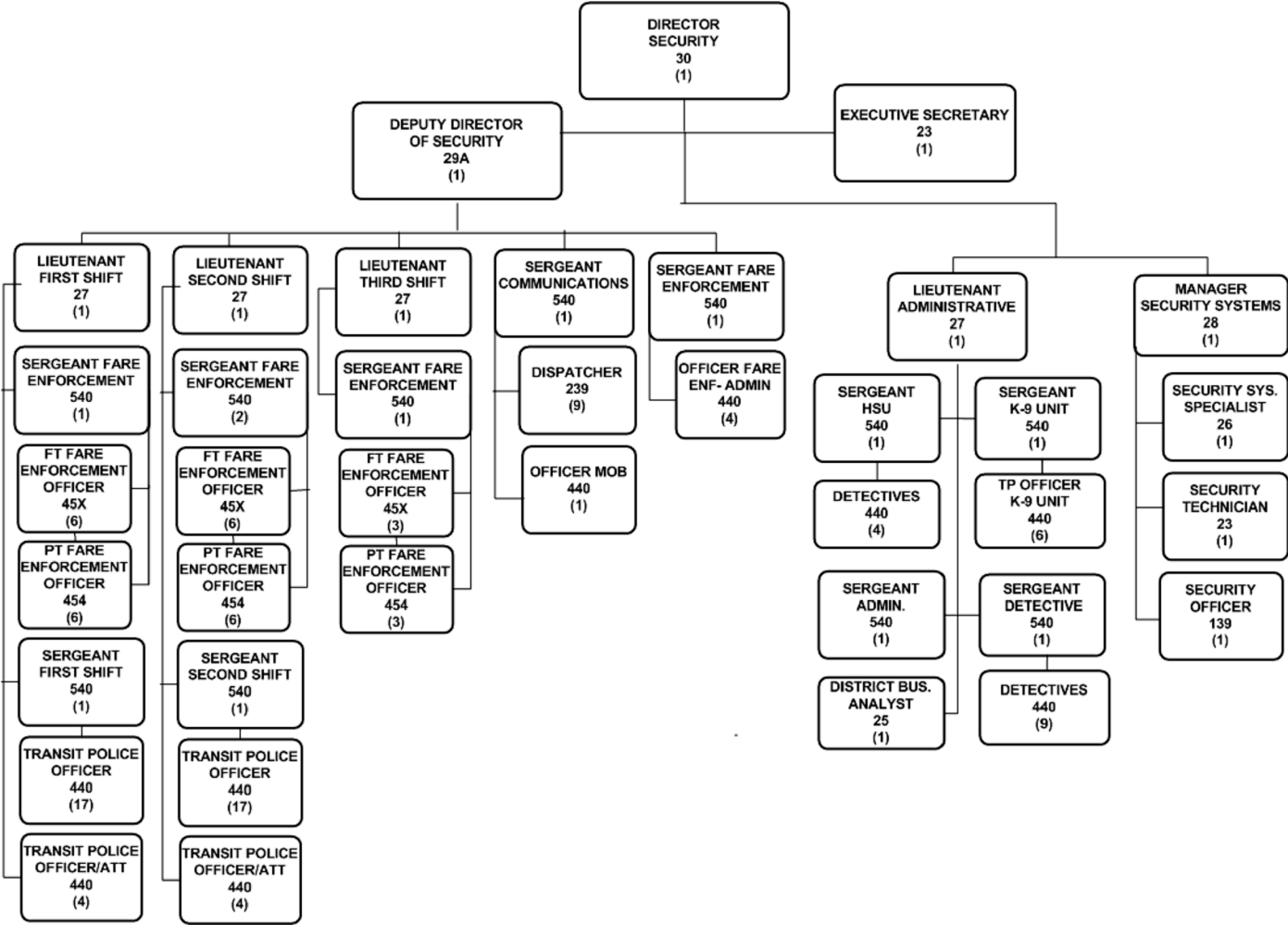
# Operations Division

Below are budget and staffing highlights of the Transit Police Department

| Obj. Class    | Description                   | 2010 Actual       | 2011 Actual       | 2012 Projection   | 2013 Budget       |
|---------------|-------------------------------|-------------------|-------------------|-------------------|-------------------|
| 501200        | Hourly Employees Payroll      | 6,249,728         | 6,302,370         | 6,467,669         | 7,223,100         |
| 501210        | Overtime . Hourly Employees   | 349,653           | 367,554           | 296,007           | 561,200           |
| 501300        | Labor . Salaried Employees    | 497,641           | 531,927           | 517,594           | 746,200           |
| 501310        | Overtime . Salaried Employees | 0                 | 11                | 308               | 10,900            |
| 502000        | Fringe Benefits               | 2,515,839         | 2,530,453         | 2,640,128         | 3,179,882         |
| 503000        | Services                      | 396,912           | 504,471           | 439,363           | 474,650           |
| 504000        | Materials & Supplies          | 69,367            | 75,257            | 65,631            | 75,900            |
| 506000        | Casualty & Liability Costs    | 6,500             | 6,500             | 6,880             | 7,000             |
| 509000        | Miscellaneous Expenses        | 24,980            | 47,184            | 40,048            | 74,400            |
| 512000        | Leases & Rentals              | 4,186             | 4,491             | 6,351             | 28,000            |
| <b>Total:</b> |                               | <b>10,114,804</b> | <b>10,370,218</b> | <b>10,479,980</b> | <b>12,381,232</b> |

| Grade        | Job Name                          | 2010         | 2011         | 2012         | 2013         |
|--------------|-----------------------------------|--------------|--------------|--------------|--------------|
| 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     | 1.0          | 0.0          | 0.0          | 0.0          |
|              | 0440 Transit Police Officer       | 84.0         | 84.0         | 84.0         | 84.0         |
|              | 045X FT Transit Police Fare Enfor | 0.0          | 0.0          | 0.0          | 15.0         |
|              | 0454 PT Transit Police Fare Enfor | 26.0         | 26.0         | 26.0         | 15.0         |
| 05           | 0540 Transit Police Sergeant      | 12.0         | 12.0         | 12.0         | 12.0         |
| 23           | 0725 Executive Secretary          | 0.0          | 1.0          | 1.0          | 1.0          |
|              | 1079 Security Technician          | 1.0          | 1.0          | 1.0          | 1.0          |
| 25           | 1085 District Business Analyst    | 0.0          | 0.0          | 1.0          | 1.0          |
| 26           | 26X Security Systems Specialist   | 0.0          | 0.0          | 0.0          | 1.0          |
| 27           | 1060 Lieutenant                   | 4.0          | 4.0          | 4.0          | 4.0          |
|              | 1065 Supervisor . Security        | 1.0          | 1.0          | 0.0          | 0.0          |
| 28           | 0840 Manager Security             | 1.0          | 1.0          | 1.0          | 1.0          |
| 29           | 1248 Commander                    | 2.0          | 2.0          | 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          |
| <b>Total</b> |                                   | <b>148.0</b> | <b>149.0</b> | <b>149.0</b> | <b>153.0</b> |

# Operations Division



# Operations Division

## 2013 OPERATING BUDGET SUMMARY Department 35 – Service Management

**ALAN ERENICH, DIRECTOR**  
Department Priorities for 2013

- ◆ Implement the 2013 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.
- ◆ Upgrade CITME/Ultramain software.
- ◆ Replace operator dispatch system (MIDAS replacement).
- ◆ Continue implementation of software 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.
- ◆ Continue the bus stop signage program and replacement of damaged passenger shelters.
- ◆ Identify and implement workflow and operating efficiencies and aggressively enforce energy conservation and sustainability initiatives.
- ◆ Support employee training and development programs.
- ◆ Continue to make improvements in equipment and facilities preventative maintenance schedules.
- ◆ 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.

|                               | 2010<br>Actual | 2011<br>Actual | 2012<br>Estimate | 2013<br>Budget |
|-------------------------------|----------------|----------------|------------------|----------------|
| <b>Vehicle Revenue Miles</b>  |                |                |                  |                |
| Bus (Including van pool) (#1) | 13,310,980     | 12,652,581     | 15,855,476       | 15,982,320     |
| Heavy Rail (#1)               | 1,518,079      | 1,531,616      | 2,164,503        | 2,181,819      |
| Light Rail (#1)               | 675,426        | 683,147        | 937,480          | 944,979        |
| <b>Vehicle Revenue Hours</b>  |                |                |                  |                |
| Bus (Including van pool) (#1) | 1,136,274      | 1,028,947      | 1,262,446        | 1,272,565      |
| Heavy Rail (#1)               | 65,495         | 76,549         | 98,791           | 99,581         |
| Light Rail (#1)               | 43,255         | 43,666         | 76,075           | 76,576         |

### 2012 Highlights

- Accepted TransitMaster system
- Issued RFP, evaluated responses, awarded contract, and began development of new Bid/Dispatch system.
- Implemented new services
  - Route #54- Brookpark Rd, serving the new VA health center
  - C-Line, L-Line, and 9/12 Trolleys.

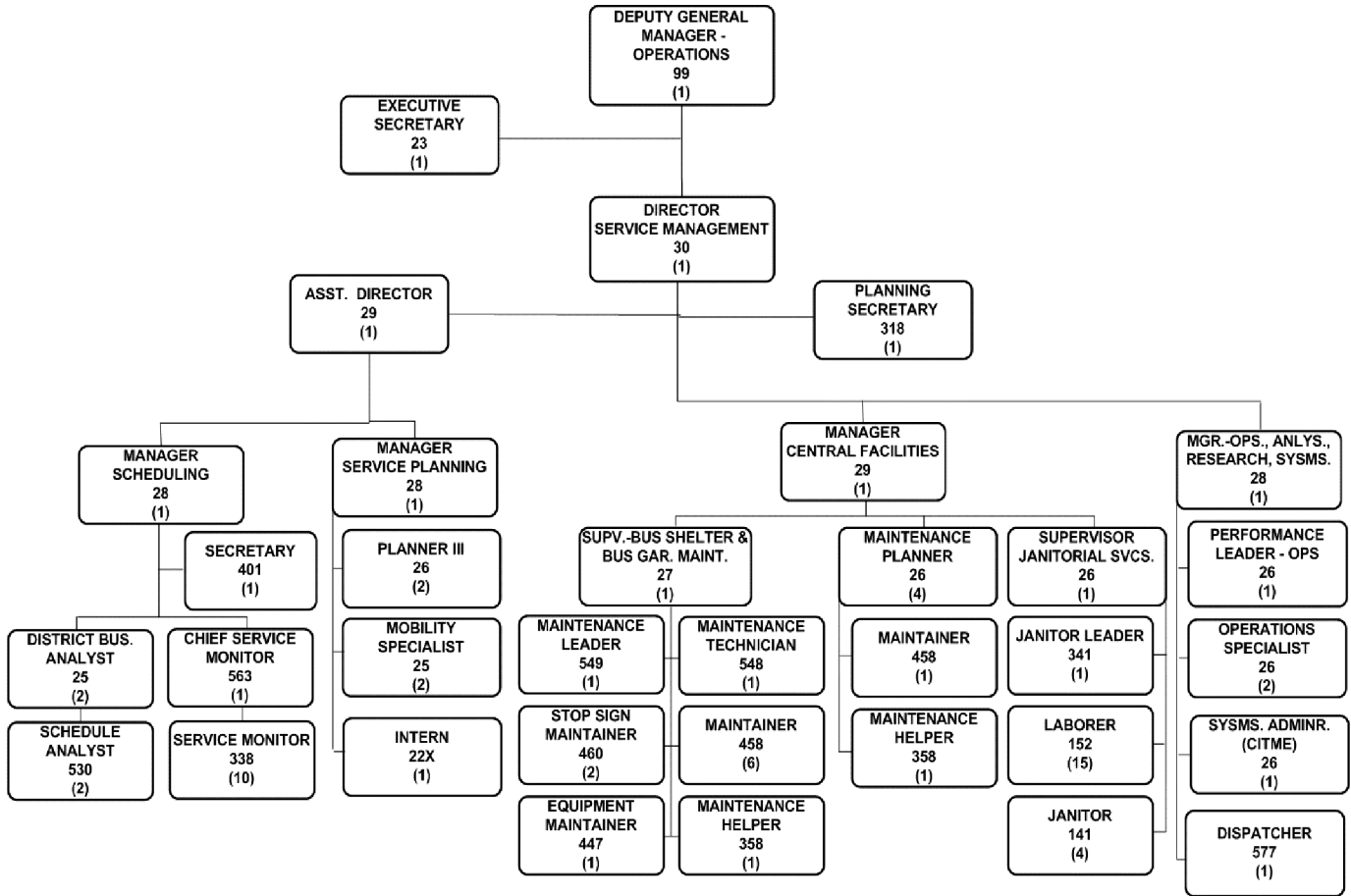
# Operations Division

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               | 1,419,699         | 1,570,677        | 1,607,845        | 1,881,681        |
| 501210        | Overtime . Hourly Employees            | 55,597            | 44,927           | 52,789           | 48,000           |
| 501300        | Labor . Salaried Employees             | 1,498,992         | 1,391,090        | 1,424,874        | 1,893,849        |
| 501310        | Overtime . Salaried Employees          | 4,170             | 4,171            | 3,865            | 4,000            |
| 502000        | Fringe Benefits                        | 1,109,311         | 1,117,863        | 1,171,662        | 1,424,953        |
| 503000        | Services                               | 1,159,664         | 1,544,128        | 1,437,123        | 1,792,894        |
| 504000        | Materials & Supplies                   | 195,475           | 208,068          | 309,794          | 382,100          |
| 505000        | Utilities                              | 5,498,851         | (176,117)        | 509,641          | 0                |
| 508024        | Purchased Transportation . Work Access | 1,140,000         | 1,139,575        | 1,140,000        | 1,200,000        |
| 509000        | Miscellaneous Expenses                 | 6,289             | 13,814           | 11,023           | 19,700           |
| 512000        | Leases & Rentals                       | 0                 | 0                | 0                | 500              |
| <b>Total:</b> |  | <b>12,088,046</b> | <b>6,858,197</b> | <b>7,668,715</b> | <b>8,647,677</b> |

| Grade        | Job Name                       | 2010        | 2011        | 2012        | 2013        |
|--------------|--------------------------------|-------------|-------------|-------------|-------------|
| 01           | 0141 Janitor                   | 4.0         | 4.0         | 4.0         | 4.0         |
|              | 0152 Laborer                   | 13.0        | 15.0        | 15.0        | 15.0        |
| 03           | 0318 Planning Secretary        | 1.0         | 1.0         | 1.0         | 1.0         |
|              | 0338 Service Monitor           | 9.0         | 10.0        | 10.0        | 10.0        |
|              | 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         | 1.0         | 1.0         | 1.0         |
|              | 0458 Maintainer                | 5.0         | 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                | 0.0         | 1.0         | 1.0         | 1.0         |
| 22           | 22X Intern                     | 0.0         | 0.0         | 0.0         | 1.0         |
| 23           | 0725 Executive Secretary       | 0.0         | 1.0         | 1.0         | 1.0         |
| 25           | 0836 Mobility Specialist       | 2.0         | 2.0         | 2.0         | 2.0         |
|              | 1085 District Business Analyst | 0.0         | 0.0         | 2.0         | 2.0         |
| 26           | 0837 Maintenance Planner       | 2.0         | 2.0         | 4.0         | 4.0         |
|              | 0881 Systems Admin CITME       | 1.0         | 1.0         | 1.0         | 1.0         |
|              | 0887 Technical Data Specialist | 2.0         | 2.0         | 2.0         | 2.0         |
|              | 0900 Supv Janitorial Service   | 1.0         | 1.0         | 1.0         | 1.0         |
|              | 1274 Planner III               | 2.0         | 2.0         | 2.0         | 2.0         |
|              | 1625 Performance Leader Ops    | 0.0         | 0.0         | 1.0         | 1.0         |
| 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      | 1.0         | 0.0         | 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         | 0.0         | 1.0         | 1.0         |
| <b>Total</b> |                                | <b>64.0</b> | <b>72.0</b> | <b>73.0</b> | <b>75.0</b> |

# Operations Division





# Operations Division

## 2013 OPERATING BUDGET SUMMARY Department 38 – Service Quality Management

FLOUN'SAY CAVER, DIRECTOR

### Department Priorities for 2013

- ◆ 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.
- ◆ Further develop and refine the Central Communications (CenCom) function.
- ◆ Provide all staff with training opportunities, including accident investigation training.
- ◆ 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. This system implemented in 2010, 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.
- ◆ Continue working toward lowering percentage of early departures and arrivals.

### 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.

|  | 2010<br>Actual | 2011<br>Actual | 2012<br>Estimate | 2013<br>Budget |
|--|----------------|----------------|------------------|----------------|
| On-Time Service (#1)   | 75%            | 76%            | 78%              | 79%            |
| Overtime per pay (#4)  | \$6,398        | \$10,577       | \$10,400         | \$8,000        |
| Absence Rate (#1 & 4)  | 4.0%           | 3.55%          | 5.23%            | 4.0%           |
| High Accident Route Contacts (per month) (#1 & 5)                | 5,672          | 2,876          | 4,114            | 3,000          |
| Safety Rule of the Month Contacts (per month) (#1 & 5)           | 3,962          | 3,569          | 4,780            | 4,000          |
| Pull-out Checks/Paratransit Checks/Block Checks (per month) (#1) | 83             | 4,246          | 5,707            | 5,000          |

### 2012 Highlights

- ◆ Achieved 80% System On-Time Performance for 3 straight months (February . April)
- ◆ Worked with Service Management Department to adjust time points
- ◆ Successfully implemented Push-off Strategy to aid buses in leaving end points on time
- ◆ Successfully introduced and implemented various dashboards analyzing mechanical service calls, farebox defects, lost trips, and Transit Police Calls

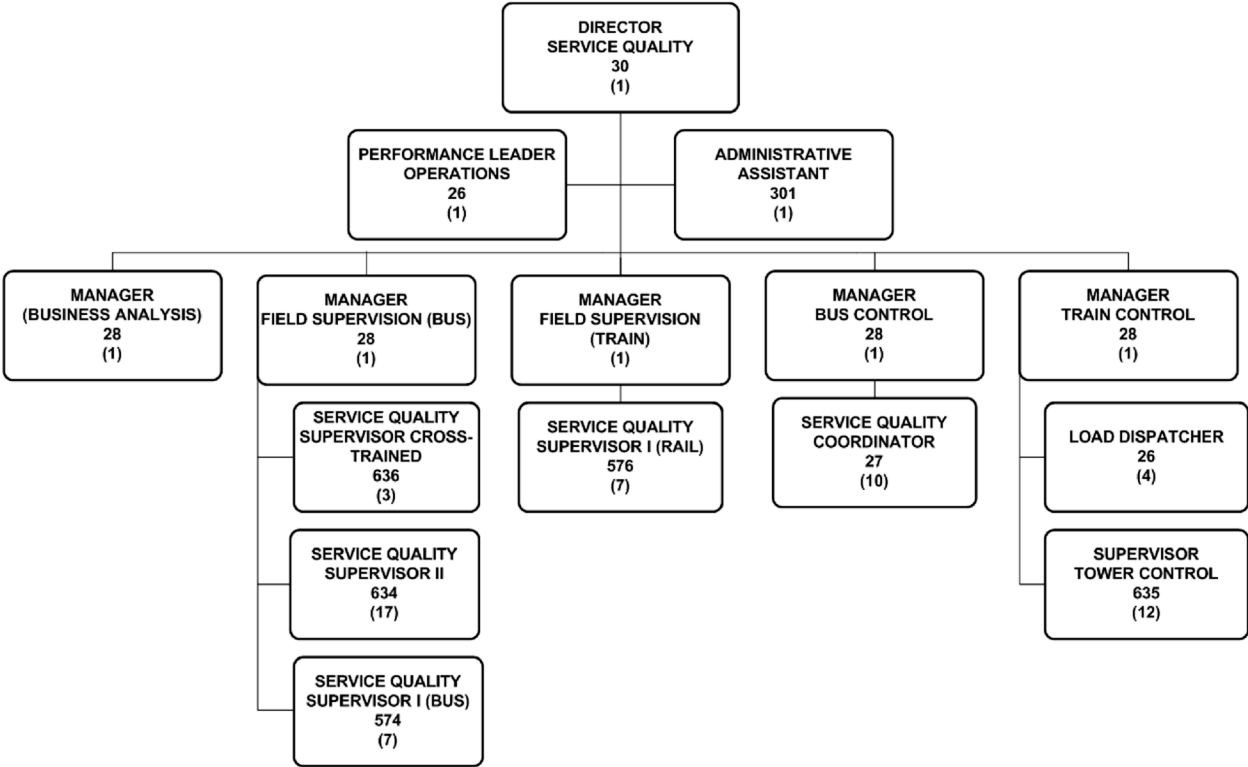
# Operations Division

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

| Obj. Class    | Description                   | 2010 Actual      | 2011 Actual      | 2012 Projection  | 2013 Budget      |
|---------------|-------------------------------|------------------|------------------|------------------|------------------|
| 501300        | Labor . Salaried Employees    | 3,906,192        | 3,763,946        | 4,024,970        | 4,357,800        |
| 501310        | Overtime . Salaried Employees | 197,646          | 293,515          | 244,768          | 270,900          |
| 502000        | Fringe Benefits               | 1,422,422        | 1,455,205        | 1,334,986        | 1,723,221        |
| 503000        | Services                      | 0                | 795              | 3,300            | 4,000            |
| 504000        | Materials & Supplies          | 4,343            | 4,318            | 1,656            | 6,600            |
| 509000        | Miscellaneous Expenses        | 2,930            | 4,814            | 9,480            | 15,750           |
| <b>Total:</b> |                               | <b>5,533,532</b> | <b>5,522,593</b> | <b>5,619,161</b> | <b>6,378,271</b> |

| Grade        | Job Name                           | 2010        | 2011        | 2012        | 2013        |
|--------------|------------------------------------|-------------|-------------|-------------|-------------|
| 01           | 0152 Laborers                      | 0.0         | 0.0         | 0.0         | 2.5         |
| 03           | 0301 Administrative Assistant      | 1.0         | 1.0         | 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 | 19.0        | 17.0        | 14.0        | 14.0        |
|              | 0635 Supervisor Control Tower      | 12.0        | 12.0        | 12.0        | 12.0        |
|              | 0636 Supervisor Cross Trained      | 0.0         | 3.0         | 6.0         | 6.0         |
|              | 0658 Paratransit Road Supervisor   | 1.0         | 0.0         | 0.0         | 0.0         |
| 26           | 1137 Load Dispatcher               | 3.0         | 4.0         | 5.0         | 5.0         |
|              | 1625 Performance Leader Ops        | 0.0         | 0.0         | 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         |
| <b>Total</b> |                                    | <b>67.0</b> | <b>68.0</b> | <b>68.0</b> | <b>70.5</b> |

# Operations Division



# Operations Division

## 2013 OPERATING BUDGET SUMMARY Department 39 – Fleet Management

RONALD BARON, DIRECTOR

### Department Priorities for 2013

- ◆ 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.

|   | 2010<br>Actual | 2011<br>Actual | 2012<br>Estimate | 2013<br>Budget |
|---|----------------|----------------|------------------|----------------|
| % of Active Fleet Available (#1)                                  | 82%            | 82%            | 82%              | 82%            |
| Heavy Maint. Overhauls Completed (#1)                             | 46             | 69             | 75               | 70             |
| Problem Identification<br>Corrective Action (PICA) completed (#1) | 50             | 45             | 40               | 50             |
| Q/A First Article Inspections (#1)                                | 6              | 19             | 18               | 35             |
| Warranty Dollars Recovered (#4)                                   | \$1,612,673    | \$1,075,090    | \$750,000        | \$750,000      |
| Facilities PM Maintenance On-Time (#1)                            | 55%            | 75%            | 87%              | 85%            |
| On-the-Job Injury Rate (#4)                                       | 7.77           | 7.63           | 11.75            | 9.5            |
| Inventory Service Level (#4)                                      | 95.0%          | 95.0%          | 95%              | 95%            |

### 2012 Highlights

- ◆ Shortened talking buses message; created tamper-evident seal; replaced fuses
- ◆ Created best practices and benchmarks for inventory control

# Operations Division

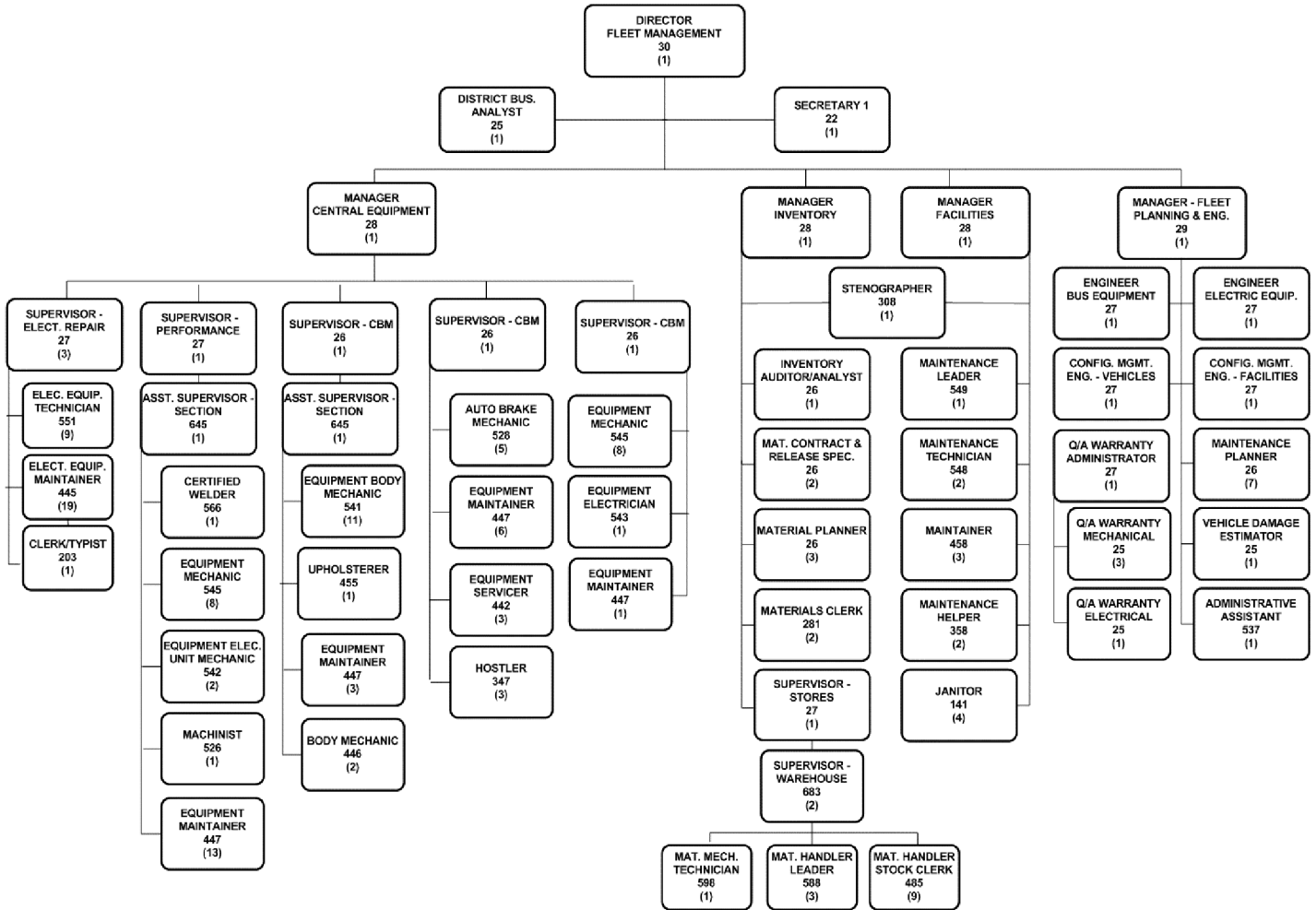
Below are budget and staffing highlights of the Fleet Management Department

| Obj. Class                    | Description                      | 2010 Actual       | 2011 Actual       | 2012 Projection   | 2013 Budget       |
|-------------------------------|----------------------------------|-------------------|-------------------|-------------------|-------------------|
| 501200                        | Hourly Employees Payroll         | 5,594,494         | 5,487,449         | 5,751,267         | 6,353,874         |
| 501210                        | Overtime . Hourly Employees      | 182,350           | 291,633           | 204,684           | 250,000           |
| 501300                        | Labor . Salaried Employees       | 2,220,407         | 2,132,082         | 2,162,080         | 2,905,161         |
| 501310                        | Overtime . Salaried Employees    | 344               | 2,790             | 2,163             | 8,000             |
| 502000                        | Fringe Benefits                  | 2,774,830         | 2,844,415         | 3,032,960         | 3,543,102         |
| 502071                        | W.C. . Injuries & Damages        | 1,499             | 967               | 967               | 0                 |
| 503000                        | Services                         | 265,604           | 470,406           | 625,526           | 488,410           |
| 201009                        | Materials & Supplies . Inventory | 8,361,443         | 8,840,708         | 8,600,000         | 10,000,000        |
| 504000                        | Materials & Supplies             | 228,981           | 241,168           | 220,210           | 283,050           |
| 504020                        | Diesel Fuel                      | 10,196,457        | 9,918,864         | 14,125,688        | 13,835,135        |
| 504021                        | Compressed Natural Gas           | (14,558)          | (696)             | (696)             | 0                 |
| 504031                        | Gasoline                         | 336,443           | 486,819           | 486,819           | 527,000           |
| 504090                        | Tires & Tubes                    | 1,156,167         | 1,061,173         | 1,061,173         | 1,380,362         |
| 507050                        | State Fuel Tax                   | 1,319,791         | 1,334,436         | 1,334,436         | 1,384,154         |
| 509000                        | Miscellaneous Receipts           | 19,909            | 32,471            | 32,471            | 34,500            |
| <b>Total:</b>                 |                                  | <b>30,383,775</b> | <b>33,144,587</b> | <b>33,937,221</b> | <b>40,992,748</b> |
| <b>Total (Net Inventory):</b> |                                  | <b>22,022,332</b> | <b>24,303,978</b> | <b>25,337,221</b> | <b>30,992,748</b> |

# Operations Division

| Grade                          | Job Name                                | 2010                         | 2011         | 2012         | 2013         |
|--------------------------------|---|------------------------------|--------------|--------------|--------------|
| 01                             | 0110 Revenue Clerk                      | 1.0                          | 1.0          | 0.0          | 0.0          |
|                                | 0141 Janitor                            | 6.0                          | 4.0          | 4.0          | 4.0          |
| 02                             | 0203 Clerk Typist                       | 0.0                          | 0.0          | 1.0          | 1.0          |
|                                | 0281 Materials Clerk                    | 2.0                          | 2.0          | 2.0          | 2.0          |
| 03                             | 0308 Stenographer                       | 1.0                          | 1.0          | 1.0          | 1.0          |
|                                | 0346 Vehicle Servicer                   | 3.0                          | 0.0          | 0.0          | 0.0          |
|                                | 0347 Hostler                            | 0.0                          | 3.0          | 3.0          | 3.0          |
|                                | 0358 Maintenance Helper                 | 2.0                          | 2.0          | 2.0          | 2.0          |
| 04                             | 0442 Equipment Servicer                 | 6.0                          | 0.0          | 3.0          | 3.0          |
|                                | 0443 Unit Rebuild Inspector & Expeditor | 1.0                          | 0.0          | 0.0          | 0.0          |
|                                | 0445 Elec Equipment Maintainer          | 19.0                         | 19.0         | 19.0         | 19.0         |
|                                | 0446 Body Mechanic                      | 2.0                          | 2.0          | 2.0          | 2.0          |
|                                | 0447 Equipment Maintainer               | 25.0                         | 25.0         | 23.0         | 23.0         |
|                                | 0455 Upholsterer                        | 1.0                          | 1.0          | 1.0          | 1.0          |
|                                | 0458 Maintainer                         | 3.0                          | 3.0          | 3.0          | 3.0          |
|                                | 0485 Mat Handler/Stock Clerk            | 10.0                         | 10.0         | 9.0          | 9.0          |
|                                | 0526 Machinist                          | 1.0                          | 1.0          | 1.0          | 1.0          |
|                                | 0528 Automotive Brake Mechanic          | 5.0                          | 5.0          | 5.0          | 5.0          |
| 05                             | 0537 Administrative Assistant           | 1.0                          | 1.0          | 1.0          | 1.0          |
|                                | 0541 Equipment Body Mechanic            | 12.0                         | 11.0         | 11.0         | 11.0         |
|                                | 0542 Equip Elec Unit Mechanic           | 1.0                          | 2.0          | 2.0          | 2.0          |
|                                | 0543 Equipment Electrician              | 1.0                          | 1.0          | 1.0          | 1.0          |
|                                | 0545 Equipment Mechanic                 | 16.0                         | 16.0         | 15.0         | 16.0         |
|                                | 0548 Maintenance Technician             | 2.0                          | 2.0          | 2.0          | 2.0          |
|                                | 0549 Maintenance Leader                 | 1.0                          | 1.0          | 1.0          | 1.0          |
|                                | 0551 Elec Equipment Technician          | 9.0                          | 10.0         | 10.0         | 10.0         |
|                                | 0566 Certified Welder                   | 1.0                          | 1.0          | 1.0          | 1.0          |
|                                | 0588 Material Handler Leader            | 3.0                          | 2.0          | 2.0          | 2.0          |
|                                | 0598 Material Mechanic Tech             | 1.0                          | 1.0          | 1.0          | 1.0          |
|                                | 0644 Radio Technician                   | 1.0                          | 0.0          | 0.0          | 0.0          |
|                                | 06                                      | 0645 Asst Supervisor Section | 2.0          | 2.0          | 2.0          |
| 0683 Supervisor Warehouse      |   | 1.0                          | 1.0          | 2.0          | 2.0          |
| 0685 Dock Supervisor           |   | 0.0                          | 1.0          | 0.0          | 0.0          |
| 0690 Supervisor Farebox Repair |   | 1.0                          | 0.0          | 0.0          | 0.0          |
| 0721 Secretary I               |   | 1.0                          | 1.0          | 1.0          | 1.0          |
| 22                             | 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                          | 0.0          | 1.0          | 1.0          |
|                                | 0753 Supervisor Elec Repair             | 3.0                          | 3.0          | 3.0          | 3.0          |
| 26                             | 0837 Maintenance Planner                | 3.0                          | 7.0          | 7.0          | 7.0          |
|                                | 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          |
|                                | 0883 Config Mgmt Eng Fac                | 1.0                          | 1.0          | 1.0          | 1.0          |
|                                | 0884 Config Mgmt Eng Vehicles           | 1.0                          | 1.0          | 1.0          | 1.0          |
| 27                             | 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          |
|                                | 0761 Manager Facilities                 | 1.0                          | 1.0          | 1.0          | 1.0          |
|                                | 0774 Manager Inventory                  | 1.0                          | 1.0          | 1.0          | 1.0          |
| 28                             | 0768 Mgr Fleet Planning & Eng           | 1.0                          | 1.0          | 1.0          | 1.0          |
| 29                             | 0779 Director                           | 1.0                          | 1.0          | 1.0          | 1.0          |
| 30                             |   |                              |              |              |              |
| <b>Total</b>                   |   | <b>174.0</b>                 | <b>168.0</b> | <b>168.0</b> | <b>169.0</b> |

# Operations Division



# Operations Division

## 2013 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 2013

- ◆ 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            | 2010 Actual    | 2011 Actual    | 2012 Projection | 2013 Budget    |
|------------|------------------------|----------------|----------------|-----------------|----------------|
| 509000     | Miscellaneous Expenses | 275,000        | 269,628        | 270,269         | 286,110        |
|            | <b>Total:</b>          | <b>275,000</b> | <b>269,628</b> | <b>270,269</b>  | <b>286,110</b> |



# Operations Division

## 2013 OPERATING BUDGET SUMMARY Department 46 – Hayden District

KEVIN VEST, DISTRICT DIRECTOR

### Department Priorities for 2013

- ◆ 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.
- ◆ Increase and maintain ridership through creative approaches and improving customer service.
- ◆ Support the HealthLine.
- ◆ Support the 2013 Operations Division initiatives and projects as assigned.
- ◆ Support communications among employees, management, and the ATU.
- ◆ Continue to utilize and maximize the CITME program for facility and vehicle maintenance plans.
- ◆ Support participation in the TransitStat program.
- ◆ Support RTA's system security, emergency preparedness, and operations plans.
- ◆ 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.

|   | 2010*<br>Actual | 2011<br>Actual | 2012<br>Estimate | 2013<br>Budget |
|---|-----------------|----------------|------------------|----------------|
| Vehicle Miles (#1)                            | 6,931,498       | 8,571,500      | 8,801,776        | 8,872,298      |
| Preventable Collisions per 100,000 miles (#4) | 0.78            | 0.74           | 1.00             | 1.00           |
| Collision Accidents per 100,000 miles (#4)    | 3.29            | 3.00           | 3.80             | 3.00           |
| Miles Between Service Interruptions (#1)      | 5,068           | 5,321          | 6,000            | 8,500          |
| Absence Rate (#4)                             | 7.49%           | 7.12%          | 5.00%            | 4.5%           |

\* In September 2010, Harvard Garage closed. All buses and routes were distributed between Hayden and Triskett Garages.

### 2012 Highlights

- ◆ Business Analyst and Equipment Manager reviewed service interruptions daily and highlighting any bus with multiple problems.
- ◆ Rescheduled mobile trucks to better align with Service Quality Department needs.
- ◆ Benchmarked tows to 30 or less per month.
- ◆ Reviewing all On-the-Job injuries for root causes and creating training tools based on the results.

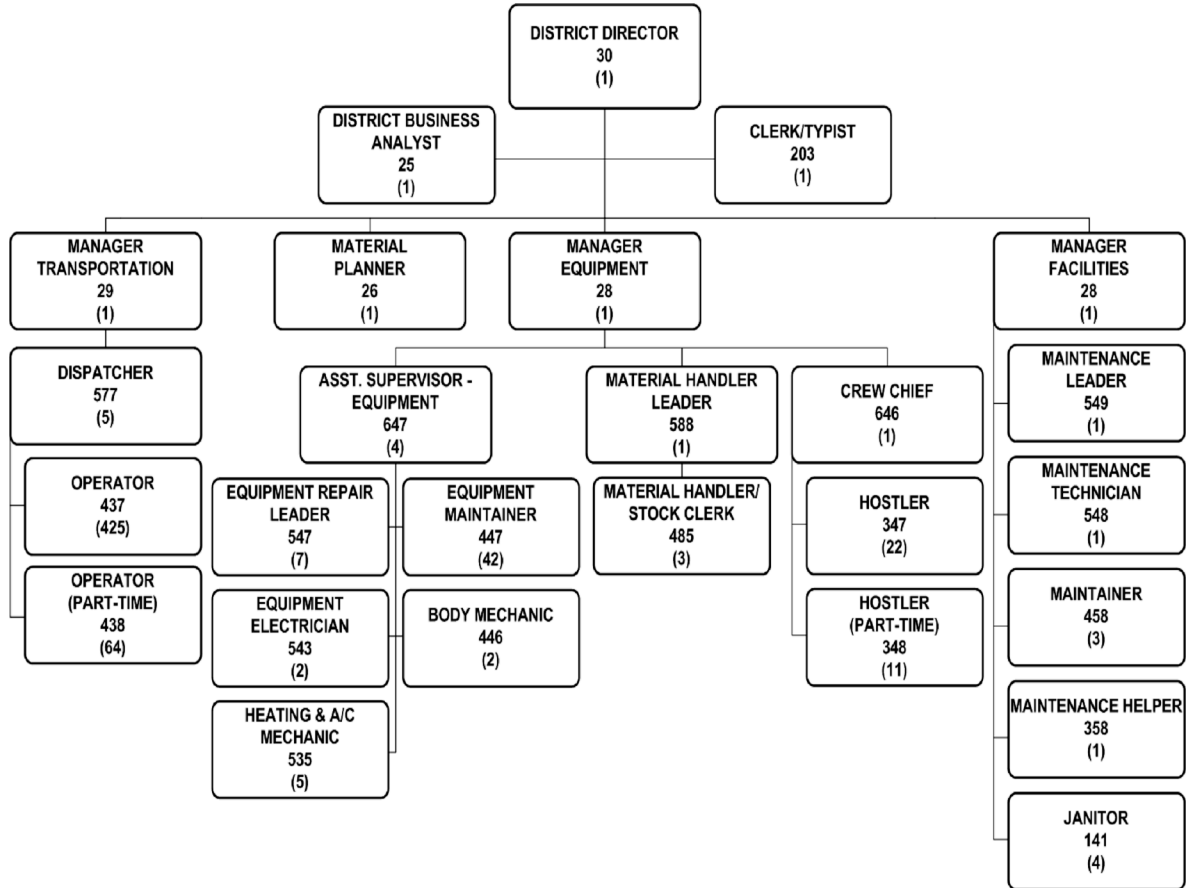
# Operations Division

Below are budget and staffing highlights of the Hayden District Department

| Obj. Class    | Description                   | 2010 Actual       | 2011 Actual       | 2012 Projection   | 2013 Budget       |
|---------------|-------------------------------|-------------------|-------------------|-------------------|-------------------|
| 501100        | Operator Labor                | 16,825,677        | 21,931,886        | 22,432,472        | 23,594,452        |
| 501110        | Overtime . Bus Operators      | 876,662           | 1,311,855         | 1,374,016         | 1,400,000         |
| 501200        | Hourly Employees Payroll      | 4,084,106         | 4,869,662         | 4,889,882         | 4,661,360         |
| 501210        | Overtime . Hourly Employees   | 85,747            | 244,716           | 240,235           | 233,068           |
| 501300        | Labor . Salaried Employees    | 872,656           | 924,564           | 969,441           | 1,606,143         |
| 501310        | Overtime . Salaried Employees | 47,253            | 69,141            | 56,981            | 80,307            |
| 502000        | Fringe Benefits               | 8,247,198         | 10,420,725        | 10,903,429        | 11,755,196        |
| 502071        | W.C. . Injuries & Damages     | 8,418             | 12,898            | 9,718             | 0                 |
| 503000        | Services                      | 6,928             | 18,184            | 11,928            | 33,425            |
| 504000        | Materials & Supplies          | 41,268            | 70,034            | 53,558            | 87,335            |
| 509000        | Miscellaneous Expenses        | 1,416             | 73,853            | 5,006             | 8,720             |
| 512000        | Leases & Rentals              | 162               | 0                 | 1,000             | 1,900             |
| <b>Total:</b> |                               | <b>31,097,491</b> | <b>39,947,517</b> | <b>40,947,667</b> | <b>43,461,907</b> |

| Grade        | Job Name                       | 2010         | 2011         | 2012         | 2013         |
|--------------|--------------------------------|--------------|--------------|--------------|--------------|
| 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                   | 15.0         | 22.0         | 22.0         | 22.0         |
|              | 0348 Hostler PT                | 6.0          | 11.0         | 11.0         | 11.0         |
|              | 0358 Maintenance Helper        | 1.0          | 1.0          | 1.0          | 1.0          |
| 04           | 0437 Operator                  | 280.0        | 425.0        | 425.0        | 425.0        |
|              | 0438 Operator PT               | 38.0         | 64.0         | 64.0         | 64.0         |
|              | 0442 Equipment Servicer        | 0.0          | 0.0          | 6.0          | 6.0          |
|              | 0446 Body Mechanic             | 1.0          | 2.0          | 2.0          | 2.0          |
|              | 0447 Equipment Maintainer      | 29.0         | 42.0         | 36.0         | 36.0         |
|              | 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          | 5.0          | 5.0          | 5.0          |
|              | 0543 Equipment Electrician     | 2.0          | 2.0          | 2.0          | 2.0          |
|              | 0547 Equipment Repair Leader   | 6.0          | 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          | 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          | 1.0          | 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          |
| <b>Total</b> |                                | <b>411.0</b> | <b>611.0</b> | <b>610.0</b> | <b>610.0</b> |

# Operations Division



# Operations Division

## 2013 OPERATING BUDGET SUMMARY

### Department 47 – Harvard District

MICHAEL YORK, DGM  
OPERATIONS

Below are the actual expenditures  
for Harvard District.

#### Mission Statement

The Harvard District was closed in September 2010.  
The employees, buses, and routes were distributed  
between Hayden and Triskett Districts.

| Obj.<br>Class | Description                   | 2010<br>Actual    | 2011<br>Actual  | 2012<br>Projection | 2013<br>Budget |
|---------------|-------------------------------|-------------------|-----------------|--------------------|----------------|
| 501100        | Operator Labor                | 8,633,803         | 0               | 0                  | 0              |
| 501110        | Overtime . Bus Operators      | 519,516           | 0               | 0                  | 0              |
| 501200        | Hourly Employees Payroll      | 2,353,755         | 0               | 0                  | 0              |
| 501210        | Overtime . Hourly Employees   | 38,284            | 0               | 0                  | 0              |
| 501300        | Labor . Salaried Employees    | 600,046           | 0               | 0                  | 0              |
| 501310        | Overtime . Salaried Employees | 20,723            | 0               | 0                  | 0              |
| 502000        | Fringe Benefits               | 3,765,718         | 0               | 0                  | 0              |
| 502071        | W.C. . Injuries & Damages     | 6,534             | 0               | 0                  | 0              |
| 503000        | Services                      | 35,309            | (7,867)         | (7,867)            | 0              |
| 504000        | Materials & Supplies          | 24,376            | (8,318)         | (8,318)            | 0              |
| 509000        | Miscellaneous Expenses        | 850               | 0               | 0                  | 0              |
| 512000        | Leases & Rentals              | 0                 | 0               | 0                  | 0              |
| <b>Total:</b> |                               | <b>15,998,913</b> | <b>(16,185)</b> | <b>(16,185)</b>    | <b>0</b>       |

# Operations Division

## 2013 OPERATING BUDGET SUMMARY Department 49 – Triskett District

WILLIAM ELTRICH, DISTRICT DIRECTOR

### Department Priorities for 2013

- ◆ 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.

|   | 2010<br>Actual | 2011<br>Actual | 2012<br>Estimate | 2013<br>Budget |
|---|----------------|----------------|------------------|----------------|
| Vehicle Miles (#1)                            | 5,334,220      | 6,144,000      | 6,572,478        | 6,595,058      |
| Preventable Collisions per 100,000 miles (#4) | 0.65           | 0.93           | 1.19             | 1.0            |
| Collision Accidents per 100,000 miles (#4)    | 2.46           | 3.00           | 2.92             | 3.0            |
| Miles Between Service Interruptions (#1)      | 7,309          | 8,500          | 6,727            | 8,500          |
| Absence Rate (#4)                             | 8.38%          | 4.50%          | 4.8%             | 5.0%           |

### 2012 Highlights

- ◆ Reduced the absenteeism rate at the district through creative approaches and by tracking the absenteeism rate on a monthly basis.
- ◆ All # 81 trips were extended to Steelyard Commons.
- ◆ C-Line Trolley, the Rock-Line weekend Trolley and the 9/12 East 9<sup>th</sup> Trolley services were implemented on September 10, 2012.
- ◆ Restructured work schedules to reduce days between bus washes; reduced from 22 days to 10 days as an average.

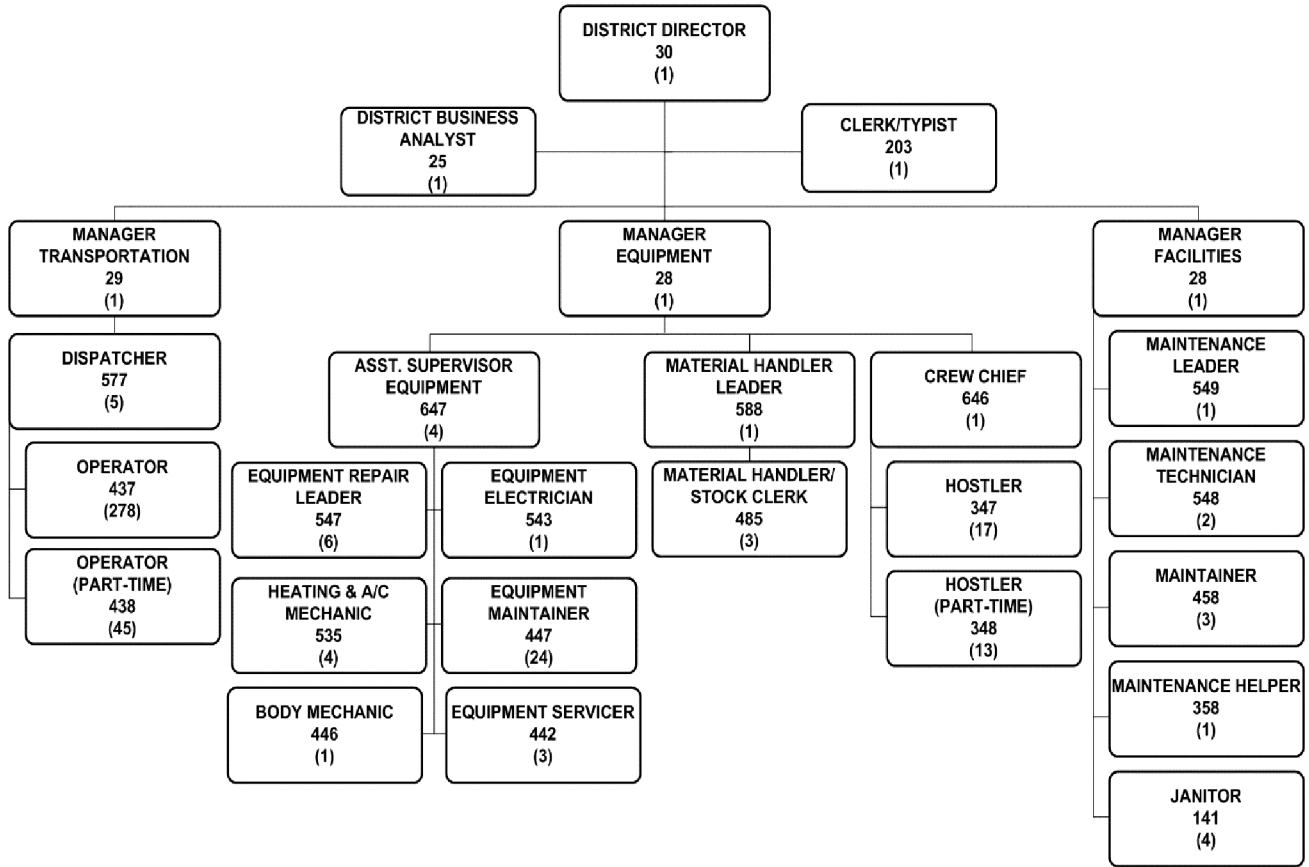
Below are budget and staffing highlights of the Triskett District Department

# Operations Division

| Obj. Class    | Description                   | 2010 Actual       | 2011 Actual       | 2012 Projection   | 2013 Budget       |
|---------------|-------------------------------|-------------------|-------------------|-------------------|-------------------|
| 501100        | Operator Labor                | 11,940,886        | 13,995,545        | 14,788,668        | 15,792,938        |
| 501110        | Overtime . Bus Operators      | 735,230           | 786,115           | 799,852           | 1,000,000         |
| 501200        | Hourly Employees Payroll      | 3,287,789         | 3,800,144         | 3,954,826         | 3,926,775         |
| 501210        | Overtime . Hourly Employees   | 177,131           | 277,696           | 203,376           | 200,000           |
| 501300        | Labor . Salaried Employees    | 954,584           | 1,008,313         | 979,681           | 1,024,031         |
| 501310        | Overtime . Salaried Employees | 41,905            | 84,764            | 67,665            | 65,000            |
| 502000        | Fringe Benefits               | 6,158,032         | 7,102,161         | 7,676,527         | 8,193,647         |
| 502071        | W.C. . Injuries & Damages     | 4,488             | 4,891             | 3,956             | 0                 |
| 503000        | Services                      | 27,713            | 16,963            | 8,011             | 48,425            |
| 504000        | Materials & Supplies          | 47,947            | 78,021            | 71,575            | 55,405            |
| 509000        | Miscellaneous Expenses        | 706               | 1,290             | 4,656             | 8,550             |
| 512000        | Leases & Rentals              | 121               | 0                 | 300               | 1,500             |
| <b>Total:</b> |                               | <b>23,376,511</b> | <b>27,155,902</b> | <b>28,559,092</b> | <b>30,316,271</b> |

| Grade        | Job Name                       | 2010         | 2011         | 2012         | 2013         |
|--------------|--------------------------------|--------------|--------------|--------------|--------------|
| 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                   | 12.0         | 17.0         | 17.0         | 17.0         |
|              | 0348 Hostler PT                | 6.0          | 12.0         | 13.0         | 13.0         |
|              | 0358 Maintenance Helper        | 1.0          | 1.0          | 1.0          | 1.0          |
| 04           | 0437 Operator                  | 227.0        | 278.0        | 278.0        | 278.0        |
|              | 0438 Operator PT               | 27.0         | 43.0         | 43.0         | 45.0         |
|              | 0442 Equipment Servicer        | 0.0          | 0.0          | 3.0          | 3.0          |
|              | 0446 Body Mechanic             | 1.0          | 1.0          | 1.0          | 1.0          |
|              | 0447 Equipment Maintainer      | 22.0         | 27.0         | 24.0         | 24.0         |
|              | 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 | 0.0          | 1.0          | 1.0          | 1.0          |
| 26           | 0889 Material Planner          | 1.0          | 1.0          | 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          |
| <b>Total</b> |                                | <b>336.0</b> | <b>421.0</b> | <b>421.0</b> | <b>423.0</b> |

# Operations Division



## 2013 Department Budgets

### Finance & Administration Division

|                                |                |
|--------------------------------|----------------|
| <b>Division Summary</b>        | <b>DB - 37</b> |
| Office of Business Development | DB - 40        |
| Accounting                     | DB - 42        |
| Information Technology         | DB - 44        |
| Support Services               | DB - 46        |
| Procurement                    | DB - 48        |
| Revenue                        | DB - 50        |



# 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, information technology, 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.

#### 2012 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 new 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.
- ◆ 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.
- ◆ Rolled out updated regulations for Disadvantaged Business Enterprises.
- ◆ Managed Authority's Records Management Program.
- ◆ Administered 2012 Capital Grant Application process.
- ◆ Implemented upgrade to Oracle computer systems.
- ◆ Completed Finance & Administration Division Sustainability Plan.
- ◆ Implemented process improvements within Finance & Administration Division.
- ◆ Assisted with Energy Price Risk Management Program.
- ◆ Completed sale of General Obligation (GO) Bonds to finance capital improvement projects.

# Finance & Administration Division

## 2013 Priorities

- ◆ Upgrade, maintain and replace distributed network and client server applications.
- ◆ Maintain, 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 update IT Policies and Procedures.
- ◆ 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 Officer's 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.
- ◆ Rollout updated 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 2012 Capital Grant Application process.
- ◆ Implement upgrade to Oracle computer systems.
- ◆ Implement process improvement within Finance & Administration Division.

# Finance & Administration Division

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# Finance & Administration Division

## 2013 OPERATING BUDGET SUMMARY Department 10 – Office of Business Development

STEVEN SIMMS, DIRECTOR

### Department Priorities for 2013

- ◆ Administer the Authority'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 relationships between RTA 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 topic-oriented workshops, training, and information sessions.
- ◆ Encourage and monitor the utilization of women and minority workers on RTA construction projects to ensure that required participation levels are reached.
- ◆ 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.

|  | 2010<br>Actual | 2011<br>Actual | 2012<br>Estimate | 2013<br>Budget |
|--|----------------|----------------|------------------|----------------|
| Conduct on-site construction compliance reviews (#4)   | 16             | 16             | 16               | 16             |
| Host contract information sessions for DBE and prime contractors regarding RTA procurements (#4,5)                 | 2              | 2              | 2                | 2              |
| Sponsor and support business-focused workshops and training sessions for women and minority business owners (#4,5) | 4              | 4              | 4                | 4              |
| Conduct DBE certification workshops (#4,5)   | 2              | 2              | 2                | 2              |

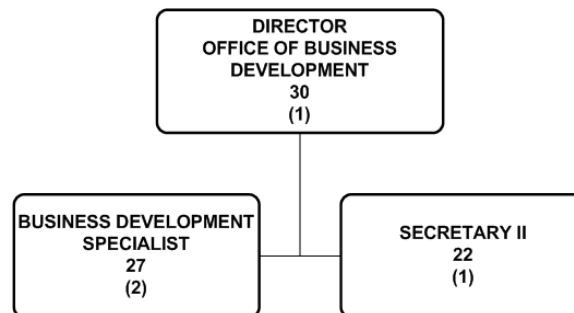
# Finance & Administration Division

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

| Obj. Class    | Description                   | 2010 Actual    | 2011 Actual    | 2012 Projection | 2013 Budget    |
|---------------|-------------------------------|----------------|----------------|-----------------|----------------|
| 501300        | Labor – Salaried Employees    | 260,060        | 259,831        | 259,811         | 277,369        |
| 501310        | Overtime – Salaried Employees | 0              | 0              | (38)            | 0              |
| 502000        | Fringe Benefits               | 90,872         | 95,847         | 99,725          | 103,262        |
| 503020        | Advertising Fees              | 225            | 0              | 500             | 1,100          |
| 504000        | Materials & Supplies          | 62             | 0              | 500             | 500            |
| 509000        | Miscellaneous Expenses        | 3,373          | 3,711          | 3,699           | 5,500          |
| <b>Total:</b> |                               | <b>354,622</b> | <b>359,390</b> | <b>364,198</b>  | <b>387,731</b> |

## Staffing Comparison

| Grade        | Job Name                     | 2010       | 2011       | 2012       | 2013       |
|--------------|------------------------------|------------|------------|------------|------------|
| 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        |
| <b>Total</b> |                              | <b>4.0</b> | <b>4.0</b> | <b>4.0</b> | <b>4.0</b> |



# Finance & Administration Division

## 2013 OPERATING BUDGET SUMMARY Department 60 – Accounting

LORETTA KIRK, DEPUTY GENERAL MANAGER

### Department Priorities for 2013

- ◆ 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 2012 Financial Audit.
- ◆ Prepare and submit Comprehensive Annual Financial Report (CAFR) to the Government Finance Officer's Association (GFOA).
- ◆ Coordinate completion of the 2012 Single Audit Report.
- ◆ Assist with the 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.

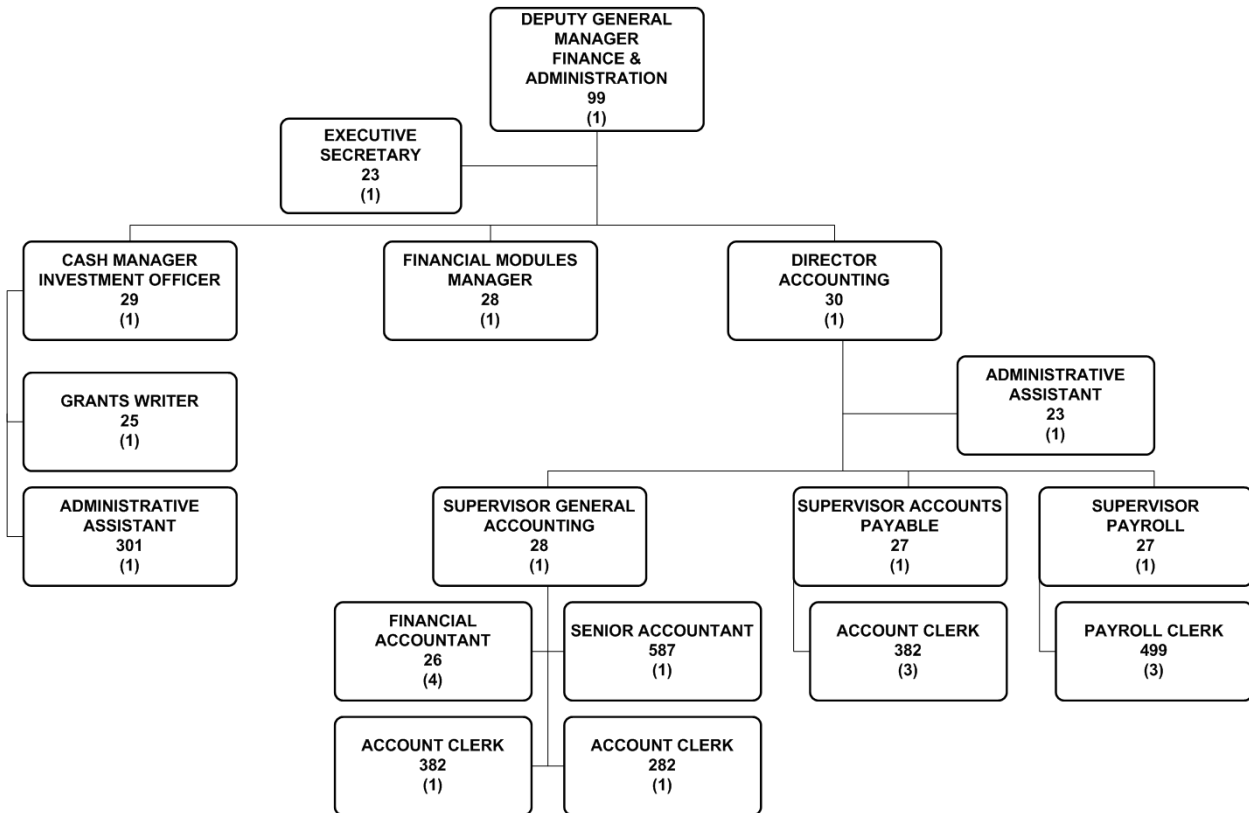
|  | 2010<br>Actual | 2011<br>Actual | 2012<br>Estimate | 2013<br>Budget |
|--|----------------|----------------|------------------|----------------|
| Days to process Cash Disbursement Reports (#1,4) | 1              | 1              | 1                | 1              |
| Days to complete Month-End closings (#1,4)       | 5              | 5              | 5                | 5              |
| Average Days to Process Invoices (#1,4)          | 5              | 5              | 5                | 4              |

| Obj.<br>Class | Description                   | 2010<br>Actual   | 2011<br>Actual   | 2012<br>Projection | 2013<br>Budget   |
|---------------|-------------------------------|------------------|------------------|--------------------|------------------|
| 501300        | Labor – Salaried Employees    | 1,122,038        | 1,040,064        | 1,049,158          | 1,474,010        |
| 501310        | Overtime – Salaried Employees | 17,696           | 23,952           | 18,039             | 36,850           |
| 502000        | Fringe Benefits               | 377,486          | 368,176          | 440,568            | 562,479          |
| 503000        | Services                      | 13,284           | 67,756           | 55,500             | 71,000           |
| 503049        | Temporary Help                | 0                | 31,632           | 16,760             | 15,000           |
| 504000        | Materials & Supplies          | 11,458           | 11,853           | 13,489             | 17,200           |
| 509000        | Miscellaneous Expenses        | 6,466            | 10,388           | 8,278              | 14,610           |
| <b>Total:</b> |                               | <b>1,548,427</b> | <b>1,554,721</b> | <b>1,601,792</b>   | <b>2,191,149</b> |

# Finance & Administration Division

Below are budget and staffing highlights of the Accounting Department

| Grade        | Job Name                          | 2010        | 2011        | 2012        | 2013        |
|--------------|-----------------------------------|-------------|-------------|-------------|-------------|
| 02           | 0282 Account Clerk                | 1.0         | 1.0         | 1.0         | 1.0         |
| 03           | 0301 Administrative Assistant     | 1.0         | 1.0         | 1.0         | 1.0         |
|              | 0382 Account Clerk                | 5.0         | 5.0         | 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         | 0.0         | 1.0         | 1.0         |
|              | 0757 Administrative Assistant     | 1.0         | 1.0         | 1.0         | 1.0         |
| 25           | 25X Grants Writer                 | 0.0         | 0.0         | 1.0         | 1.0         |
| 26           | 1080 Financial Accountant         | 4.0         | 4.0         | 4.0         | 4.0         |
| 27           | 0765 Grants Manager               | 1.0         | 1.0         | 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         |
|              | 28X Financial Modules Manager     | 0.0         | 0.0         | 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         | 0.0         | 1.0         | 1.0         |
| <b>Total</b> |                                   | <b>22.0</b> | <b>22.0</b> | <b>24.0</b> | <b>24.0</b> |



# Finance & Administration Division

## 2013 OPERATING BUDGET SUMMARY Department 61 – Information Technology

HAMID MANTEGHI, DIRECTOR

### Department Priorities for 2013

- ◆ Upgrade, maintain, and replace distributed network and client server applications.
- ◆ Support telecommunications services, including audio, video, and data.
- ◆ Support Disaster Recovery Implementation.
- ◆ Support development of short- and long-range IT strategic plans and update policies and procedures.
- ◆ Support daily operations and office automations.
- ◆ Provide Help Desk support and users technical training.

### Mission Statement

The mission of the Information Technology (IT) Department is to deliver reliable IT services to the entire Authority based on business requirements established by departments and divisions in a cost-effective manner. Its focus is on the effective use of technology solutions through IT planning, procurement, business process improvements, and maintaining the enterprises software, hardware, and infrastructure.

| IT Projects (Pct. Of Project Completed)           | 2010 Actual | 2011 Actual | 2012 Estimate | 2013 Budget |
|---|-------------|-------------|---------------|-------------|
| Fare Collection (Infrastructure) (#4)             | 70%         | 90%         | 90%           | 100%        |
| Oracle Version Upgrade R12 (#1,3,4)               | 5%          | 25%         | 70%           | 100%        |
| Operator Time & Attendance Replacement (#1,3,4)   | 0%          | 5%          | 35%           | 100%        |
| Communication Infrastructure Enhancement (#1,3,4) | 10%         | 40%         | 60%           | 100%        |
| Data Center Renovation (#1,3,4)                   | 85%         | 90%         | 95%           | 100%        |
| Trapeze Product Upgrade (#1,3,4)                  | 85%         | 85%         | 95%           | 100%        |
| Internet Site Development (#1,3,4)                | 0%          | 10%         | 30%           | 100%        |
| Intelligent Transit System Development (#1,3,4)   | 0%          | 5%          | 75%           | 100%        |
| <b>User Support</b>                               |             |             |               |             |
| Multifunction Devices Supported (#1,3)            | 250         | 240         | 240           | 275         |
| Users Supported (#1,3)                            | 1,200       | 1,200       | 1,200         | 1280        |
| RTA Locations Supported (#1,3)                    | 18          | 17          | 17            | 17          |
| Personal Computers (#1,3)                         | 970         | 930         | 930           | 975         |
| Telephone/Voice Mail Boxes (#1,3)                 | 700         | 670         | 650           | 613         |
| 911 Call Box (#1,3)                               | 285         | 290         | 242           | 242         |
| Mobile Devices Supported (#1,3)                   | 128         | 132         | 135           | 137         |

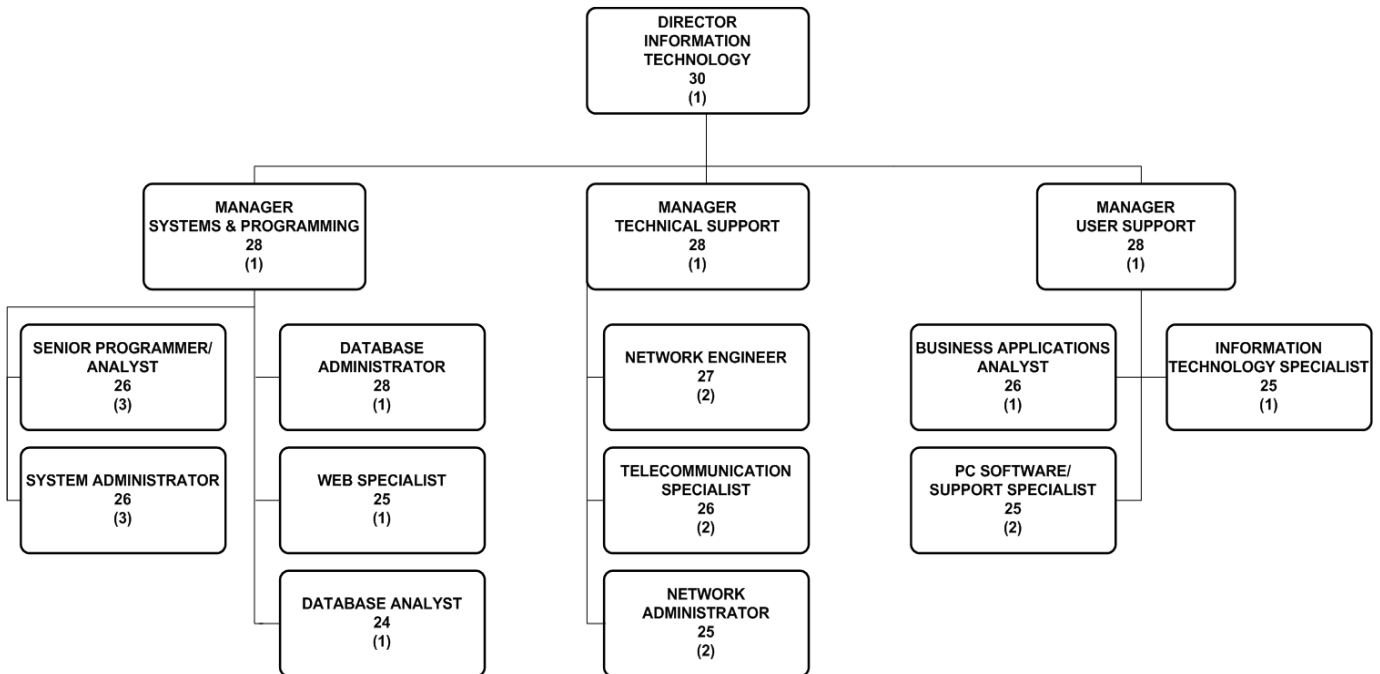
| Obj. Class    | Description                   | 2010 Actual      | 2011 Actual      | 2012 Projection  | 2013 Budget      |
|---------------|-------------------------------|------------------|------------------|------------------|------------------|
| 501300        | Labor – Salaried Employees    | 1,389,078        | 1,354,915        | 1,357,100        | 1,505,031        |
| 501310        | Overtime – Salaried Employees | 1,542            | 650              | 889              | 1,000            |
| 502000        | Fringe Benefits               | 487,759          | 501,770          | 526,918          | 560,618          |
| 503000        | Services                      | 1,352,116        | 1,479,188        | 1,317,367        | 1,653,840        |
| 504000        | Materials & Supplies          | (2,504)          | 71,126           | 84,286           | 121,000          |
| 505000        | Utilities                     | 552,645          | 542,176          | 546,356          | 572,250          |
| 509000        | Miscellaneous Expenses        | 1,952            | 7,866            | 7,855            | 8,250            |
| 512000        | Leases & Rentals              | 71,287           | 39,564           | 45,713           | 25,700           |
| <b>Total:</b> |                               | <b>3,853,875</b> | <b>3,997,255</b> | <b>3,886,484</b> | <b>4,447,752</b> |



# Finance & Administration Division

Below are staffing highlights of the Information Technology Department

| Grade        | Job Name                              | 2010        | 2011        | 2012        | 2013        |
|--------------|---------------------------------------|-------------|-------------|-------------|-------------|
| 04           | 0466 Help Desk Operator               | 1.0         | 1.0         | 0.0         | 0.0         |
| 21           | 1630 IT Intern Tech                   | 0.0         | 1.0         | 0.0         | 0.0         |
| 24           | 0760 Database Analyst                 | 1.0         | 1.0         | 1.0         | 1.0         |
| 25           | 0751 Network Administrator            | 2.0         | 2.0         | 2.0         | 2.0         |
|              | 0960 PC Software/Support Spec         | 2.0         | 2.0         | 2.0         | 2.0         |
|              | 25X Web Specialist                    | 0.0         | 0.0         | 1.0         | 1.0         |
|              | 25X Information Technology Specialist | 0.0         | 0.0         | 1.0         | 1.0         |
| 26           | 1072 Telecom Specialist               | 2.0         | 2.0         | 2.0         | 2.0         |
|              | 1077 Business Appl Analyst            | 1.0         | 1.0         | 1.0         | 1.0         |
|              | 1082 System Administrator             | 3.0         | 3.0         | 3.0         | 3.0         |
|              | Supervisor Hardware                   | 1.0         | 0.0         | 0.0         | 0.0         |
|              | 1155 Sr. Programmer/Analyst           | 2.0         | 3.0         | 3.0         | 3.0         |
|              | 1244 Project Leader                   | 1.0         | 1.0         | 0.0         | 0.0         |
| 27           | 0756 Network Engineer                 | 2.0         | 2.0         | 2.0         | 2.0         |
| 28           | 0783 Manager User Support             | 1.0         | 1.0         | 1.0         | 1.0         |
|              | 0846 Manager Technical Support        | 1.0         | 1.0         | 1.0         | 1.0         |
|              | 1070 Database Administrator           | 1.0         | 1.0         | 1.0         | 1.0         |
|              | 1324 Mgr Systems & Programming        | 1.0         | 1.0         | 1.0         | 1.0         |
| 30           | 1419 Director                         | 1.0         | 1.0         | 1.0         | 1.0         |
| <b>Total</b> |                                       | <b>23.0</b> | <b>23.0</b> | <b>23.0</b> | <b>23.0</b> |



# Finance & Administration Division

## 2013 OPERATING BUDGET SUMMARY Department 62 – Support Services

EDDINE F. DALTON, MANAGER

### Department Priorities for 2013

- ◆ Records Management Program – 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.

### 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.”**

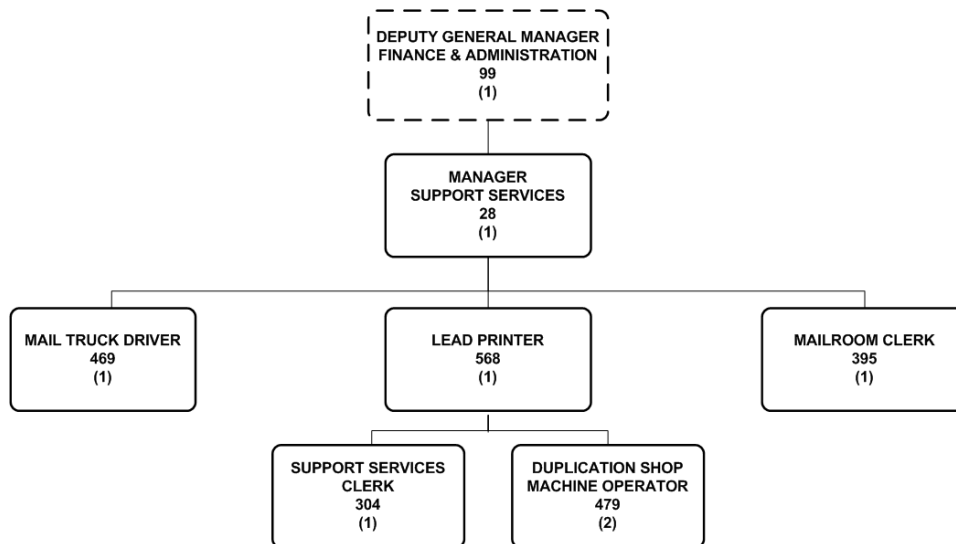
|                               | 2010<br>Actual | 2011<br>Actual | 2012 Actual | 2013<br>Budget |
|-------------------------------|----------------|----------------|-------------|----------------|
| Print & Distribute Timetables | 10,000,000     | 10,000,000     | 10,200,000  | 10,200,000     |
| Duplicate Copies              | 11,500,000     | 11,500,000     | 11,730,000  | 11,500,000     |

# Finance & Administration Division

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        | 49,857         | 49,858         | 49,867          | 52,680         |
| 501210        | Overtime – Hourly Employees     | 244            | 918            | 938             | 1,317          |
| 501300        | Labor – Salaried Employees      | 267,161        | 241,636        | 265,899         | 290,794        |
| 501310        | Overtime – Salaried Employees   | 6,224          | 4,895          | 5,094           | 7,270          |
| 502000        | Fringe Benefits                 | 112,259        | 108,075        | 134,509         | 131,069        |
| 503000        | Services                        | 75,247         | 88,196         | 89,234          | 92,600         |
| 504000        | Materials & Supplies            | 82,779         | 74,894         | 52,725          | 85,300         |
| 504051        | Postage Expense                 | 86,679         | 121,147        | 140,439         | 97,650         |
| 504052        | Duplicating Material & Supplies | 117,195        | 98,158         | 73,910          | 114,000        |
| 509000        | Miscellaneous Expenses          | 155            | 224            | 427             | 1,900          |
| 512000        | Leases & Rentals                | 30,073         | 44,450         | 33,884          | 48,000         |
| <b>Total:</b> |                                 | <b>827,872</b> | <b>832,450</b> | <b>846,828</b>  | <b>922,580</b> |

| Grade        | Job Name                       | 2010       | 2011       | 2012       | 2013       |
|--------------|--------------------------------|------------|------------|------------|------------|
| 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        |
| 27           | Manager Records                | 1.0        | 0.0        | 0.0        | 0.0        |
| 28           | 0868 Mgr Building Support Serv | 1.0        | 1.0        | 1.0        | 1.0        |
| <b>Total</b> |                                | <b>8.0</b> | <b>7.0</b> | <b>7.0</b> | <b>7.0</b> |



# Finance & Administration Division

## 2013 OPERATING BUDGET SUMMARY Department 64 – Procurement

FRANK POLIVKA, DIRECTOR

### Department Priorities for 2013

- ◆ 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.
- ◆ Implement procurement processes to reduce processing time of purchase requisitions and reduce inventory-carrying cost.
- ◆ Assist with Energy Management Program.
- ◆ Implement Oracle R-12 Contract Management and iSupplier Modules.

### 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.

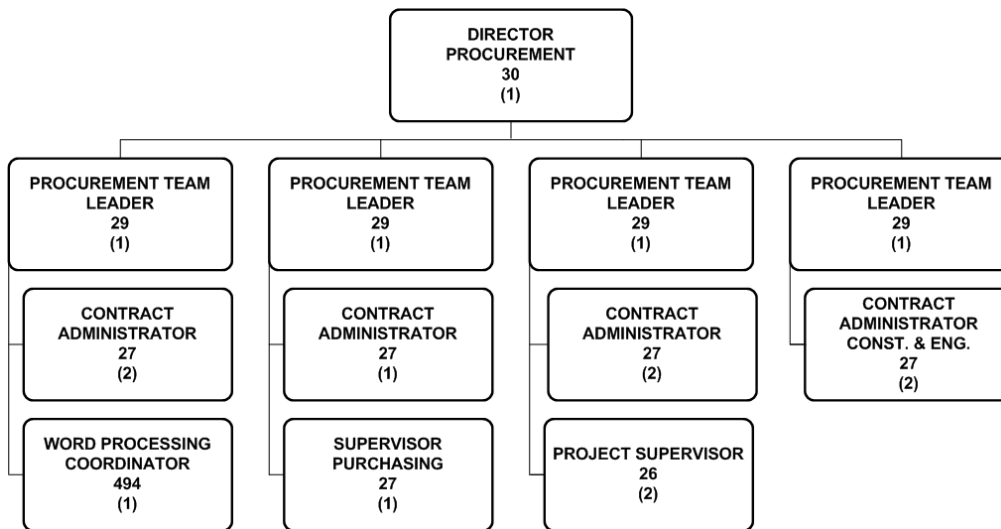
|  | 2010<br>Actual | 2011<br>Actual | 2012<br>Actual | 2013<br>Estimate |
|--|----------------|----------------|----------------|------------------|
| Number of Work Days to Complete Purchases Under 100K – this category was 25K prior to 2009 | 10             | 10             | 10             | 10               |
| 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                | 2010 Actual      | 2011 Actual      | 2012 Projection  | 2013 Budget      |
|---------------|----------------------------|------------------|------------------|------------------|------------------|
| 501300        | Labor – Salaried Employees | 1,090,323        | 1,067,295        | 1,077,879        | 1,001,933        |
| 502000        | Fringe Benefits            | 386,028          | 394,337          | 418,164          | 373,010          |
| 503000        | Services                   | 5,570            | 4,660            | 5,700            | 5,700            |
| 503020        | Advertising Fees           | 15,000           | 1,574            | 4,347            | 16,500           |
| 504000        | Materials & Supplies       | 3,812            | 3,380            | 4,257            | 5,000            |
| 509000        | Miscellaneous Expenses     | 2,290            | 23,135           | 20,445           | 16,900           |
| <b>Total:</b> |                            | <b>1,503,022</b> | <b>1,494,381</b> | <b>1,530,791</b> | <b>1,419,043</b> |

# Finance & Administration Division

| Grade        | Job Name                     | 2010        | 2011        | 2012        | 2013        |
|--------------|------------------------------|-------------|-------------|-------------|-------------|
| 02           | 0281 Materials Clerk         | 1.0         | 0.0         | 0.0         | 0.0         |
| 04           | 0494 Word Processing Coord   | 2.0         | 1.0         | 1.0         | 1.0         |
| 26           | 1138 Project Supervisor      | 2.0         | 2.0         | 2.0         | 2.0         |
| 27           | 1049 Supervisor Purchasing   | 1.0         | 1.0         | 1.0         | 1.0         |
|              | 1160 Contract Administrator  | 4.0         | 5.0         | 5.0         | 5.0         |
|              | 1171 Contr Admin Contr & Eng | 2.0         | 2.0         | 2.0         | 2.0         |
| 29           | 0787 Procurement Team Leader | 5.0         | 4.0         | 4.0         | 4.0         |
| 30           | 1609 Director                | 1.0         | 1.0         | 1.0         | 1.0         |
| <b>Total</b> |                              | <b>18.0</b> | <b>16.0</b> | <b>16.0</b> | <b>16.0</b> |



# Finance & Administration Division

## 2013 OPERATING BUDGET SUMMARY Department 65 - Revenue

SCOTT UHAS, DIRECTOR

### Department Priorities for 2013

- ◆ 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.
- ◆ Service the Federal Building with a pass machine that will accept credit cards.

### 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.

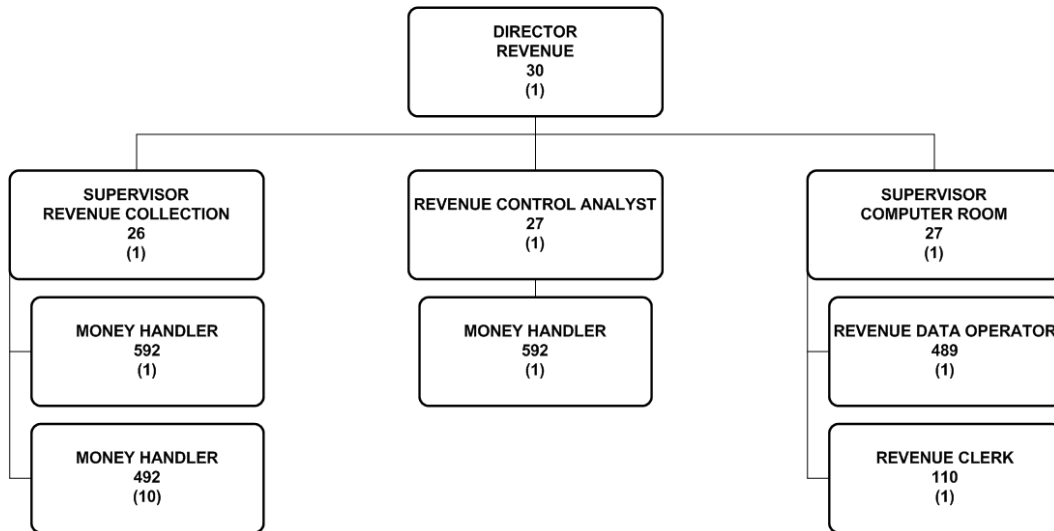
|  | 2010<br>Actual | 2011<br>Actual | 2012<br>Estimate | 2013<br>Budget |
|--|----------------|----------------|------------------|----------------|
| Number of Ticket and Pass Outlets (#1)             | 260            | 260            | 250              | 250            |
| Percentage Increase in Total Revenue (#4)          | 9%             | (2%)           | 1%               | 1.5%           |
| Average Number of Monthly Passes Sold (#1)         | 11,500         | 10,000         | 9,500            | 9,500          |
| Average Number of Seven Day Passes Sold (#1)       | 40,000         | 35,000         | 30,000           | 30,000         |
| Average Number of Farecards Sold Monthly (#1)      | 245,000        | 240,000        | 245,000          | 240,000        |
| Average Monthly On-Line Fare Sales in Dollars (#1) | 32,000         | 30,000         | 30,000           | 31,000         |
| Farebox Revenue Sources by Percentage (#1)         |                |                |                  |                |
| Cash On Board                                      |                |                |                  |                |
| • Single Fare                                      | 18%            | 14%            | 14%              | 14%            |
| • Day Passes                                       | 26%            | 29%            | 32%              | 30%            |
| • Farecards  | 20%            | 18%            | 19%              | 20%            |
| • Passes (Weekly and Monthly Combined)             | 36%            | 39%            | 35%              | 35%            |

# Finance & Administration Division

Below are budget and staffing highlights of the Fleet Management Department

| Obj. Class    | Description                   | 2010 Actual      | 2011 Actual      | 2012 Projection  | 2013 Budget      |
|---------------|-------------------------------|------------------|------------------|------------------|------------------|
| 501300        | Labor – Salaried Employees    | 931,097          | 898,886          | 917,291          | 995,477          |
| 501310        | Overtime – Salaried Employees | 14,379           | 16,700           | 21,891           | 24,887           |
| 502000        | Fringe Benefits               | 333,163          | 338,564          | 454,739          | 379,872          |
| 502071        | W.C. – Injuries & Damages     | 0                | 104              | 0                | 0                |
| 503000        | Services                      | 401,940          | 439,721          | 474,721          | 504,500          |
| 504000        | Materials & Supplies          | 241,850          | 277,467          | 267,981          | 295,400          |
| 509000        | Miscellaneous Receipts        | 2,554            | 3,823            | 3,401            | 5,675            |
| <b>Total:</b> |                               | <b>1,924,982</b> | <b>1,975,265</b> | <b>2,140,024</b> | <b>2,205,811</b> |

| Grade        | Job Name                      | 2010        | 2011        | 2012        | 2013        |
|--------------|-------------------------------|-------------|-------------|-------------|-------------|
| 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            | 12.0        | 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         |
| <b>Total</b> |                               | <b>20.0</b> | <b>18.0</b> | <b>18.0</b> | <b>18.0</b> |



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## 2013 Department Budgets

### Engineering & Project Management Division

|                                   |                |
|-----------------------------------|----------------|
| <b>Division Summary</b>           | <b>DB - 53</b> |
| Project Support                   | DB - 56        |
| Programming & Planning            | DB - 58        |
| Engineering & Project Development | DB - 60        |

# 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.

## 2012 Achievements

- ◆ Managed the delivery of the \$45.75 million ARRA (American Recovery and Reinvestment Act) program and the \$2.32 million TIGGER grant.
- ◆ Awarded \$1 million competitive Bus State of Good Repair grant for Asset Management Database and Paratransit Vehicle replacements.
- ◆ Awarded additional \$5 million NOACA (Northeast Ohio Areawide Coordinating Agency) CMAQ funds for 2012-2014 Bus Improvement Program.
- ◆ Awarded \$2.39 million NOACA CMAQ funds for the Clifton Boulevard Transit Enhancement Project.
- ◆ Completed the design and construction of all projects supporting the recovery from the lightning strike to the Brookpark Substation and communication equipment.
- ◆ Completed the design and began construction of the Airport Tunnel rehabilitation.
- ◆ Completed the construction of four at-grade rail crossing upgrades on the Light Rail System (Phase 2 of 3) and the design of the three at-grade rail crossing upgrades on the Light Rail System (Phase 3 of 3).
- ◆ Completed construction of the Lighting Fixture & Controls project in the TIGGER grant.
- ◆ Completed the design and land acquisition, and began construction of the University Circle – Cedar Station ADA rehabilitation.
- ◆ Completed construction of the Woodhill Station ADA rehabilitation and the Westlake Park and Ride expansion.
- ◆ Completed the sale of excess properties at 6611 Euclid and the former East 118<sup>th</sup> Loop, and the lease/purchase of the former Brooklyn Garage.
- ◆ Continued the design and construction of the Bus State of Good Repair projects at Hayden, Central Bus, and Paratransit.
- ◆ Continued installation of the Red Line Paging System Upgrade.
- ◆ Continued the design of the Little Italy – University Circle and Brookpark Stations.
- ◆ Continued the implementation of the Sustainability Program.

# Engineering & Project Management Division

## 2013 Objectives

- ◆ Complete the design and construction of the Bus State of Good Repair projects at Hayden, Central Bus, and Paratransit.
- ◆ Complete construction of the Airport Tunnel and Red Line S-Curve projects before the Senior Olympics.
- ◆ Receive environmental approvals for the Clifton Boulevard Transit Enhancement, Little Italy – University Circle Station, and Brookpark Station projects.
- ◆ Complete the design and begin construction of the Clifton Boulevard Transit Enhancement Project.
- ◆ Complete the design and begin construction of the Shaker / Van Aken Rail Grade Crossing.
- ◆ Complete the implementation of the Red Line Paging System Upgrade.
- ◆ Complete the design and begin construction of the Bus State of Good Repair pavement projects at Brookpark and Windermere Stations.
- ◆ Complete the construction of parking lot expansion at Southgate and rehabilitations at Sprague/Fair, Euclid, Westpark, Westlake, and East 55<sup>th</sup>.
- ◆ Complete the construction of the Windermere Station vestibule.
- ◆ Complete the rehabilitation of the Waterfront Line stations.
- ◆ Complete the construction of Central Rail Shop and Service Building Roof replacements.
- ◆ Complete the Paratransit lift replacement.
- ◆ Complete the re-design and begin construction of the Lee / Van Aken ADA Station rehabilitation.
- ◆ Complete the design of the Tower City escalator replacements and the East 81<sup>st</sup> and East 83<sup>rd</sup> Street Track Bridge rehabilitations.
- ◆ Complete the five county regional on-board transit survey and initiate modeling update.
- ◆ Complete the West 25<sup>th</sup> Street Station Area Plan and three TWE projects.
- ◆ Begin the Alternatives Analysis for the Red Line / HealthLine Extension and the RTA Signage Manual update.
- ◆ Award public art contracts for the Clifton Boulevard and Little Italy – University Circle Station projects.
- ◆ Begin the design of the East 116<sup>th</sup> Street Station ADA rehabilitation.
- ◆ Continue the implementation of the Sustainability Program and initiate the Carbon Footprint measurement for the Authority.
- ◆ Obtain competitive grants from FTA, ODOT, and NOACA.

# Engineering & Project Management Division

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# Engineering & Project Management Division

## 2013 OPERATING BUDGET SUMMARY Department 55 – Project Support

MICHAEL SCHIPPER, DEPUTY GENERAL MANAGER

### Department Priorities for 2013

- ◆ 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.

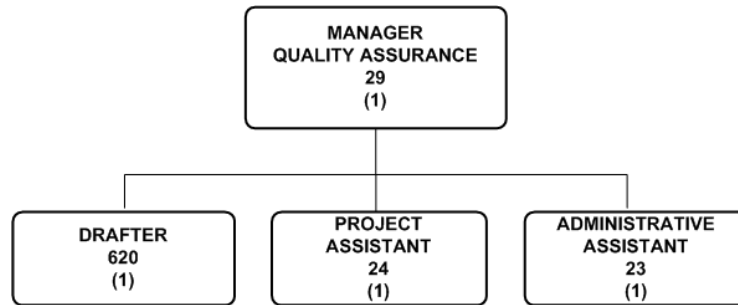
|   | 2010<br>Actual | 2011<br>Actual | 2012<br>Estimate | 2013<br>Budget |
|---|----------------|----------------|------------------|----------------|
| Quality Assurance Audits Completed (#1,5)                 | 10             | 27             | 38               | 24             |
| Plans, Specifications, QC Plans and Reports Reviewed (#5) | 50             | 59             | 49               | 50             |
| Daily Field Reports Completed (#1,5)                      | 400            | 130            | 150              | 200            |
| Bridges Inspected (#1,3,5)                                | 152            | 140            | 152              | 152            |
| Projects Meetings (#3,5)                                  | 50             | 12             | 12               | 12             |

Below are budget and staffing highlights of the Project Support Department

| Obj.<br>Class | Description                   | 2010<br>Actual | 2011<br>Actual | 2012<br>Projection | 2013<br>Budget |
|---------------|-------------------------------|----------------|----------------|--------------------|----------------|
| 501300        | Labor – Salaried Employees    | 356,465        | 294,833        | 300,690            | 255,486        |
| 501310        | Overtime – Salaried Employees | 32,890         | 15,439         | 28,000             | 28,000         |
| 502000        | Fringe Benefits               | 130,752        | 111,456        | 288,666            | 105,539        |
| 503000        | Services                      | 2,000          | (1,547)        | 4,453              | 4,000          |
| 504000        | Materials & Supplies          | 0              | 0              | 100                | 400            |
| 509000        | Miscellaneous Expenses        | 0              | 0              | 800                | 1,800          |
| <b>Total:</b> |                               | <b>522,107</b> | <b>420,181</b> | <b>622,709</b>     | <b>395,225</b> |

# Engineering & Project Management Division

| Grade        | Job Name                                      | 2010       | 2011       | 2012       | 2013       |
|--------------|---|------------|------------|------------|------------|
| 05           | 0519 Construction Inspector                   | 2.0        | 1.0        | 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        |
| 28           | 1349 Manager – Civil and Architectural Design | 1.0        | 0.0        | 0.0        | 0.0        |
| 29           | 1439 Mgrn – Quality Assurance                 | 1.0        | 1.0        | 1.0        | 1.0        |
| <b>Total</b> |   | <b>7.0</b> | <b>5.0</b> | <b>4.0</b> | <b>4.0</b> |



# Engineering & Project Management Division

## 2013 OPERATING BUDGET SUMMARY Department 57 – Programming & Planning

MARIBETH FEKE, DIRECTOR

### Department Priorities for 2013

- ◆ Continue marketing RTA real estate assets for lease, sale, and joint development activities.
- ◆ Execute Strategic Plan Update recommendations.
- ◆ Complete NEPA documents including Section 106 compliance for the Clifton Boulevard, Little Italy – University Circle (Mayfield) and Brookpark Rapid Stations projects.
- ◆ Submit competitive grants for capital improvement program funding.
- ◆ Complete land acquisition for proposed construction projects, which include Little Italy – University Circle and Brookpark Stations and Independence Park-N-Ride Lot.
- ◆ Complete Five County Regional On-Board Transit Survey and begin model updates.
- ◆ Continue Transit Waiting Environment (TWE) Program.
- ◆ Continue implementation of the Arts in Transit Program.
- ◆ Continue Sustainability Program implementation.
- ◆ Begin Red Line/HealthLine Extension Alternatives Analysis.
- ◆ 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.

|  | 2010<br>Actual | 2011<br>Actual | 2012<br>Estimate | 2013<br>Budget |
|--|----------------|----------------|------------------|----------------|
| Number of Rapid Transit Stations Under Design (#3) | 4              | 3              | 2                | 1              |
| Number of Transit Centers Under Design (#3)        | 0              | 1              | 0                | 0              |
| Number of Park-N-Ride Lots Under Design (#3)       | 1              | 0              | 1                | 1              |
| Number of Planning Studies Underway (#3)           | 3              | 2              | 5                | 5              |
| Number of Planning Studies Completed (#3)          | 1              | 2              | 4                | 3              |
| Number of TWE Projects Completed (#3)              | 5              | 2              | 3                | 5              |
| Number of Joint Developments Underway (#3)         | 0              | 0              | 0                | 1              |
| Number of Public Art Awards (#5)                   | 3              | 3              | 2                | 2              |
| Number of New Leased RTA Properties (#3,4)         | 3              | 3              | 2                | 1              |
| Number of RTA Properties Marketed (#3,4)           | 6              | 8              | 5                | 3              |
| Number of RTA Properties Sold (#3,4)               | 0              | 3              | 3                | 2              |
| Number of competitive grants submitted (#3,4)      | 4              | 5              | 4                | 4              |
| Number of competitive grants received (#3,4)       | 4              | 4              | 2                | 2              |

### 2012 Highlights

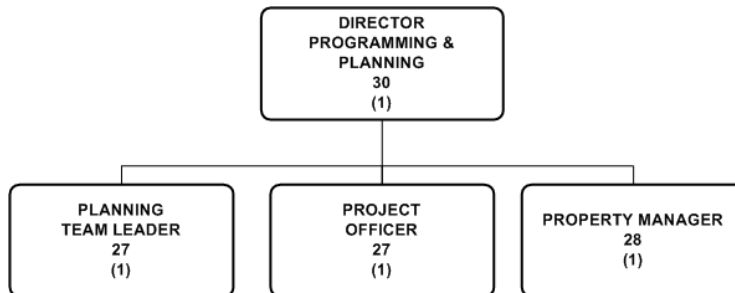
- ◆ Collected 66% of agency emission data exceeding our 2012 goal of 50%, for use in establishing and tracking our Carbon Footprint.

# Engineering & Project Management Division

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

| Obj. Class    | Description                | 2010 Actual    | 2011 Actual    | 2012 Projection | 2013 Budget    |
|---------------|----------------------------|----------------|----------------|-----------------|----------------|
| 501300        | Labor – Salaried Employees | 309,021        | 288,419        | 308,840         | 309,814        |
| 502000        | Fringe Benefits            | 107,295        | 105,216        | 118,854         | 115,341        |
| 503000        | Services                   | 12,253         | 1,475          | 12,000          | 46,000         |
| 504000        | Materials & Supplies       | 393            | 353            | 400             | 400            |
| 507030        | Property Taxes             | 43,817         | 44,926         | 111,700         | 187,770        |
| 509000        | Miscellaneous Expenses     | 48,242         | 50,377         | 54,477          | 35,715         |
| 512000        | Leases & Rentals           | 93,923         | 188,073        | 119,073         | 119,617        |
| <b>Total:</b> |                            | <b>614,944</b> | <b>678,838</b> | <b>725,343</b>  | <b>814,657</b> |

| Grade        | Job Name                  | 2010       | 2011       | 2012       | 2013       |
|--------------|---------------------------|------------|------------|------------|------------|
| 27           | 0838 Planning Team Leader | 1.0        | 1.0        | 1.0        | 1.0        |
|              | 0845 Project Officer      | 1.0        | 1.0        | 1.0        | 1.0        |
| 28           | 0794 Property Manager     | 1.0        | 1.0        | 1.0        | 1.0        |
| 30           | 0788 Director             | 1.0        | 1.0        | 1.0        | 1.0        |
| <b>Total</b> |                           | <b>4.0</b> | <b>4.0</b> | <b>4.0</b> | <b>4.0</b> |





# Engineering & Project Management Division

## 2013 OPERATING BUDGET SUMMARY Department 80 – Engineering & Project Development

JOSEPH SHAFFER, DIRECTOR

### Department Priorities for 2013

- ◆ 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.

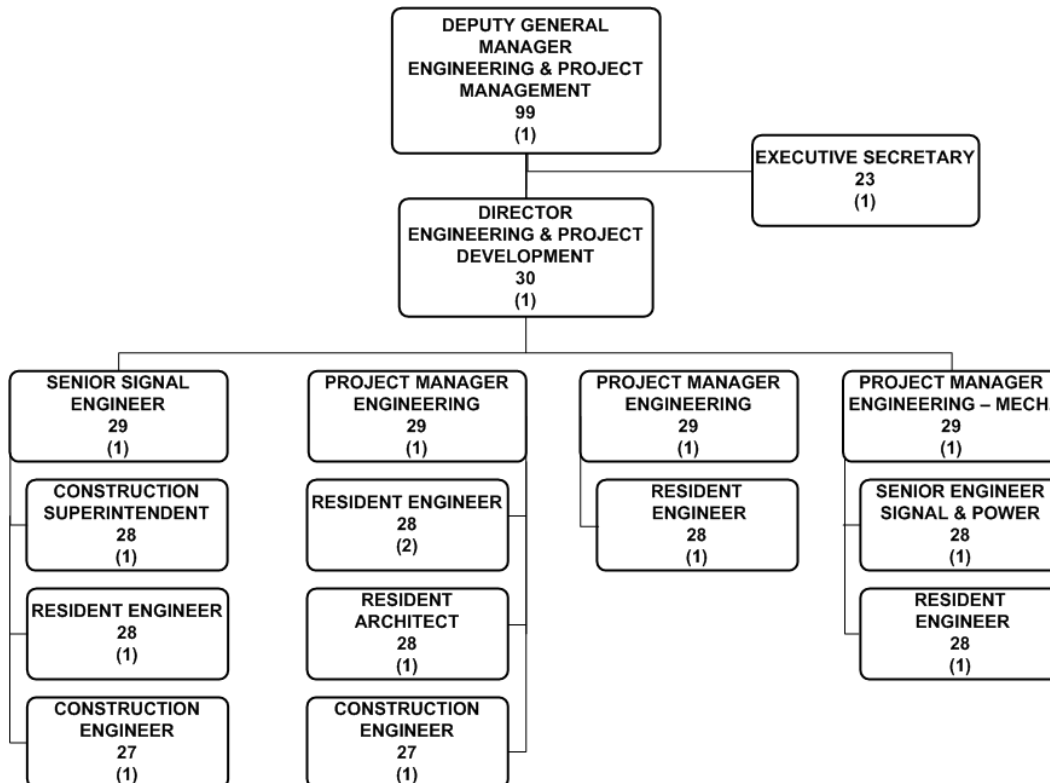
| Estimated percentage completion of some of the Authority's Capital projects | 2010 Actual | 2011 Actual | 2012 Estimate | 2013 Budget |
|---|-------------|-------------|---------------|-------------|
| Rockefeller Bridge Demolition (#5)  | 95%         | 100%        |               |             |
| Paratransit Rehabilitation Construction (#5)                                | 85%         | 100%        |               |             |
| Puritas Station Rehabilitation Construction (#5)                            | 80%         | 100%        |               |             |
| East 55 <sup>th</sup> Street Station Rehabilitation Construction (#5)       | 70%         | 100%        |               |             |
| Holyoke Retaining Wall Replacement (#5)                                     |             | 100%        |               |             |
| Central Viaduct Track and Crossover Reconstruction (#5)                     |             | 100%        |               |             |
| Fairhill Substation Design (#5)   | 90%         | 90%         | 100%          |             |
| Airport Tunnel Rehabilitation Final Design (#5)                             | 50%         | 90%         | 100%          |             |
| Lighting Controls and Fixture Replacements (#5)                             | 30%         | 90%         | 100%          |             |
| Westlake Park-N-Ride Expansion Construction (#5)                            | 0%          | 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%         | 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)             | 10%         | 30%         | 45%           | 100%        |
| Bus State of Good Repair Grant Program – Pavements (#5)                     |             |             | 40%           | 100%        |
| Waterfront Line Station Rehabilitation Program (#5)                         |             |             | 25%           | 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%        |
| West 65 <sup>th</sup> Street Substation Design (#5)                         |             |             | 5%            | 100%        |
| Shaker Square / Shaker & Van Aken Crossing Design (#5)                      |             |             | 0%            | 100%        |
| Central Rail Mntn. Facility & Service Bldg. Roof Repairs (#5)               |             |             |               | 100%        |
| Tower City Escalator Replacement Design (#5)                                |             |             |               | 100%        |
| Southgate Transit Center Parking Lot Expansion (#5)                         |             |             |               | 100%        |
| Fairhill Substation Reconstruction (#5)                                     |             |             |               | 75%         |
| University Circle – Cedar Station Reconstruction (#5)                       |             |             | 10%           | 70%         |
| Lee / Van Aken Station Reconstruction (#5)                                  |             |             |               | 30%         |
| Little Italy – University Circle Sta. & Bridge Construction (#5)            |             |             |               | 20%         |
| West 116 <sup>th</sup> Street Station Design                                |             |             |               | 10%         |

# Engineering & Project Management Division

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

| Obj. Class    | Description                | 2010 Actual      | 2011 Actual      | 2012 Projection  | 2013 Budget      |
|---------------|----------------------------|------------------|------------------|------------------|------------------|
| 501300        | Labor – Salaried Employees | 878,043          | 998,550          | 989,905          | 1,413,788        |
| 502000        | Fringe Benefits            | 309,162          | 368,742          | 379,759          | 526,340          |
| 503000        | Services                   | 16,000           | 3,949            | 2,500            | 5,000            |
| 504000        | Materials & Supplies       | 1,553            | 2,196            | 3,300            | 2,700            |
| 509000        | Miscellaneous Expenses     | 6,632            | 6,979            | 10,850           | 21,300           |
| <b>Total:</b> |                            | <b>1,211,390</b> | <b>1,380,416</b> | <b>1,386,314</b> | <b>1,969,128</b> |

| Grade        | Job Name                      | 2010        | 2011        | 2012        | 2013        |
|--------------|-------------------------------|-------------|-------------|-------------|-------------|
| 04           | 0404 Administrative Assistant | 1.0         | 0.0         | 0.0         | 0.0         |
| 23           | 0725 Executive Secretary      | 1.0         | 1.0         | 2.0         | 2.0         |
| 27           | 1192 Construction Engineer    | 1.0         | 1.0         | 1.0         | 1.0         |
| 28           | 1250 Supt Construction        | 1.0         | 1.0         | 1.0         | 1.0         |
|              | 1329 Sr Eng Signal & Power    | 1.0         | 1.0         | 1.0         | 1.0         |
|              | 1355 Resident Eng/Architect   | 4.0         | 6.0         | 6.0         | 6.0         |
| 29           | 0796 Manager Eng Project      | 2.0         | 2.0         | 2.0         | 2.0         |
|              | 29X Project Mgr Mech Eng      | 0.0         | 0.0         | 1.0         | 1.0         |
|              | 1518 Senior Engineer Signal   | 1.0         | 1.0         | 1.0         | 1.0         |
| 30           | 0789 Director                 | 1.0         | 1.0         | 1.0         | 1.0         |
| 99           | 9931 DGM Eng & Project Mgmt   | 0.0         | 0.0         | 1.0         | 1.0         |
| <b>Total</b> |                               | <b>13.0</b> | <b>14.0</b> | <b>17.0</b> | <b>17.0</b> |



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## 2013 Department Budgets

### Legal Affairs Division

|                  |         |
|------------------|---------|
| Division Summary | DB - 63 |
| Safety           | DB - 66 |
| Legal            | DB - 68 |
| Risk Management  | DB - 70 |

# 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.

## 2012 Achievements

- ◆ Negotiated a two-year property renewal at a favorable note.
- ◆ 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).
- ◆ Launched 'Safety Begins With Me' Program.
- ◆ Enhanced a safety culture through discussion points at the Quarterly Management Meetings and other sessions.
- ◆ Represented GCRTA in labor arbitrations.
- ◆ Supported energy management initiatives.
- ◆ Reviewed APTA standards and updated standard operating procedures.
- ◆ Continued a proactive approach to reducing bus and rail incidents.
- ◆ Negotiated settlement with FM Global for damage due to a lightning strike at Brookpark Station.
- ◆ Kicked off Remain-at-Work program.

# Legal Affairs Division

## 2013 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 with implementation of observation programs.
- ◆ Review APTA standards and update standard operating procedures.
- ◆ 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.
- ◆ Adhere to deadlines and requirements of mandatory Medicare reporting.
- ◆ 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.

# Legal Affairs Division

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# Legal Affairs Division

## 2013 OPERATING BUDGET SUMMARY Department 15 – Safety

PAMELA McCOMBE, DIRECTOR

### Department Priorities for 2013

- ◆ Continue a proactive approach to reducing bus and rail incidents.
- ◆ Continue to enhance the safety culture within operations.
- ◆ Launch the Attention Performance Campaign.
- ◆ Continue with the implementation of performance measures for managers and supervisors, including trending, and causal factors.

### 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.

|   | 2010<br>Actual | 2011<br>Actual | 2012<br>Estimate | 2013<br>Budget |
|---|----------------|----------------|------------------|----------------|
| Total Collisions per 100,000 miles (#1)                                       | 3.08           | 3.31           | 2.90             | 2.90           |
| Total Preventable Collisions (#1)   | 0.93           | 0.92           | 0.99             | 0.91           |
| Total Injuries (#1)   | 200            | 209            | 165              | 190            |
| Total Recordable Injuries (#1)  |                | 171            | 160              | 160            |
| Internal Rail Audits (#1)   | 6              | 6              | 8                | 6              |
| Bus/Rail Car Safety Inspections (#1)  | 120            | 119            | 15               | 100            |
| Facility Inspections (#1)   | 77             | 72             | 108              | 108            |
| Radar Audits (#1)   | 23             | 25             | 6                | 25             |
| Ride Checks (#1)  | 56             | 56             | 10               | 50             |
| Fire Drills/Train Evacuations (#1)  | 39             | 39             | 40               | 40             |
| BMV Checks Authority Wide (#1)  | 2 runs         | 2 runs         | 4 runs           | 4 runs         |
| CDLs (#1)   | 12 runs        | 12 runs        | 12 runs          | 12 runs        |
| Universal Waste (fluorescent tubes, batteries) (lbs) (#1)                     | 65,574         | 77,948         | 78,000           | 78,000         |
| Hazardous Waste (lbs) (#1)  | 4,894          | 4,640          | 4,000            | 4,000          |
| Non-Hazardous Waste (pit sludge, antifreeze, used oil) (#1)<br>(in thousands) | 1,247          | 804            | 800              | 800            |
| Material Safety Data Sheet Evaluation (#1)                                    | 57             | 45             | 70               | 65             |
| Job Hazard Analysis (#1)  | 10             | 25             | 48               | 36             |
| Bus Incident Investigations (#1)  | 23             | 25             | 27               | 26             |
| Rail Incident Investigations (#1)   | 36             | 19             | 22               | 19             |
| Total Investigations (#1)   | 59             | 44             | 49               | 45             |
| Grade Crossing (#1)   | 150            | 150            | 0                | 100            |
| Work Zones (#1)   | 37             | 37             | 2                | 25             |

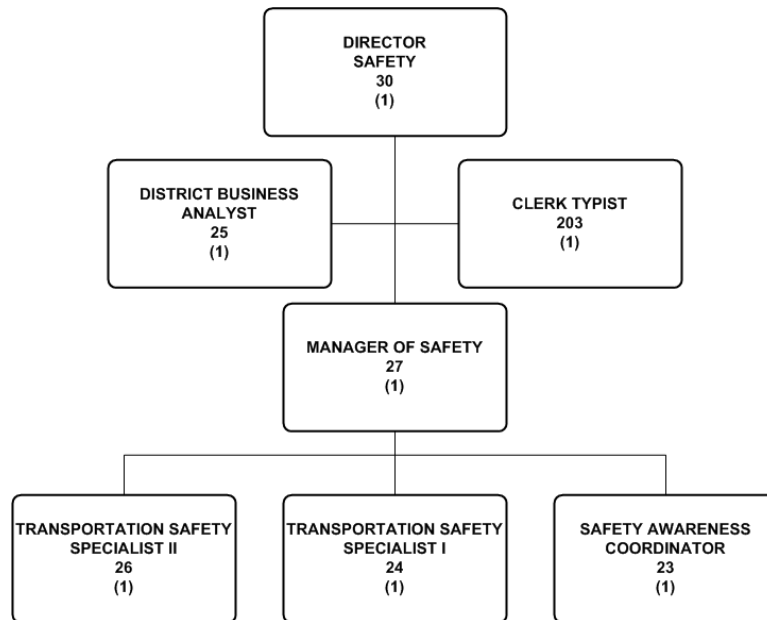


# Legal Affairs Division

Below are budget and staffing highlights of the Safety Department

| Obj. Class    | Description                   | 2010 Actual    | 2011 Actual    | 2012 Projection | 2013 Budget    |
|---------------|-------------------------------|----------------|----------------|-----------------|----------------|
| 501300        | Labor – Salaried Employees    | 334,174        | 303,705        | 334,943         | 426,100        |
| 501310        | Overtime – Salaried Employees | 3,070          | 2,500          | 2,000           | 2,500          |
| 502000        | Fringe Benefits               | 117,382        | 115,069        | 104,858         | 159,564        |
| 503000        | Services                      | 231,025        | 274,823        | 204,406         | 229,000        |
| 503049        | Temporary Help                | 0              | 10,000         | 27,956          | 0              |
| 504000        | Materials & Supplies          | 9,105          | 17,541         | 25,643          | 36,380         |
| 509000        | Miscellaneous Expenses        | 38,677         | 53,626         | 20,406          | 31,250         |
| <b>Total:</b> |                               | <b>733,434</b> | <b>777,265</b> | <b>728,652</b>  | <b>954,794</b> |

| Grade        | Job Name                       | 2010       | 2011       | 2012       | 2013       |
|--------------|--------------------------------|------------|------------|------------|------------|
| 02           | 0203 Clerk/Typist              | 1.0        | 1.0        | 1.0        | 1.0        |
| 23           | 1151 Safety Awareness Crd      | 1.0        | 1.0        | 0.5        | 1.0        |
| 24           | 1195 Trans Safety Spec I       | 1.0        | 1.0        | 1.0        | 1.0        |
| 25           | 1085 District Business Analyst | 0.0        | 0.0        | 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        |
| <b>Total</b> |                                | <b>6.0</b> | <b>6.0</b> | <b>6.5</b> | <b>7.0</b> |



# Legal Affairs Division

## 2013 OPERATING BUDGET SUMMARY Department 21 – Legal

SHERLYL KING BENFORD, DEPUTY GENERAL MANAGER

### Department Priorities for 2013

- ◆ Provide legal service to the Authority including tort claims, k 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.

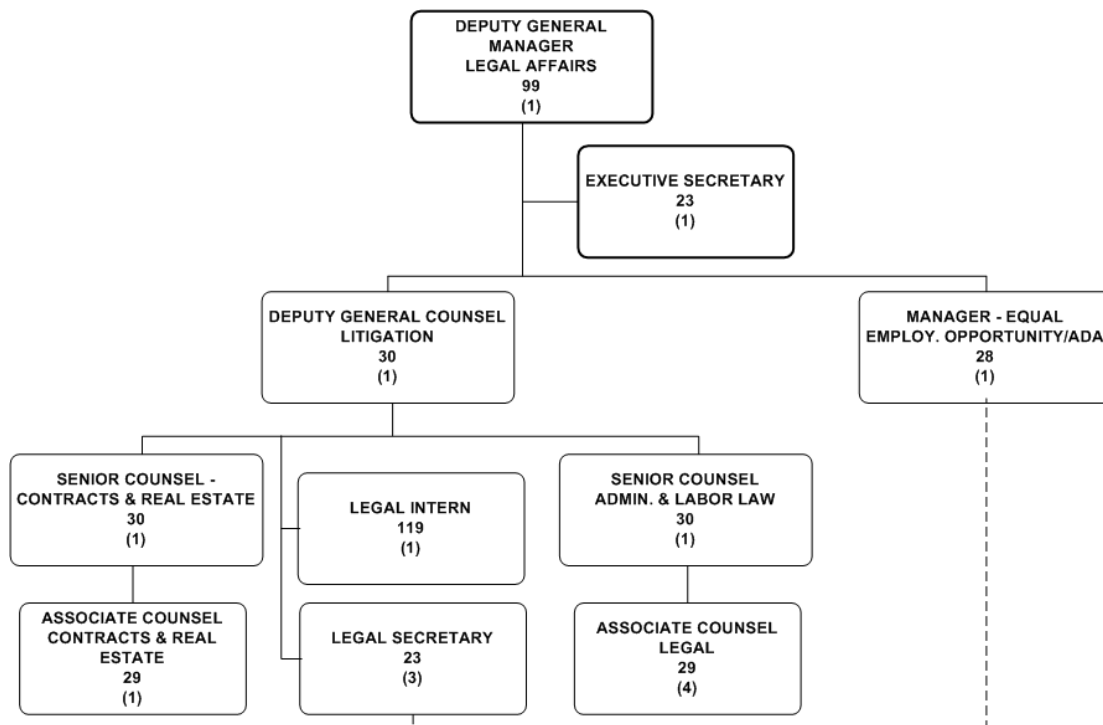
|   | 2010<br>Actual | 2011<br>Actual | 2012<br>Estimate | 2013<br>Budget |
|---|----------------|----------------|------------------|----------------|
| Depositions Scheduled (#1,4)                    | 137            | 117            | 70               | 75             |
| Court Hearings (#1,4)                           | 223,           | 177            | 135              | 140            |
| Court Arbitration Cases (#1,4)                  | 2              | 2              | 1                | 2              |
| Scheduled Trials (#1,4)                         | 4              | 3              | 1                | 2              |
| Bureau of Workers' Compensation Hearings (#1,4) | 550            | 599            | 727              | 650            |
| Labor Arbitration Cases (#1,4)                  | 34             | 28             | 14               | 20             |
| Bureau of Employment Service Hearings (#1,4)    | 23             | 13             | 10               | 10             |
| Public Records Requests (#1,4)                  | 104            | 121            | 166              | 175            |
| Contract Reviews & Property Issues (#1,4)       | 138            | 140            | 214              | 250            |
| Contracts Negotiated and Drafted (#1,4)         | 195            | 190            | 70               | 100            |
| Legal Opinions (#1,4)                           | 35             | 68             | 60               | 80             |
| Subpoenas Processed (#1,4)                      | 1,092          | 1,091          | 868              | 900            |
| Resolutions Reviewed (#1,4)                     | 100            | 100            | 116              | 120            |
| New Lawsuits Filed (#1,4)                       | 128            | 93             | 75               | 75             |
| ADA Paratransit Appeals (#1)                    | 56             | 83             | 37               | 60             |
| Number of Lawsuits Closed (#1,4)                | 132            | 124            | 95               | 85             |
| ADA/OEO Complaints Received (#1,4)              | 32             | 44             | 36               | 43             |
| Appellate Cases (#1,4)                          | 5              | 2              | 3                | 3              |

# Legal Affairs Division

Below are budget and staffing highlights of the Legal Department

| Obj. Class    | Description                   | 2010 Actual      | 2011 Actual      | 2012 Projection  | 2013 Budget      |
|---------------|-------------------------------|------------------|------------------|------------------|------------------|
| 501300        | Labor – Salaried Employees    | 898,271          | 922,331          | 1,113,388        | 1,183,400        |
| 501310        | Overtime – Salaried Employees | 12               | 278              | 0                | 0                |
| 502000        | Fringe Benefits               | 316,523          | 345,808          | 346,138          | 440,569          |
| 503000        | Services                      | 160,475          | 167,741          | 52,767           | 225,000          |
| 503049        | Temporary Help                | (2,783)          | 6,960            | 11,125           | 0                |
| 504000        | Materials & Supplies          | 739              | 1,432            | 1,500            | 5,100            |
| 509000        | Miscellaneous Expenses        | 11,978           | 17,895           | 21,887           | 30,250           |
| 512000        | Leases & Rentals              | 11,000           | 4,640            | 11,677           | 15,000           |
| <b>Total:</b> |                               | <b>1,396,214</b> | <b>1,467,085</b> | <b>1,558,482</b> | <b>1,899,319</b> |

| Grade        | Job Name                       | 2010        | 2011        | 2012        | 2013        |
|--------------|--------------------------------|-------------|-------------|-------------|-------------|
| 01           | 9944 Legal Intern              | 1.0         | 1.0         | 1.0         | 1.0         |
| 04           | 0409 Legal Stenographer        | 1.0         | 1.0         | 0.0         | 0.0         |
| 23           | 0724 Legal Secretary           | 2.0         | 2.0         | 3.0         | 3.0         |
|              | 0725 Executive Secretary       | 1.0         | 1.0         | 1.0         | 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         | 1.0         |
|              | 1442 Assoc Counsel Admin & Lbr | 4.0         | 4.0         | 4.0         | 4.0         |
| 30           | 1612 Sr Counsel Admin & Lbr    | 1.0         | 1.0         | 1.0         | 1.0         |
|              | 1613 Sr Counsel Contr & Re     | 1.0         | 1.0         | 1.0         | 1.0         |
|              | 1618 Dpty Cnsl / Litigation    | 1.0         | 1.0         | 1.0         | 1.0         |
| 99           | 9951 DGM Legal Affairs         | 0.0         | 0.0         | 1.0         | 1.0         |
| <b>Total</b> |                                | <b>14.0</b> | <b>14.0</b> | <b>15.0</b> | <b>15.0</b> |



# Legal Affairs Division

## 2013 OPERATING BUDGET SUMMARY Department 22 – Risk Management Development

**JUDY LINCOLN, DIRECTOR**  
Department Priorities for 2013

- ◆ Negotiate the best terms and conditions and most cost-effective renewal for property casualty insurance programs for GCRTA.
- ◆ Work with Information Technology and CSC (outside vendor) to implement and upgrade the Risk Management Information System to the web-based version.
- ◆ Coordinate with several Service Management and Districts to facilitate tracking of needed accident information.
- ◆ Hold the focus on workplace injuries and the frequency and cost reductions as well as the increased accountability by District personnel.
- ◆ Support the Human Resources and Service Management Departments in their implementation of the new Bid Dispatch System and time tracking for operators. The Risk Management Department is a key contributor to this project.

### 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.

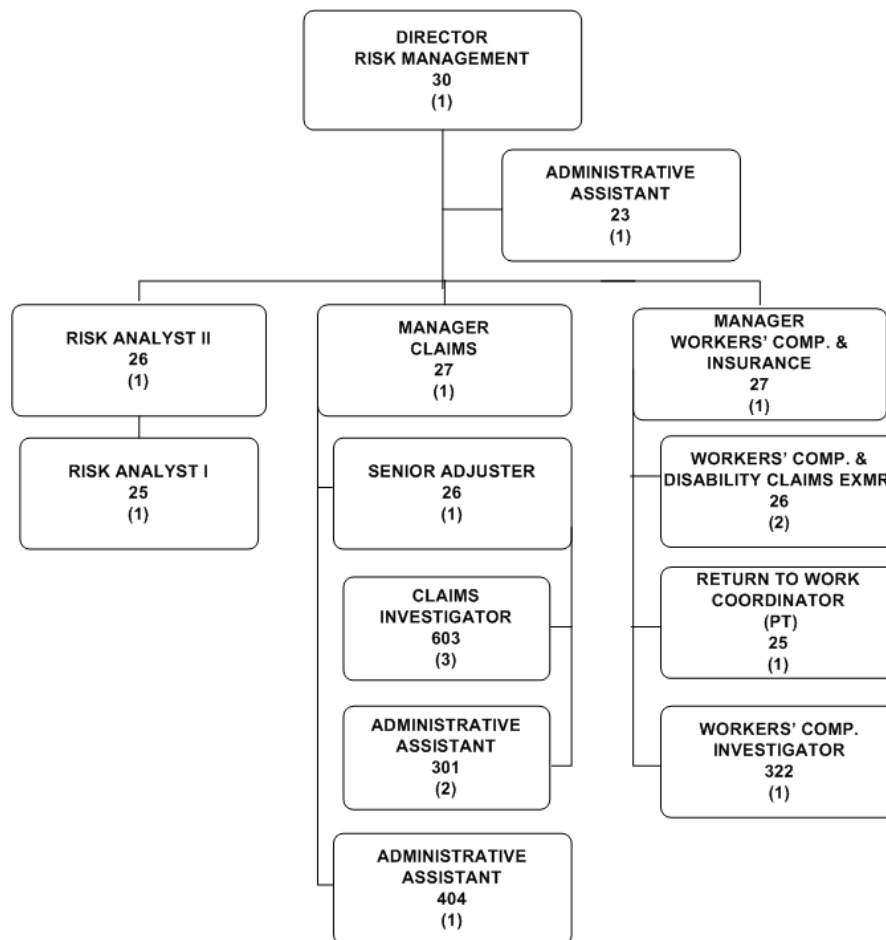
|   | 2010<br>Actual | 2011<br>Actual | 2012<br>Estimate | 2013<br>Budget |
|---|----------------|----------------|------------------|----------------|
| <b>Third Party Liability Claims</b>                       |                |                |                  |                |
| Total Events Resulting in Claims in Calendar Year (#1,4)  | 772            | 812            | 788              | 830            |
| Total # Claims in Calendar Year (#1,4)                    | 1,114          | 1,083          | 1,016            | 1,117          |
| Average Cost per Claim (excluding large losses) (#1,4)    | \$3,002        | \$3,584        | \$3,474          | \$3,174        |
| <b>Workers' Compensation</b>                              |                |                |                  |                |
| Total # of Claims in Calendar Year (#1,4)                 | 235            | 246            | 210              | 236            |
| Average Cost per Employee (excluding large losses) (#1,4) | \$1,570        | \$1,466        | \$1,385          | \$1,443        |
| Average Cost per Claim (excluding large losses) (#1,4)    | \$14,281       | \$12,524       | \$13,914         | \$12,889       |

| Obj.<br>Class | Description                          | 2010<br>Actual   | 2011<br>Actual   | 2012<br>Projection | 2013<br>Budget   |
|---------------|--------------------------------------|------------------|------------------|--------------------|------------------|
| 501200        | Hourly Employees                     | 0                | 0                | 51,382             | 35,000           |
| 501210        | Overtime – Hourly Employees          | 0                | 0                | 0                  | 100              |
| 501300        | Labor – Salaried Employees           | 847,381          | 898,672          | 887,565            | 948,000          |
| 501310        | Overtime – Salaried Employees        | 4,088            | 3,576            | 6,187              | 4,000            |
| 502000        | Fringe Benefits                      | 299,451          | 331,977          | 298,491            | 354,421          |
| 502071        | W.C. – Injuries & Damages            | 1,564,202        | 1,679,062        | 1,500,143          | 1,657,965        |
| 502082        | W.C. – Medical Payments              | 908,212          | 977,072          | 917,829            | 1,058,000        |
| 503000        | Services                             | 180,537          | 265,517          | 164,395            | 297,000          |
| 503030        | Workers Comp Administration Fee      | 541,058          | 529,477          | 434,188            | 638,354          |
| 503049        | Temporary Help                       | 49,414           | 4,216            | 11,152             | 0                |
| 504000        | Materials & Supplies                 | 8,134            | 3,529            | 2,165              | 6,120            |
| 506000        | Casualty & Liability Costs           | 309,948          | 276,913          | 240,640            | 332,900          |
| 506010        | Physical Damage Insurance            | 577,246          | 476,613          | 719,280            | 800,000          |
| 506040        | Liability & Property Damage Claims   | 1,787,897        | 1,949,884        | 1,740,859          | 1,746,656        |
| 506200        | W. C. – Settlement & Lawsuit Expense | 268,150          | 71,800           | 148,721            | 175,000          |
| 509000        | Miscellaneous Expenses               | 9,808            | 14,335           | 13,279             | 13,750           |
| <b>Total:</b> |                                      | <b>7,355,525</b> | <b>7,482,644</b> | <b>7,136,276</b>   | <b>8,067,266</b> |

# Legal Affairs Division

Below are staffing highlights of the Risk Management Department

| Grade        | Job Name                       | 2010        | 2011        | 2012        | 2013        |
|--------------|--------------------------------|-------------|-------------|-------------|-------------|
| 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         |
|              | Senior Litigation Analyst      | 1.0         | 0.0         | 0.0         | 0.0         |
|              | 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         |
| <b>Total</b> |                                | <b>16.5</b> | <b>16.5</b> | <b>16.5</b> | <b>16.5</b> |



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## 2013 Department Budgets

### Human Resources Division

|                                 |                |
|---------------------------------|----------------|
| <b>Division Summary</b>         | <b>DB - 73</b> |
| Human Resources                 | DB - 76        |
| Labor & Employee Relations      | DB - 78        |
| Training & Employee Development | DB - 80        |

# 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.

## 2012 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.



# Human Resources Division

## 2013 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.
- ◆ Implement iRecruitment and 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.
- ◆ 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, Future Leaders Club).

# Human Resources Division

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# Human Resources Division

## 2013 OPERATING BUDGET SUMMARY

### Department 14 – Human Resources

BRUCE HAMPTON, DEPUTY GENERAL MANAGER

#### Department Priorities for 2013

- ◆ 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, Future Leaders Club).
- ◆ 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.
- ◆ Hire between 80 and 120 Operators to offset retiring employees.
- ◆ Fill vacancies so total number of vacancies at end of year are less than 120.
- ◆ Increase HR visibility throughout Authority by visiting Districts at least once per week.

#### Mission Statement

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

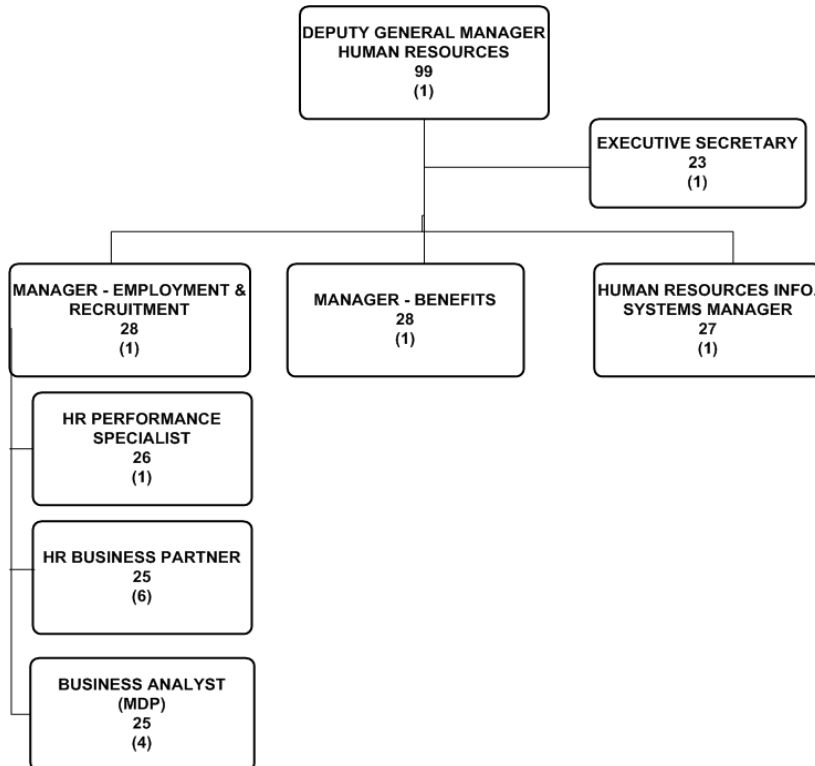
|                                   | 2010<br>Actual | 2011<br>Actual | 2012<br>Estimate | 2013<br>Budget |
|-----------------------------------|----------------|----------------|------------------|----------------|
| Total Number of New Hires (#1,3)  | 67             | 114            | 215              | 200            |
| Total Number of Promotions (#1,3) | 41             | 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             |

# Human Resources Division

Below are budget and staffing highlights of the Human Resources Department

| Obj. Class    | Description                 | 2010 Actual    | 2011 Actual      | 2012 Projection  | 2013 Budget      |
|---------------|-----------------------------|----------------|------------------|------------------|------------------|
| 501200        | Hourly Employees            | 62,599         | 116,240          | 111,017          | 160,200          |
| 501210        | Overtime – Hourly Employees | 0              | 100              | 100              | 0                |
| 501300        | Labor – Salaried Employees  | 543,052        | 617,365          | 588,446          | 916,558          |
| 502000        | Fringe Benefits             | 209,693        | 268,731          | 247,035          | 400,867          |
| 503000        | Services                    | 114,700        | 51,000           | 41,213           | 65,735           |
| 503020        | Advertising Fees            | 32,505         | 44,896           | 19,790           | 35,000           |
| 503049        | Temporary Help              | 0              | 5,889            | (700)            | 0                |
| 504000        | Materials & Supplies        | 13,438         | 18,860           | 21,400           | 20,600           |
| 509000        | Miscellaneous Expenses      | 8,116          | 6,677            | 2,113            | 9,250            |
| <b>Total:</b> |                             | <b>984,103</b> | <b>1,129,758</b> | <b>1,030,414</b> | <b>1,608,210</b> |

| Grade        | Job Name                          | 2010        | 2011        | 2012        | 2013        |
|--------------|-----------------------------------|-------------|-------------|-------------|-------------|
| 23           | 0725 Executive Secretary          | 0.0         | 0.0         | 1.0         | 1.0         |
| 25           | 1081 Business Analyst             | 6.0         | 2.0         | 4.0         | 4.0         |
|              | 1640 HR Business Partner          | 4.0         | 6.0         | 6.0         | 6.0         |
| 26           | HR Performance Specialist         | 1.0         | 1.0         | 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         | 1.0         | 1.0         |
|              | 0844 Benefits Manager             | 1.0         | 1.0         | 1.0         | 1.0         |
| 99           | 9971 DGM Human Resources          | 0.0         | 0.0         | 1.0         | 1.0         |
| <b>Total</b> |                                   | <b>14.0</b> | <b>12.0</b> | <b>16.0</b> | <b>16.0</b> |



# Human Resources Division

## 2013 OPERATING BUDGET SUMMARY

### Department 18 – Labor & Employee Relations

SCOTT FERRARO, DIRECTOR

#### Department Priorities for 2013

- ◆ Provide advice, training, and counsel to managers, supervisors, and employees on discipline, grievances, policies, contracts, and labor laws.
- ◆ Prepare for ATU contract negotiations in 2014.
- ◆ Prepare for FOP contract negotiations 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.

**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.

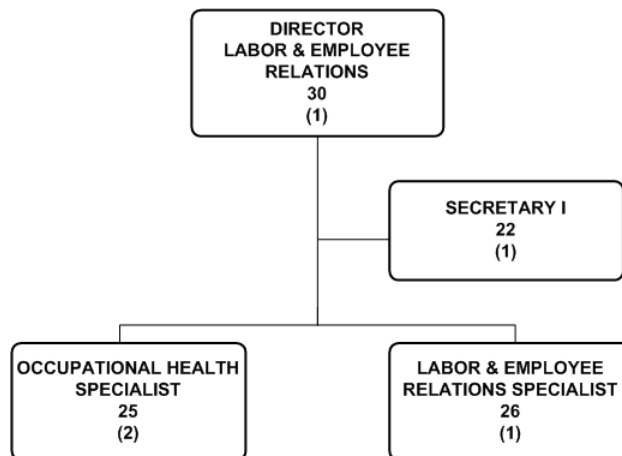
|   | <b>2010<br/>Actual</b> | <b>2011<br/>Actual</b> | <b>2012<br/>Estimate</b> | <b>2013<br/>Budget</b> |
|---|------------------------|------------------------|--------------------------|------------------------|
| Number of 4 <sup>th</sup> Step Grievance Hearings Held (#1,4) | 50                     | 46                     | 35                       | 50                     |
| Number of Labor Management Committees (#1)                    | 9                      | 8                      | 9                        | 9                      |
| Number of Discipline Actions Approved (#1,4)                  | 70                     | 56                     | 50                       | 60                     |
| Total Number of Drug & Alcohol Tests (#1,4)                   | 2,090                  | 2,178                  | 2,095                    | 2,100                  |
| FMLA Requests Processed (#1,4)                                | 892                    | 830                    | 815                      | 900                    |
| Separations subject to unemployment claims (#1,4)             | 229                    | 383                    | 203                      | 220                    |
| Biennials/Follow-ups (#1,4)                                   | 675                    | 630                    | 635                      | 650                    |

# Human Resources Division

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

| Obj. Class    | Description                | 2010 Actual      | 2011 Actual      | 2012 Projection  | 2013 Budget    |
|---------------|----------------------------|------------------|------------------|------------------|----------------|
| 501300        | Labor – Salaried Employees | 322,588          | 248,170          | 257,916          | 294,911        |
| 502000        | Fringe Benefits            | 87,416           | 72,733           | 92,843           | 109,793        |
| 502070        | Unemployment Compensation  | 1,242,822        | 419,867          | 611,148          | 255,000        |
| 503000        | Services                   | 211,367          | 264,001          | 218,907          | 299,976        |
| 504000        | Materials & Supplies       | 182              | 501              | 452              | 500            |
| 509000        | Miscellaneous Expenses     | 4,007            | 6,392            | 4,776            | 6,375          |
| <b>Total:</b> |                            | <b>1,868,382</b> | <b>1,011,664</b> | <b>1,186,041</b> | <b>966,555</b> |

| Grade        | Job Name                       | 2010       | 2011       | 2012       | 2013       |
|--------------|--------------------------------|------------|------------|------------|------------|
| 22           | 0721 Secretary I               | 1.0        | 1.0        | 1.0        | 1.0        |
| 24           | Human Resources Assistant      | 1.0        | 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        |
| <b>Total</b> |                                | <b>6.0</b> | <b>5.0</b> | <b>5.0</b> | <b>5.0</b> |



# Human Resources Division

## 2013 OPERATING BUDGET SUMMARY Department 30 – Training & Employee Development

GEORGE FIELDS, DIRECTOR

### Department Priorities for 2013

- ◆ Continue to grow talent management succession planning efforts through the Management Development Program, summer internships, and Public Transit Management Academy.
- ◆ Continue the implementation of training initiatives such as de-escalation and conflict resolution, disability awareness, customer service, and diversity training to positively impact the customer experience.
- ◆ To ensure the timely completion of training requirements (annual, biennial) for bus, rail, facilities, maintenance, other applicable GCRTA employees.
- ◆ Implement train-the-trainer programs to enhance instructors' training performance and provide continuing education.
- ◆ Continue to develop and implement the Oracle Learning Management module to include, but not limited to: data validation, user training, dashboard reporting, and promotion of training activities.

### 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.

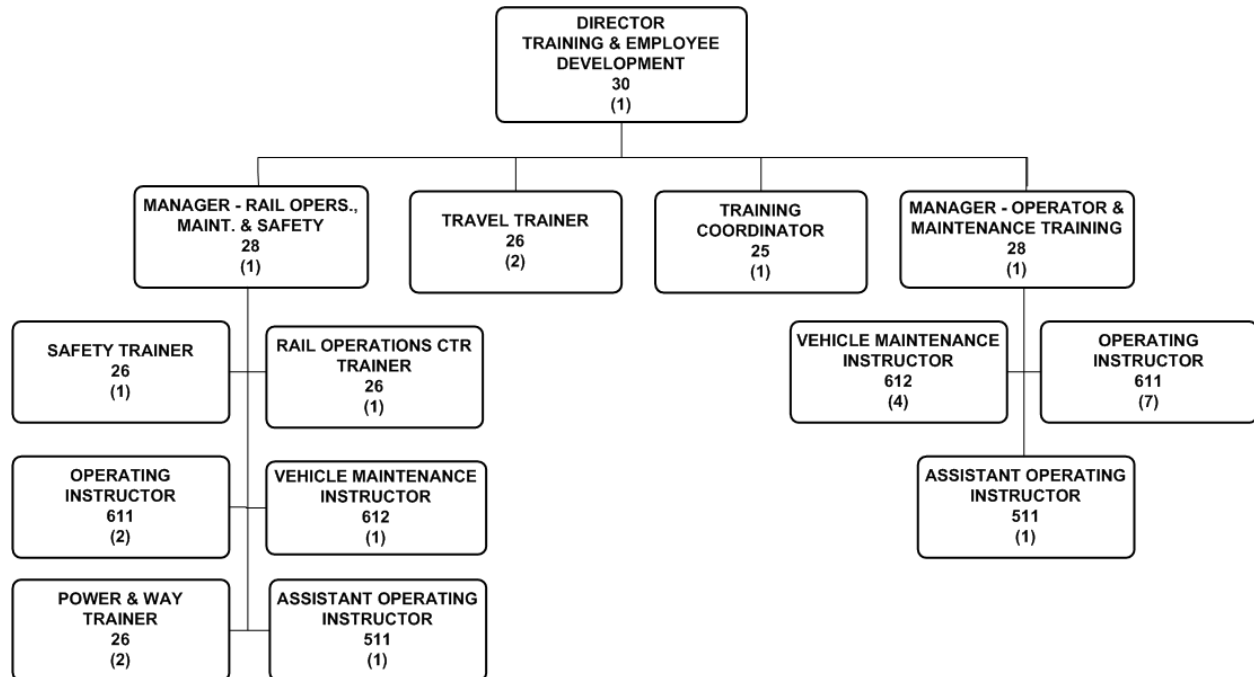
|   | 2010<br>Actual | 2011<br>Actual | 2012<br>Estimate | 2013<br>Budget |
|---|----------------|----------------|------------------|----------------|
| Biennial Bus Operator Recertification (#1)  |                | 741            | 363              | 367            |
| Biennial Rail Operator Recertification (#1) |                | 43             | 34               | 37             |
| Safety Training                             |                | 1,659          | 1,659            | 1,659          |

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

| Obj.<br>Class | Description                   | 2010<br>Actual   | 2011<br>Actual   | 2012<br>Projection | 2013<br>Budget   |
|---------------|-------------------------------|------------------|------------------|--------------------|------------------|
| 501300        | Labor – Salaried Employees    | 1,344,997        | 1,287,443        | 1,285,796          | 1,672,919        |
| 501310        | Overtime – Salaried Employees | 30,959           | 22,499           | 12,058             | 9,900            |
| 502000        | Fringe Benefits               | 487,135          | 481,036          | 511,739            | 626,498          |
| 502148        | Tuition Reimbursement         | 27,847           | 29,022           | 39,670             | 35,000           |
| 503000        | Services                      | 24,755           | 16,679           | 26,679             | 40,700           |
| 504000        | Materials & Supplies          | 8,323            | 4,037            | 5,272              | 14,100           |
| 509000        | Miscellaneous Expenses        | 84,674           | 297,500          | 141,970            | 196,250          |
| <b>Total:</b> |                               | <b>2,008,689</b> | <b>2,138,217</b> | <b>2,023,185</b>   | <b>2,595,367</b> |

# Human Resources Division

| Grade        | Job Name                       | 2010        | 2011        | 2012        | 2013        |
|--------------|--------------------------------|-------------|-------------|-------------|-------------|
| 05           | 0511 Assistant Operating Instr | 4.0         | 2.0         | 2.0         | 2.0         |
| 06           | 0611 Operating Instructor      | 9.0         | 9.0         | 9.0         | 9.0         |
|              | 0612 Vehicle Maint Instructor  | 4.0         | 5.0         | 5.0         | 5.0         |
| 25           | Business Partner               | 1.0         | 0.0         | 0.0         | 0.0         |
|              | 25X Training Coordinator       | 0.0         | 0.0         | 0.0         | 1.0         |
| 26           | 1194 Safety Trainer            | 1.0         | 1.0         | 1.0         | 1.0         |
|              | 1619 Travel Trainer            | 1.0         | 2.0         | 2.0         | 2.0         |
|              | 1622 Power/Way Rail Trainer    | 1.0         | 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         |
| <b>Total</b> |                                | <b>24.0</b> | <b>25.0</b> | <b>25.0</b> | <b>26.0</b> |





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## 2013 Department Budgets

### Executive Division

|   |                |
|---|----------------|
| <b>Division Summary</b>                 | <b>DB - 83</b> |
| Executive                               | DB - 88        |
| Secretary/Treasurer - Board of Trustees | DB - 90        |
| Internal Audit                          | DB - 92        |
| Marketing & Communications              | DB - 94        |
| Office of Management & Budget           | DB - 96        |
| Fund Transfers                          | DB - 98        |

# 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.

## 2012 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.

# Executive Division

- ◆ 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.
- ◆ 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.

# Executive Division

- ◆ 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.

## **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/](http://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

## 2013 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. 120<sup>th</sup> 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.

# Executive Division

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# Executive Division

## 2013 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.

|                                | 2009<br>Actual | 2010<br>Actual | 2011<br>Actual | 2012<br>Estimate | 2013<br>Budget |
|--------------------------------|----------------|----------------|----------------|------------------|----------------|
| Ridership (#1)                 | 49,872,964     | 44,682,977     | 46,238,928     | 47,042,314       | 50,000,000     |
| Percent Change Prior Year (#1) | -14%           | -10.4%         | 3.6%           | 4.3%             | 6.3%           |
| Pass Revenue (#1,4)            | 49,757,085     | 47,153,709     | 48,017,726     | 49,237,857       | 51,264,397     |
| % Change (#1,4)                | 3.29%          | -5.23%         | 4.2%           | 1.5%             | 2.0%           |



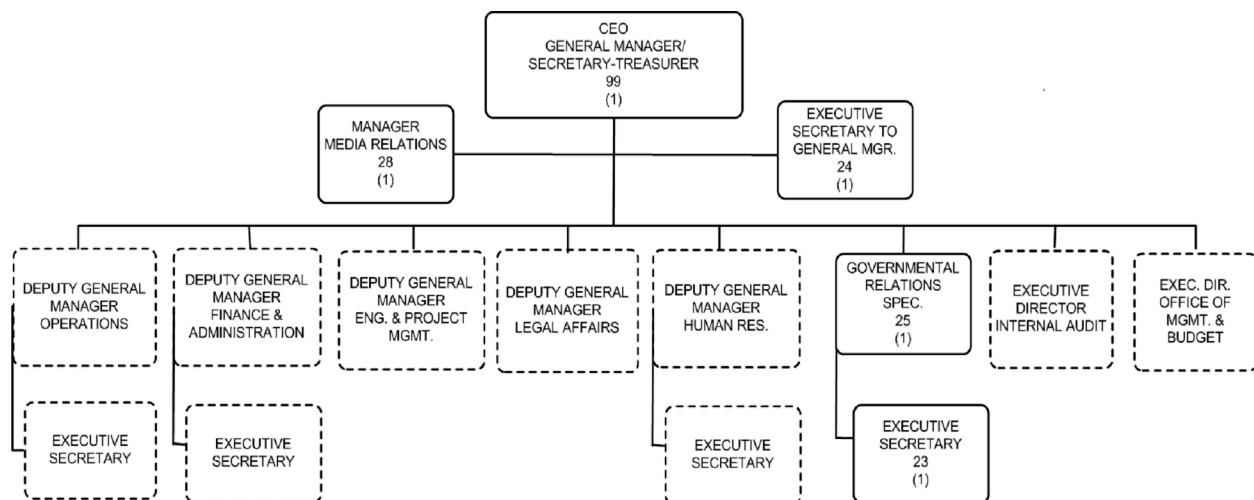
# Executive Division

Below are budget and staffing highlights of the Executive Department

| Obj. Class    | Description                   | 2010 Actual      | 2011 Actual      | 2012* Projection | 2013 Budget    |
|---------------|-------------------------------|------------------|------------------|------------------|----------------|
| 501300        | Labor . Salaried Employees    | 1,306,639        | 1,282,427        | 485,377          | 509,130        |
| 501310        | Overtime . Salaried Employees | 1,121            | 3,698            | 0                | 0              |
| 502000        | Fringe Benefits               | 476,443          | 490,802          | 169,972          | 204,544        |
| 503000        | Services                      | 7,541            | 16,245           | 11,158           | 27,700         |
| 503049        | Temporary Help                | 14,275           | (1,799)          | 0                | 0              |
| 504000        | Materials & Supplies          | 22,870           | 644              | 1,714            | 1,000          |
| 509000        | Miscellaneous Expenses        | 136,459          | 144,492          | 145,880          | 182,000        |
| <b>Total:</b> |                               | <b>1,965,347</b> | <b>1,936,510</b> | <b>814,102</b>   | <b>924,374</b> |

\* 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 prospective Divisions.

| Grade        | Job Name                             | 2010        | 2011        | 2012       | 2013       |
|--------------|--------------------------------------|-------------|-------------|------------|------------|
| 23           | 0711 Secretary to GM/Sec Treasurer   | 1.0         | 1.0         | 1.0        | 1.0        |
|              | 0725 Executive Secretary             | 4.0         | 4.0         | 1.0        | 1.0        |
| 25           | 0862 Government Relations Specialist | 1.0         | 1.0         | 1.0        | 1.0        |
| 26           | 1625 Performance Leader . Ops        | 2.0         | 2.0         | 0.0        | 0.0        |
| 27           | 1444 Manager Media Relations         | 0.0         | 0.0         | 1.0        | 1.0        |
| 99           | 9921 DGM Operations                  | 1.0         | 1.0         | 0.0        | 0.0        |
|              | 9931 DGM Eng & Project Management    | 1.0         | 1.0         | 0.0        | 0.0        |
|              | 9941 DGM Finance & Admin             | 1.0         | 1.0         | 0.0        | 0.0        |
|              | 9951 DGM Legal Affairs               | 1.0         | 1.0         | 0.0        | 0.0        |
|              | 9971 DGM Human Resources             | 1.0         | 1.0         | 0.0        | 0.0        |
|              | 9929 General Manager                 | 1.0         | 1.0         | 1.0        | 1.0        |
| <b>Total</b> |                                      | <b>14.0</b> | <b>14.0</b> | <b>5.0</b> | <b>5.0</b> |



# Executive Division

## 2013 OPERATING BUDGET SUMMARY Department 16 – Secretary/Treasurer – Board of Trustees

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

### Department Priorities for 2013

- ◆ 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.

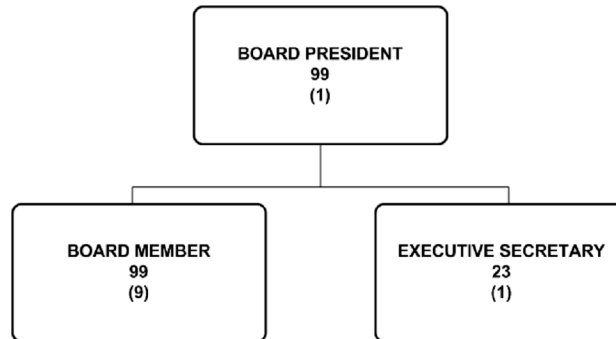
|                                      | 2009<br>Actual | 2010<br>Actual | 2011<br>Actual | 2012<br>Estimate | 2013<br>Budget |
|--------------------------------------|----------------|----------------|----------------|------------------|----------------|
| RTA Annual Yield on Investments (#4) | 1.06%          | .50%           | .50%           | 0.49%            | 0.55%          |

# Executive Division

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

| Obj. Class    | Description                | 2010 Actual    | 2011 Actual    | 2012 Projection | 2013 Budget    |
|---------------|----------------------------|----------------|----------------|-----------------|----------------|
| 501300        | Labor . Salaried Employees | 87,200         | 85,171         | 88,690          | 95,100         |
| 502000        | Fringe Benefits            | 29,933         | 29,845         | 28,060          | 35,405         |
| 503000        | Services                   | 215,967        | 167,040        | 175,859         | 178,000        |
| 504000        | Materials & Supplies       | 0              | 473            | 550             | 1,500          |
| 509000        | Miscellaneous Expenses     | 11,891         | 17,038         | 14,248          | 30,800         |
| <b>Total:</b> |                            | <b>344,992</b> | <b>299,567</b> | <b>307,407</b>  | <b>340,805</b> |

| Grade        | Job Name                 | 2010        | 2011        | 2012        | 2013        |
|--------------|--------------------------|-------------|-------------|-------------|-------------|
| 23           | 0725 Executive Assistant | 1.0         | 1.0         | 1.0         | 1.0         |
| 99           | 9901 Board Member        | 10.0        | 10.0        | 10.0        | 10.0        |
| <b>Total</b> |                          | <b>11.0</b> | <b>11.0</b> | <b>11.0</b> | <b>11.0</b> |



# Executive Division

## 2013 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 2013

- ◆ 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

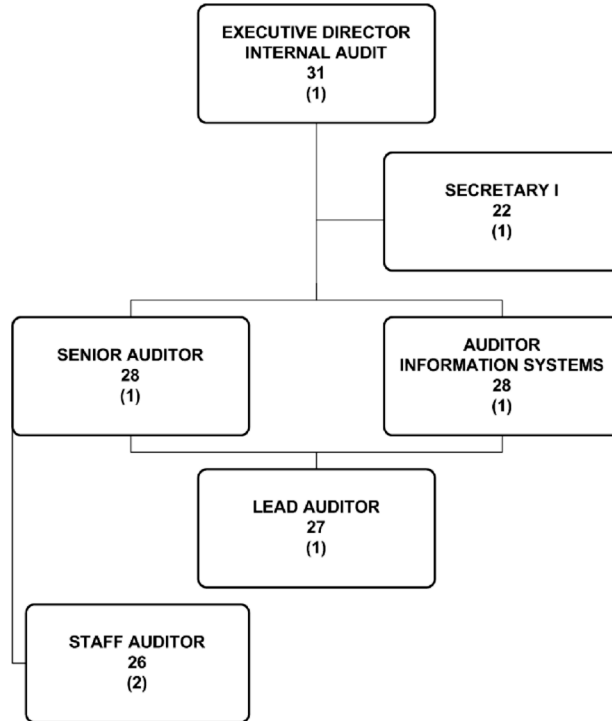
|  | 2010 Actual | 2011 Actual | 2012 Estimate | 2013 Budget |
|--|-------------|-------------|---------------|-------------|
| Number of Audits Planned (#1,4)  | 51          | 49          | 48            | 51          |
| Number of Audits Completed (#1,4)  | 44          | 41          | 41            | 45          |
| Percentage of Time Budgeted for Audits (#1,4)                                  | 87%         | 91%         | 90%           | 90%         |
| Percentage of Recommendations Implemented By Management (#1,4)                 |             |             |               | 80%         |
| Percentage of Audits Performed Where Computerized Audit Tools Were Used (#1,4) |             |             |               | 50%         |

Below are budget and staffing highlights of the Internal Audit Department

| Obj. Class    | Description                | 2010 Actual    | 2011 Actual    | 2012 Projection | 2013 Budget    |
|---------------|----------------------------|----------------|----------------|-----------------|----------------|
| 501300        | Labor . Salaried Employees | 441,634        | 421,810        | 433,731         | 479,700        |
| 502000        | Fringe Benefits            | 153,676        | 156,048        | 138,992         | 178,588        |
| 503000        | Services                   | (1,006)        | 115,589        | 58,446          | 76,500         |
| 504000        | Materials & Supplies       | 3,011          | 2,231          | 720             | 1,500          |
| 509000        | Miscellaneous Expenses     | 5,369          | 18,981         | 2,196           | 25,000         |
| <b>Total:</b> |                            | <b>602,734</b> | <b>714,658</b> | <b>634,086</b>  | <b>761,288</b> |

# 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        | 2.0        |
| 27           | 1087 Lead Auditor                | 1.0        | 1.0        | 1.0        | 1.0        |
| 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        |
| <b>Total</b> |                                  | <b>7.0</b> | <b>7.0</b> | <b>7.0</b> | <b>7.0</b> |



# Executive Division

## 2013 OPERATING BUDGET SUMMARY Department 53 – Marketing & Communications

STEPHEN BITTO, DIRECTOR

### Department Priorities for 2013

- ◆ 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.

|                                      | 2010<br>Actual | 2011<br>Actual | 2012<br>Estimate | 2013<br>Budget |
|--------------------------------------|----------------|----------------|------------------|----------------|
| Ridership Increase (#1,4)            | -10.41%        | 3.6%           | 4.3%             | 5.0%           |
| Community Outreach Activities (#1,5) | 50             | 54             | 63               | 70             |
| Facebook Friends (#1,4)              | 3,529          | 11,894         | 13,040           | 16,000         |
| Commuter Advantage Clients (#1,4)    | 577            | 629            | 675              | 710            |
| Calls Answered (#1)                  | 449,100        | 465,100        | 582,079          | 590,000        |
| TIC Lost Call Rate (#1)              | 15.9%          | 14.2%          | 6.7%             | 6.0%           |

### 2012 Highlights:

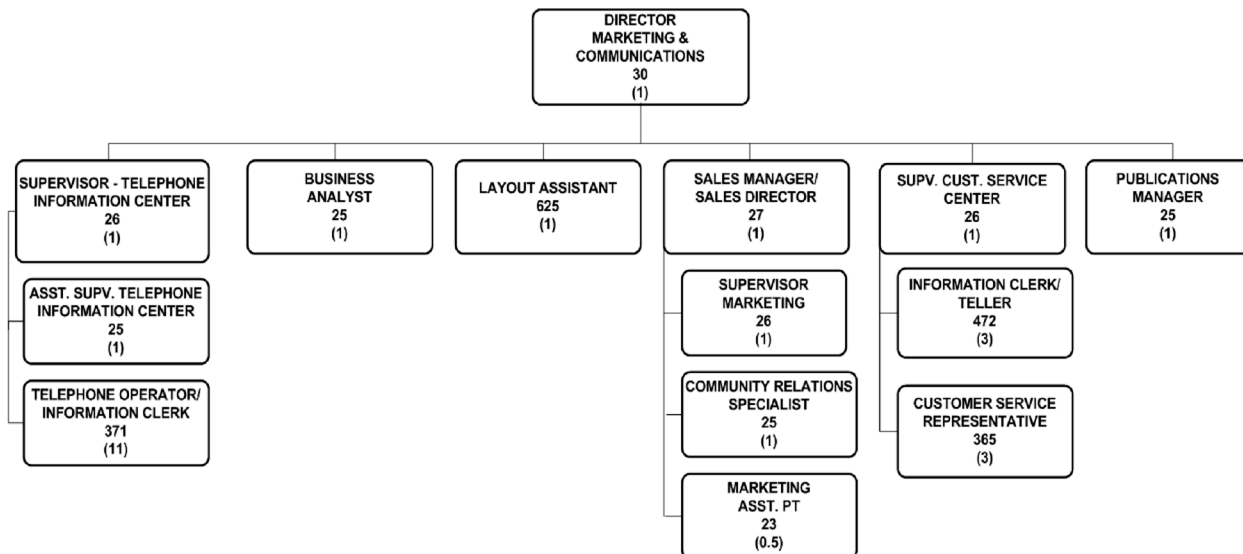
- Call Center . Significantly improved performance; reduced lost call rate to 6.7%, below 10% goal.
- Ready to Ride . Partnered with some of the community's largest employers (Cleveland Clinic, Key Bank, University Hospital System) to extend free trial offer. Converted 30% of participants to transit users.
- Trolley Launch . Extended downtown trolley service . weeknights until 11:00PM; weekend service until 11:00 PM, along with new lakefront service and work trip commuter service along East Ninth Street . C-Line; L-Line; Nine/Twelve Line
- Cleveland Pass . Introduced uniquely designed family of transit passes targeting tourism market. Also, developed new collateral materials promoting service to visitor related destinations.
- Enhanced Research Capability . Expanded mystery shopper program, conducted Trolley, Park-N-Ride Rider studies as well as supported NOACA's origin/destination study.

# Executive Division

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

| Obj. Class    | Description                   | 2010 Actual      | 2011 Actual      | 2012 Projection  | 2013 Budget      |
|---------------|-------------------------------|------------------|------------------|------------------|------------------|
| 501200        | Hourly Employees Labor        | 0                | 4,896            | 19,175           | 15,000           |
| 501210        | Overtime . Hourly Employees   | 0                | 0                | 0                | 150              |
| 501300        | Labor . Salaried Employees    | 1,361,204        | 1,346,484        | 1,449,380        | 1,498,710        |
| 501310        | Overtime . Salaried Employees | 21,940           | 30,886           | 33,219           | 20,000           |
| 502000        | Fringe Benefits               | 488,959          | 514,341          | 471,808          | 565,401          |
| 503000        | Services                      | 391,627          | 21,631           | 182,896          | 194,400          |
| 503020        | Advertising Fees              | 584,880          | 1,000,465        | 800,907          | 809,000          |
| 504000        | Materials & Supplies          | 17,743           | 19,941           | 20,046           | 23,400           |
| 509000        | Miscellaneous Expenses        | 35,254           | 60,288           | 41,779           | 6,000            |
| 509080        | District Council              | (575)            | 575              | 0                | 6,500            |
| 512000        | Leases & Rentals              | 6,000            | 0                | 0                | 0                |
| <b>Total:</b> |                               | <b>2,907,032</b> | <b>2,999,507</b> | <b>3,019,211</b> | <b>3,138,561</b> |

| Grade        | Job Name                        | 2010        | 2011        | 2012        | 2013        |
|--------------|---------------------------------|-------------|-------------|-------------|-------------|
| 03           | 0365 Customer Service Rep       | 3.0         | 3.0         | 3.0         | 3.0         |
|              | 0371 Telephone Oper/Info Clerk  | 12.0        | 11.0        | 11.0        | 11.0        |
| 04           | 0472 Information Clerk/Teller   | 2.0         | 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         | 0.0         | 0.0         | 0.5         |
|              | 0740 Marketing Associate        | 1.0         | 1.0         | 1.0         | 0.0         |
| 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         | 1.0         |
| 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         | 1.0         | 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         |
| <b>Total</b> |                                 | <b>28.0</b> | <b>28.0</b> | <b>27.0</b> | <b>27.5</b> |



# Executive Division

## 2013 OPERATING BUDGET SUMMARY Department 67 – Office of Management and Budget

GALE W. FISK, EXECUTIVE DIRECTOR

### Department Priorities for 2013

- ◆ Implement an agency-wide initiative to improve operations through the Partnership For Excellence. For 2013, the focus will be on the following categories: leadership, strategic planning, customer focus, workforce focus, operations focus, measurement, analysis and knowledge management, and results. The objective for 2013 is to achieve both Advisory and Partnering level within the program.
- ◆ Lead Program Management initiatives to implement improved operations administrative support databases and see that they are properly managed and administered.
- ◆ Continue development of mechanisms to better monitor and control the budget.
- ◆ Continue to reprioritize the capital program and coordinate the funding and system implications. For 2013, keep reimbursed expenditures under \$20 million.
- ◆ 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 2013 is 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.

|  | 2009<br>Actual | 2010<br>Actual | 2011<br>Actual | 2012<br>Estimate | 2013<br>Budget |
|--|----------------|----------------|----------------|------------------|----------------|
| Quarterly Management Reports Produced (#1,4)         | 4              | 4              | 4              | 4                | 4              |
| FTA Financial Status Reports Prepared (#1,4)         | 4              | 4              | 4              | 4                | 4              |
| Cost Allocation Plans Produced (#1,4)                | 1              | 1              | 1              | 1                | 1              |
| National Transit Database Reports Prepared (#1,4)    | 1              | 1              | 1              | 1                | 1              |
| # of Management Consulting Products Completed (#1,4) | 3              | 3              | 3              | 3                | 3              |
| Operating Budget Variances (#1,4):                   |                |                |                |                  |                |
| • Revenues over/(under)                              | (3.55%)        | 2.06%          | 0.09%          | 1.5%             | 2.0%           |
| • Expenditures over/(under)                          | (2.89%)        | (8.79%)        | (6.90%)        | (3.8%)           | 1.0%           |

### 2012 Highlights:

- ◆ Reduced Reimbursed Expenditures to General Fund by \$9 million, which allowed for funding of additional capital projects including the S-Curve.
- ◆ Reduced Costs for utilities/fuel (2009 through 2012):
  - Electricity reduced by \$3,130,000 annually, approximately 41%. Savings over the past three years was \$7,306,000.
  - Fuel Hedging savings:
    - 2012 - \$2,108,000
    - 2010-2012 - \$15,279,000

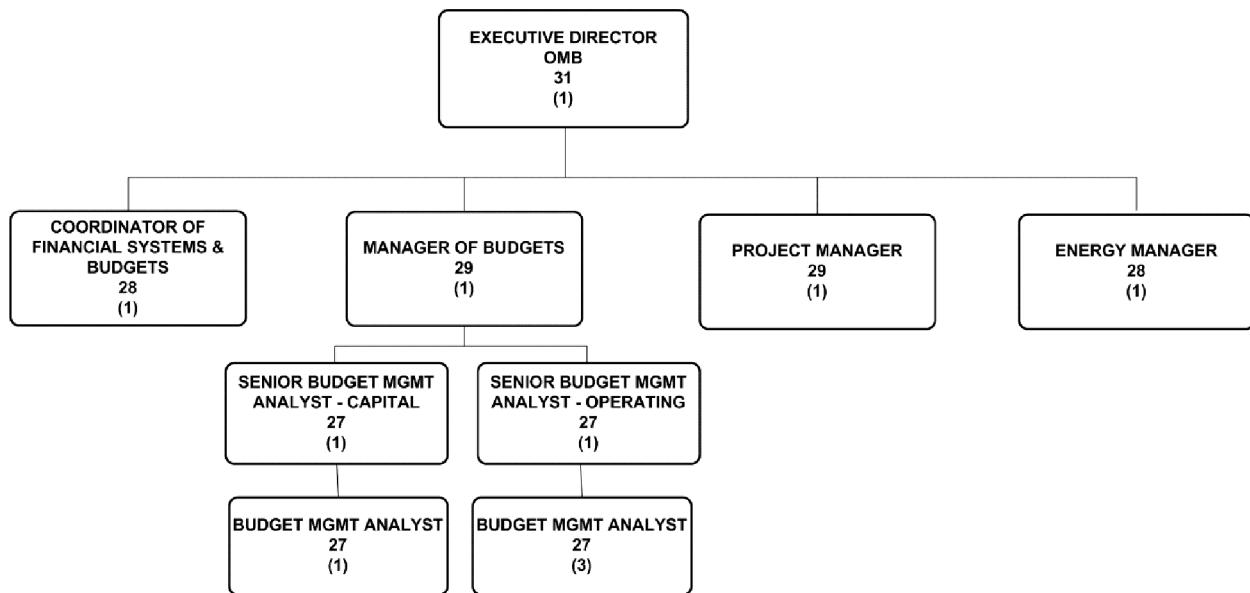


# Executive Division

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

| Obj. Class    | Description                | 2010 Actual    | 2011 Actual      | 2012 Projection  | 2013 Budget      |
|---------------|----------------------------|----------------|------------------|------------------|------------------|
| 501300        | Labor . Salaried Employees | 658,437        | 690,986          | 763,605          | 823,202          |
| 502000        | Fringe Benefits            | 231,272        | 255,441          | 244,280          | 306,470          |
| 503000        | Services                   | 51,000         | 140,400          | 85,891           | 131,000          |
| 503020        | Advertising Fees           | 469            | 519              | 500              | 600              |
| 504000        | Materials & Supplies       | 873            | 1,000            | 900              | 900              |
| 505000        | Utilities                  | 0              | 4,517,701        | 1,978,619        | 3,844            |
| 509000        | Miscellaneous Expenses     | 8,809          | 3,353            | 19,891           | 31,700           |
| <b>Total:</b> |                            | <b>950,860</b> | <b>5,609,399</b> | <b>3,093,686</b> | <b>5,137,872</b> |

| Grade        | Job Name                         | 2010        | 2011        | 2012        | 2013        |
|--------------|----------------------------------|-------------|-------------|-------------|-------------|
| 27           | 0767 Sr. Budget Mgmt Analyst     | 2.0         | 4.0         | 2.0         | 2.0         |
|              | 0958 Budget Mgmt Analyst         | 4.0         | 2.0         | 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         | 0.0         | 1.0         | 1.0         |
|              | 0869 Manager of Budgets          | 1.0         | 1.0         | 1.0         | 1.0         |
| 31           | 1437 Executive Director          | 1.0         | 1.0         | 1.0         | 1.0         |
| <b>Total</b> |                                  | <b>10.0</b> | <b>10.0</b> | <b>11.0</b> | <b>11.0</b> |



# Executive Division

## 2013 OPERATING BUDGET SUMMARY Department 99 – Fund Transfers

| Obj. Class    | Description                       | 2010 Actual       | 2011 Actual       | 2012 Projection   | 2013 Budget       |
|---------------|-----------------------------------|-------------------|-------------------|-------------------|-------------------|
| 509091        | Misc. Finance Costs               | 8,254,743         | 0                 | 0                 | 0                 |
| 510065        | Transfers To/From Pension Fund    | 100,000           | 100,000           | 100,000           | 100,000           |
| 510075        | Transfers To/From RTA Capital     | 12,525,000        | 12,101,441        | 12,754,337        | 21,270,044        |
| 510085        | Transfers To/From Bond Retirement | 17,351,950        | 19,793,855        | 19,793,855        | 18,324,392        |
| 510090        | Transfers To/From Insurance Fund  | 3,203,000         | 3,250,000         | 2,250,000         | 1,400,000         |
| <b>Total:</b> |                                   | <b>41,434,693</b> | <b>35,245,296</b> | <b>34,898,192</b> | <b>41,094,436</b> |

## 2013 Capital Improvement Plan

|  |          |
|--|----------|
| Introduction                                 | CIP - 1  |
| Organization of the Capital Improvement Plan | CIP - 1  |
| Capital Assets                               | CIP - 2  |
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### Capital Improvement Plan

What is the Authority's plan for maintaining, repairing, and replacing its fleet of buses and rail vehicles, bus garages, rail stations, track, and other equipment? How will these capital improvements be financed? The Capital Improvement Plan presents a five-year look at capital improvements and discusses funding sources, but primarily focuses on 2013 activity. The detailed list of proposed capital improvement projects is provided, in addition to a discussion of the impact of the 2013 Capital Improvement Plan on the Operating Budget and the Authority's current outstanding debt obligations.

# 2013-2017 Capital Improvement Plan

## Introduction

The Authority's Capital Improvement Plan (CIP) relates to the implementation of an ongoing process to maintain, upgrade, or replace its capital assets to achieve a State of Good Repair (SGR). Effective Capital improvement planning facilitates this process by providing a framework to schedule improvements based on the availability of resources, the condition of assets, and priorities between requested capital projects.

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. The ability to fund these capital needs though must be weighed against the financial resources required to support the regular operations of the Authority.

In recent years, the goal of the CIP process has been to prioritize needs and better align the Authority's ongoing capital program with available Local and non-Local funding resources. In turn, this led to the programming of capital projects timed with upcoming and future Federal Fiscal Year (FFY) grants, to a reduction of 100 percent in locally funded small capital projects, and in some cases to the deferral of programmed capital projects into future years.

The financial demands of the capital program remain at a high level, but the decision to closely align scheduled activities with funding has reduced 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 2013-17 CIP includes the first five programmed years of the Authority's Capital Program, with out-year projects, covering 2018 . 2020, in preliminary development.

## Organization of the Capital Improvement Plan

This chapter contains the 2013-2017 Capital Improvement Plan of the Authority. The first year of the plan reflects the Board approved FY 2013 Capital Improvement Budget Appropriation that is the guide for 2013 capital projects. The following four years of the CIP outline planned 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 Program and the Heavy Rail (HR) interior overhaul project. 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.

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.

# 2013-2017 Capital Improvement Plan

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.

The final section is devoted to the details of the 2013 Capital Improvement Budget and the four out-years of the overall 2013 - 2017 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 2013 - 17 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.

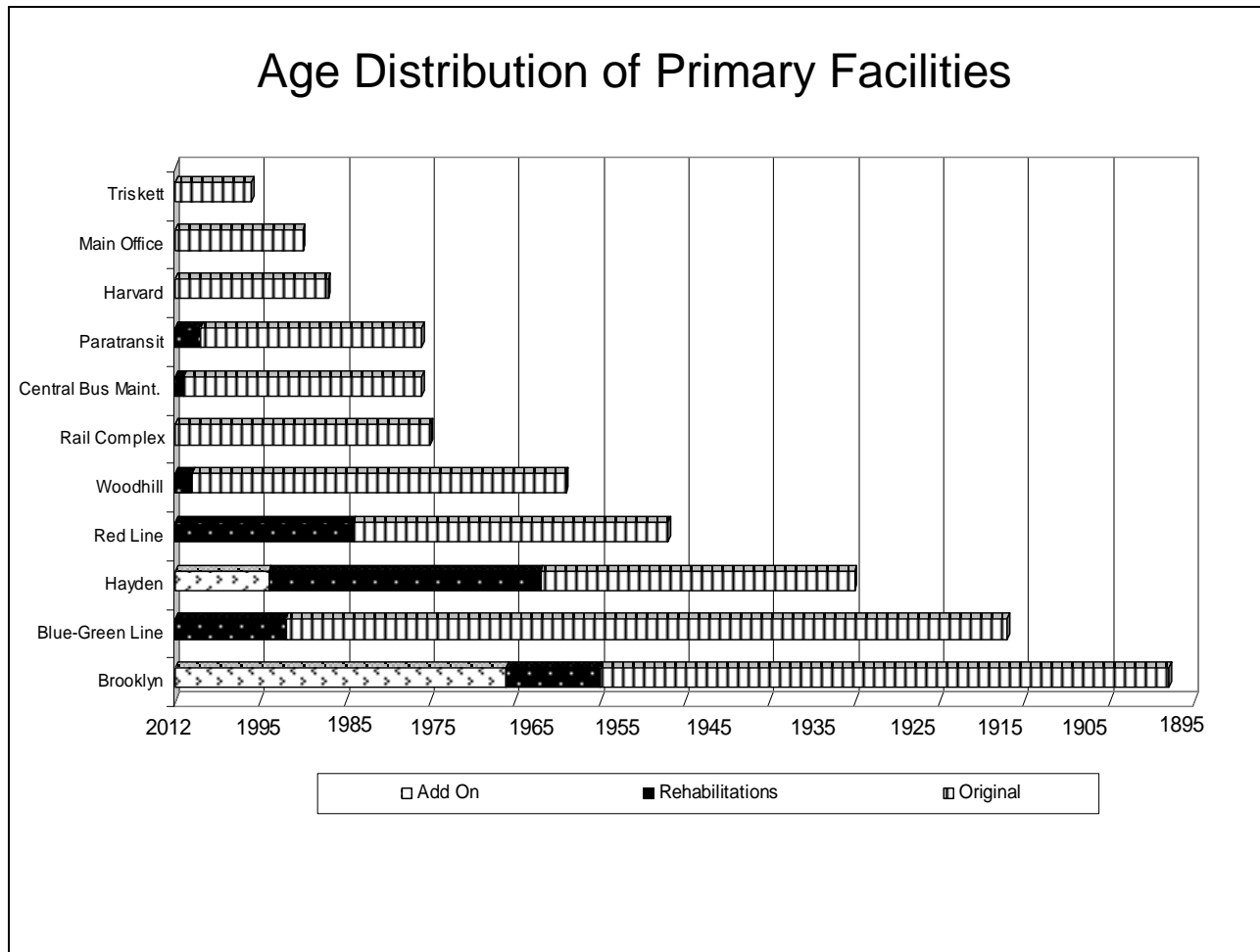


Figure CIP. 1: Age Distribution of GCRTA Primary Facilities

# 2013-2017 Capital Improvement Plan

## Capital Assets (continued)

### Facilities

#### **Brooklyn Garage Facility**

The Brooklyn Garage, built in 1895 with additions in both 1955 and 1969, 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 a recent SGR project including the replacement of six hydraulic lifts, the fire suppression and HVAC systems, and 16 overhead doors is nearing completion.

#### **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 a Federal State of Good Repair grant, will be completed in FY 2013.

#### **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, (is nearly completed) with additional work funded from a Federal State of Good Repair grant, that includes various facilities improvements and replacement of equipment, will be completed in FY 2013.

# 2013-2017 Capital Improvement Plan

## **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.

## **Passenger Shelters**

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

## **Rail District Complex**

The Rail District Complex, located at 6200 Grand Avenue, went into service between 1982 and 1983. It houses Rail Headquarters, the Central Rail Maintenance Facility, 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. All buildings are scheduled for a complete roof replacement in FY 2013.

## **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.

## **Rail System**

### **The Blue and Green Lines**

The Blue, Green and Waterfront Lines comprise the RTA's Light Rail (LR) System. The Waterfront Line runs along the Lakefront to Tower City. 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. Most of the 13.5-mile LR lines were built between 1913 and 1920, with the exception of a 2.2-mile Waterfront Line extension that was added in 1996. The Authority's Light Rail System has 35 stations; including three it shares with the Red Line at Tower City and the East 34<sup>th</sup>/Campus and East 55<sup>th</sup> Street Stations. The entire Light Rail System, including tracks, infrastructure, and stations was reconstructed between 1980 and 1984.

The reconstruction of the Woodhill Station is nearing completion and reconstruction of the Lee/Van Aken Station will begin in FY 2013. Budgeted projects for the Light Rail System in FY 2013 include a combined \$2.70 million of track work for the reconstruction of the Shaker Square junctions and grade crossings (\$1.60 million) and at two Light Rail Stations (\$700,000). Also included is a combined \$2.09 million for engineering and design services for three projects - the reconstruction of the East 116<sup>th</sup> St. Station (\$846,200), the rehabilitation of a retaining wall on the combined Light Rail line between Buckeye/Woodhill and Shaker Square (\$652,200), and the next phase of the ongoing Light Rail Grade Crossing Improvements program (\$596,400).

# 2013-2017 Capital Improvement Plan

## **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 and six street bridges, including the shared Light Rail Trunk Line Bridge, have been rehabilitated and the closed Rockefeller Bridge demolished with the Airport Tunnel rehabilitation currently underway. In the next five years engineering & design services and/or rehabilitation work is planned on four track bridges. Planned work in FY 2013 includes \$1.97 million for the rehabilitation of the East Boulevard Track Bridge, \$500,000 for interim repairs to the Central Rail Road Bridge over the N/S tracks, and \$378,000 for engineering and design services for the rehabilitation of the Track Bridge over CSX track and East 92<sup>nd</sup> Street with construction scheduled in FY 2016.

## **The Red Line**

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, 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 Puritas and East 55<sup>th</sup> Street Red Line Stations. Station projects currently under construction include the Heavy Rail Cedar . University Rapid Station and nearly completed Woodhill Station on the Light Rail line. Scheduled station projects for FY 2013 include construction and other associated work on the University Circle - Little Italy Station (relocated from East 120<sup>th</sup> Street) funded from a pending TIGER III grant for \$15.625 million, and engineering & design work for the Brookpark Station reconstruction project.

Large scheduled rail infrastructure projects for 2013 include a carryover project from FY 2012 . reconstruction of the Airport Tunnel at the west end of the Red Line that is currently underway with a scheduled completion in the second quarter of FY 2013. Timed with this project is the long-deferred reconstruction of the West Side S-Curve track section located between the West Boulevard & West 117<sup>th</sup> Street Stations. Funding was identified for this project and a contract was set in late FY 2012 with construction planned for the second quarter of FY 2013.

## **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. The rail right-of-way includes bridges, 52 passenger stations, 17 propulsion power substations, overhead catenary wires, signals, and associated rail infrastructure.



# 2013-2017 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. It was originally constructed and opened in 1930 for passenger rail service. It was modified in 1955 to accommodate Red Line heavy rail service and completely reconstructed in the late eighties. In FY 2013, the replacement of this station's escalators is programmed for \$2.30 million.

## Revenue Vehicle Fleets

### Conventional Buses

There were 452 vehicles in the GCRTA bus fleet at the end of 2012. 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 BRTs. The average bus vehicle age was 8.7 years at the end of 2012. 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, though at times not financially possible, is to replace 1/14 of its fleet every year and to accommodate any increases in peak vehicle requirements. 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.

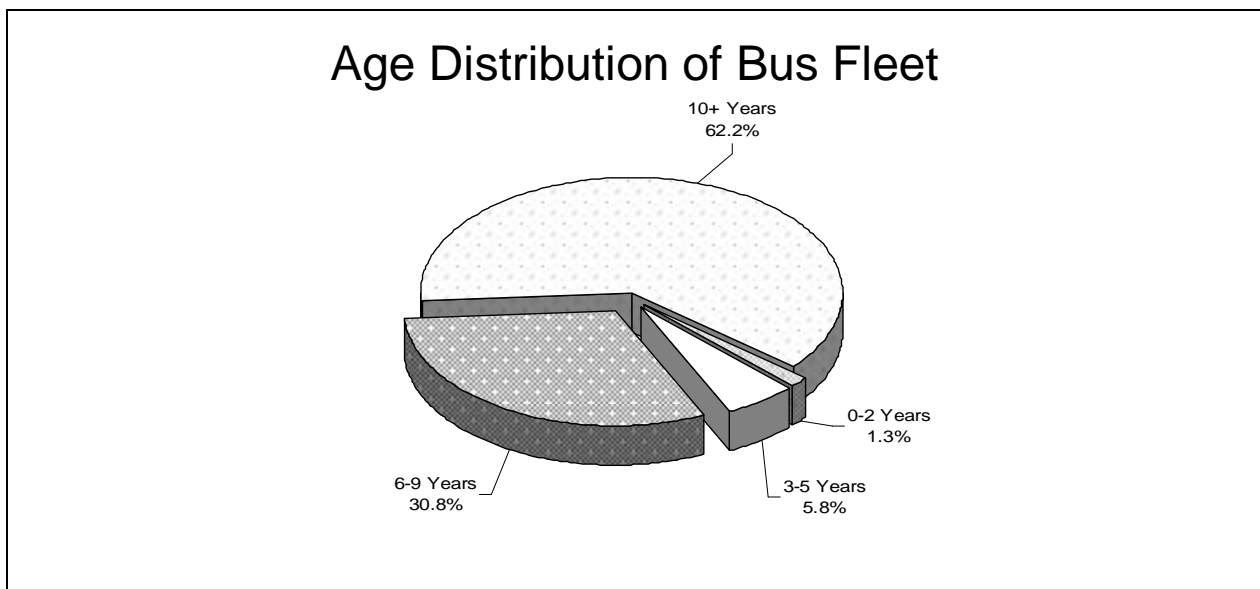


Figure CIP-2: Age Distribution of Bus Fleet

# 2013-2017 Capital Improvement Plan

The 2013 - 17 CIP includes a planned bus replacement program averaging 35 buses per year over a five-year period with delivery beginning in FY 2014. All current GCRTA buses are compliant with the Americans with Disabilities Act (ADA) and, with the exception of the trolleys and BRTs, 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 the Paratransit fleet. The replacement of 20 Paratransit buses is scheduled for 2013 with additional replacements 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 leases 108 heavy and light rail vehicles for its rail operations. The average age of the Authority's combined rail fleet at the end of 2012 was 31 years. A midlife overhaul of the Authority's Light Rail (LR) vehicle fleet was completed in 2011 and the Heavy Rail (HR) vehicle midlife mechanical overhaul is nearing completion. Both projects were initiated to economically extend the useful life of the Authority's rail vehicle fleets approximately 12 years beyond their normal expected operating life of 25 to 30 years. In late 2012, as part of the HR vehicle overhaul, a project to rehabilitate the interiors of the HR vehicles was begun that will continue throughout FY 2013 and 2014.

There are 60 active Tokyu Heavy Rail 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 Light Rail vehicles, acquired between 1981 and 1983, run on the Blue, Green, and Waterfront Lines. Vehicle requirements for peak rush hour service are 13 cars, and 28 cars for peak 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 2013-17 Capital Improvement Plan (CIP). The cycles have been moved to begin earlier in the calendar year to better align with the beginning of the new Federal Fiscal Year (FFY). The process began in March of 2012, when the Office of Management and Budget reviewed the budgeting policies and set the parameters for the Capital Budget, and concluded in December with the Board Adoption of the recommended 2013-17 CIP.

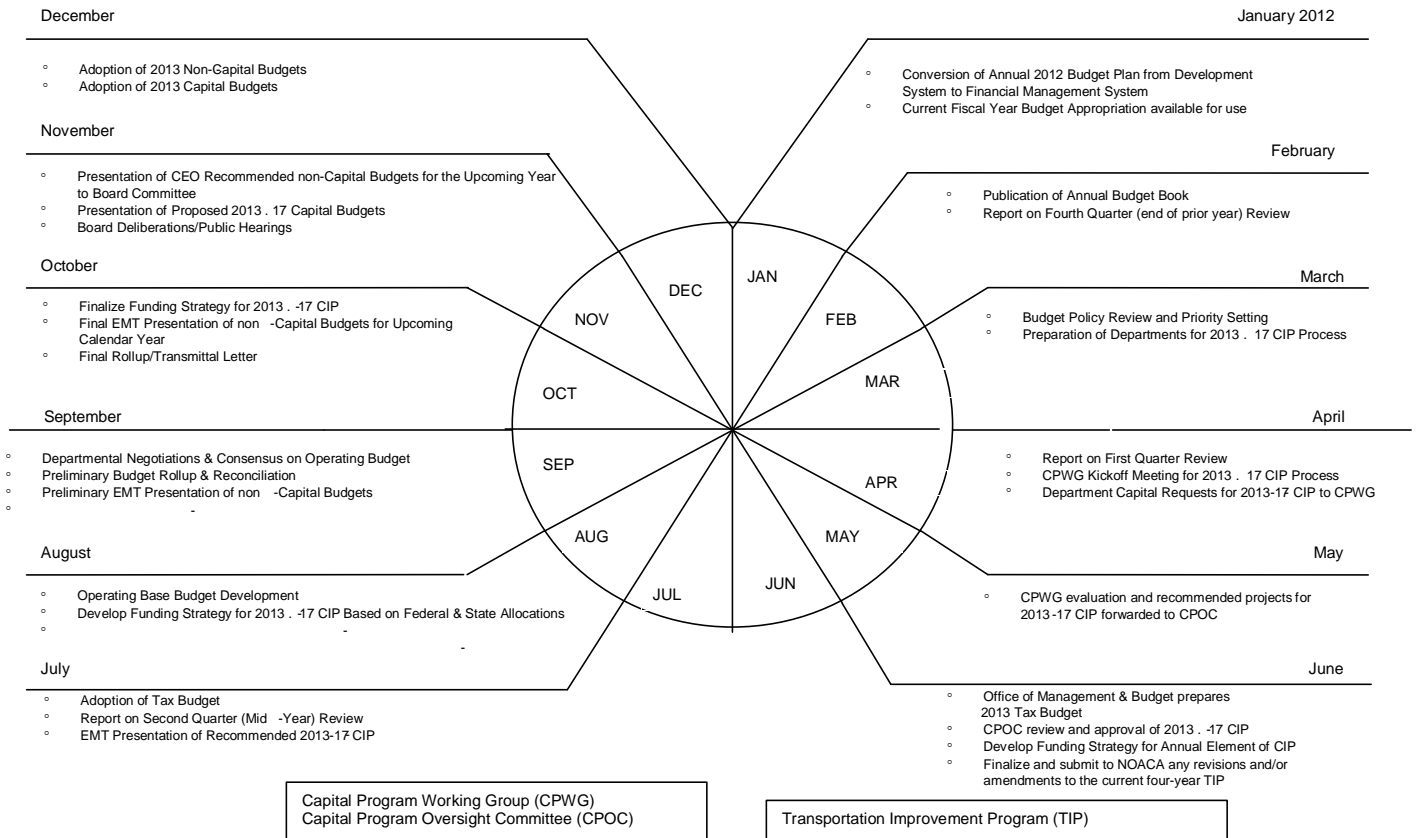
# 2013-2017 Capital Improvement Plan

With the start of the process, an initial review was done to assess the status of the projects included in the current year's Capital Improvement Budget. This included any delays in 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 provided a detailed set of instructions that included a review of the information required for the budget process to capture Capital Budget requests.

In May and June, 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 2013-17 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 2013-17 was finalized and presented to the Board of Trustees's Finance Committee for discussion and review. Any outstanding issues with the 2013-17 CIP were resolved in anticipation of the public hearings at the Board of Trustees meeting in December at which time approval was given.

# 2013-2017 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 begins in April when departments request revisions or additions 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. The upcoming budget year's annual project requests are prioritized 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.

# 2013-2017 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 RTA Development Fund, supports the project.

The RTA Capital Fund supports 100 percent locally funded projects. Generally, these 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. Both Routine Capital, used for the acquisition of non-revenue vehicles and equipment, and Asset Maintenance projects are funded through this account. Asset Maintenance projects 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, those that have a useful life greater than five years, and includes the large rehabilitation and expansion projects of the Authority. All grant-funded projects are accounted for in the RTA Development Fund. Projects in this Fund are supported through a combination 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 budget. 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.

# 2013-2017 Capital Improvement Plan

## Capital Improvement Criteria

Capital project requests for the 2013 . 2017 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 were defined as:

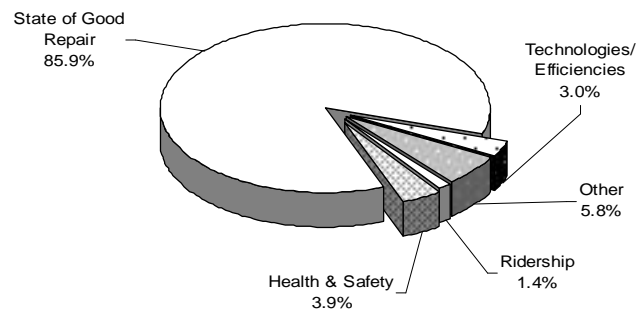
- **Ridership** . Maintaining current riders and attracting new customers
- **State of Good Repair** . Maintaining the Authority's current core business through investments in projects which are necessary in order to operate the existing infrastructure or add an additional dimension/mode to existing 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

# 2013-2017 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 reflects the distribution of approved 2013 Capital Improvement projects. The largest portion of the 2013 Capital Budget, \$80.78 million or 85.9 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 \$5.50 million, or 5.8 percent. The remaining categories make up the balance of the budgeted capital projects.

## 2013 Capital Projects by Priority Area (Millions)



| Priority Area             | 2013           | 2014           | 2015           | 2016           | 2017           | 2013-17         |
|---------------------------|----------------|----------------|----------------|----------------|----------------|-----------------|
| Ridership                 | \$1.30         | \$4.29         | \$20.29        | \$20.29        | \$0.29         | \$46.45         |
| Health & Safety           | \$3.70         | \$0.23         | \$0.23         | \$0.25         | \$0.25         | \$4.65          |
| State of Good Repair      | \$80.78        | \$66.32        | \$50.18        | \$59.89        | \$53.34        | \$310.51        |
| Technologies/Efficiencies | \$2.79         | \$0.74         | \$1.22         | \$0.48         | \$0.96         | \$6.19          |
| Other                     | \$5.50         | \$3.50         | \$3.59         | \$3.59         | \$3.60         | \$19.78         |
| <b>Total</b>              | <b>\$94.06</b> | <b>\$75.07</b> | <b>\$75.50</b> | <b>\$84.50</b> | <b>\$58.43</b> | <b>\$387.58</b> |

Figure CIP-3: Capital Projects by Priority Area

# 2013-2017 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 2013, FY 2014, and FY 2015.

At the end of 2012, the Authority will have a combined \$151.94 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

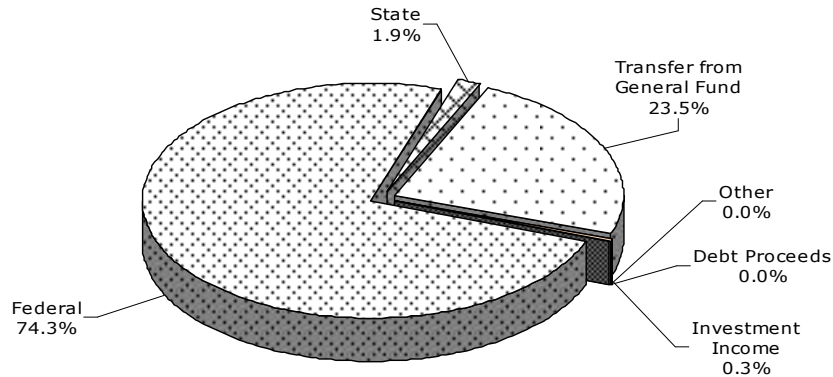
As reflected in Figure CIP-4, Federal grants will provide approximately \$81.49 million, or 74.3 percent of capital improvement revenue during FY2013 and over the five-year CIP will provide close to 70 percent of funding for the Authority's programmed capital projects. Most major Federal grant programs require a local match though some do not. Through FFY 2012 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 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 21<sup>st</sup> Century (MAP-21) was approved. Due to changes in Federal formula calculations, the inclusion of new census data in the determination of formula grants, and the incorporation of operating statistics relative to the all transit agencies, the new act will have a significant impact upon the Authority's capital improvement program in the future.



# 2013-2017 Capital Improvement Plan

FY 2013 Capital Improvement Revenue  
By Source (Millions)



|                            | 2010<br>Actual | 2011<br>Actual | 2012<br>Estimate | 2013<br>Budget | 2014<br>Estimate | 2015<br>Estimate |
|----------------------------|----------------|----------------|------------------|----------------|------------------|------------------|
| Transfer from General Fund | \$12.53        | \$12.10        | \$12.64          | \$21.27        | \$20.48          | \$13.50          |
| Investment Income          | \$0.25         | \$0.24         | \$0.16           | \$0.23         | \$0.25           | \$0.25           |
| Federal                    | \$81.49        | \$51.10        | \$47.02          | \$67.24        | \$70.69          | \$67.79          |
| State                      | \$1.81         | \$0.78         | \$1.14           | \$1.73         | \$1.73           | \$1.73           |
| Debt Proceeds              | \$0.00         | \$0.00         | \$25.00          | \$0.00         | \$0.00           | \$20.00          |
| Other                      | \$0.00         | \$1.50         | \$3.30           | \$0.00         | \$0.00           | \$0.00           |
| <b>Total</b>               | <b>\$96.07</b> | <b>\$65.73</b> | <b>\$89.26</b>   | <b>\$90.48</b> | <b>\$93.15</b>   | <b>\$103.26</b>  |

Figure CIP-4: Capital Improvement Revenue by Source

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. It has now been replaced with 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.

## 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, 20 percent local basis. This grant program remains relatively unchanged in the new MAP-21 legislation, though the impact of the 2010 Census data will have a slightly negative impact on the expected amounts the Authority will receive from this formula grant funding source in the future. In addition, the State may contribute up to one-half of the local match.

# 2013-2017 Capital Improvement Plan

In past years, with the local match included, Section 5307 grant awards for the Authority totaled \$31.51 million for FFY 2010, \$28.74 million for FFY 2011, and \$28.70 million for FFY 2012. The final allocations for FFY 2013 have not yet been established, but the Authority's allocation is projected to be close to \$28.88 million. Though higher in amount than in the two previous years, it does not represent an increase when inflation is taken into account.

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

Since ISTEA, Federal participation for 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 Grant program, replacing it with the Section 5337 State of Good Repair (SGR) grant program.

The most significant impact the new legislation will have on the Authority is the historical funding formula allocation was eliminated and replaced with one that relied upon operational statistics of a transit agency compared with the total of all transit agencies as well as the updated 2010 UZA Census data. The new formula is one that favors areas with growing populations along with expanding transit systems and with a relatively static UZA population. The Authority will be negatively impacted.

Including the 20 percent local match, the FFY 2010 Rail Modernization grant totaled \$17.52 million for various rail projects throughout the Authority. The FFY 2011 award of \$17.80 million was executed September 2011 and is funding work on various rail infrastructure and support preventive maintenance reimbursements, and the FFY 2012 Rail Modernization award slightly decreased to \$17.26 million. Under the new MAP-21 legislation for FFY 2013, the Authority expects to receive approximately \$14.25 million . a decrease of nearly \$3.0 million for capital projects.

## **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 that 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.

In recent years funding from these sources made significant contributions to the Authority. Recent awards included \$45.7 million in 2009 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 and allowed grant funding to catch up with the capital program budget.

Including the local share, the Authority also received \$30.2 million of capital funding from these non-traditional Federal sources in FY 2011. This included three awards totaling \$16.4 million for the reconstruction of the University Circle 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. In FY 2012, the Authority received two competitive grants. One for \$3.96 million was for improvements at the Brookpark & Windermere

# 2013-2017 Capital Improvement Plan

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.

Additional grant requests by the Authority currently under review and expected to be received in FY 2013 include a TIGER III grant of \$15.63 million for the rehabilitation of the Mayfield Road Track Bridge and the construction of the University Circle . Little Italy Station on the Red Line, a \$2.80 million award for the Clifton Boulevard Transit Enhancement project, and a \$5.1 million award to reimburse ADA operating expenses.

## **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 Lines Airport Tunnel and \$1.89 million of Federal funds is expected to be awarded in FY 2013 for the Authority's Revenue Vehicle Camera and DVR program.

## **Local Sources**

The Capital Improvement Budget requires local resources to support the match for some grant-funded projects as well as to support 100 percent locally funded projects in both the RTA Capital and RTA Development Funds. In 2013, local support for the capital program is comprised of a \$21.27 million transfer from the General Fund (first component of the Sales Tax Contribution to Capital) and projected interest earnings of \$235,450. Additionally, a transfer of \$18.32 million from the General Fund to the Bond Retirement Fund is planned to cover the debt service payments from previous debt issues and a \$25.0 million Revenue Bond (RB) issuance in 2012 that had been deferred from the FY 2011 budget 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 100 percent locally funded major 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 \$151.94 million balance of outstanding bonds at the end of 2012 will require principal and interest payments of \$20.75 million in 2013.

## **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.

# 2013-2017 Capital Improvement Plan

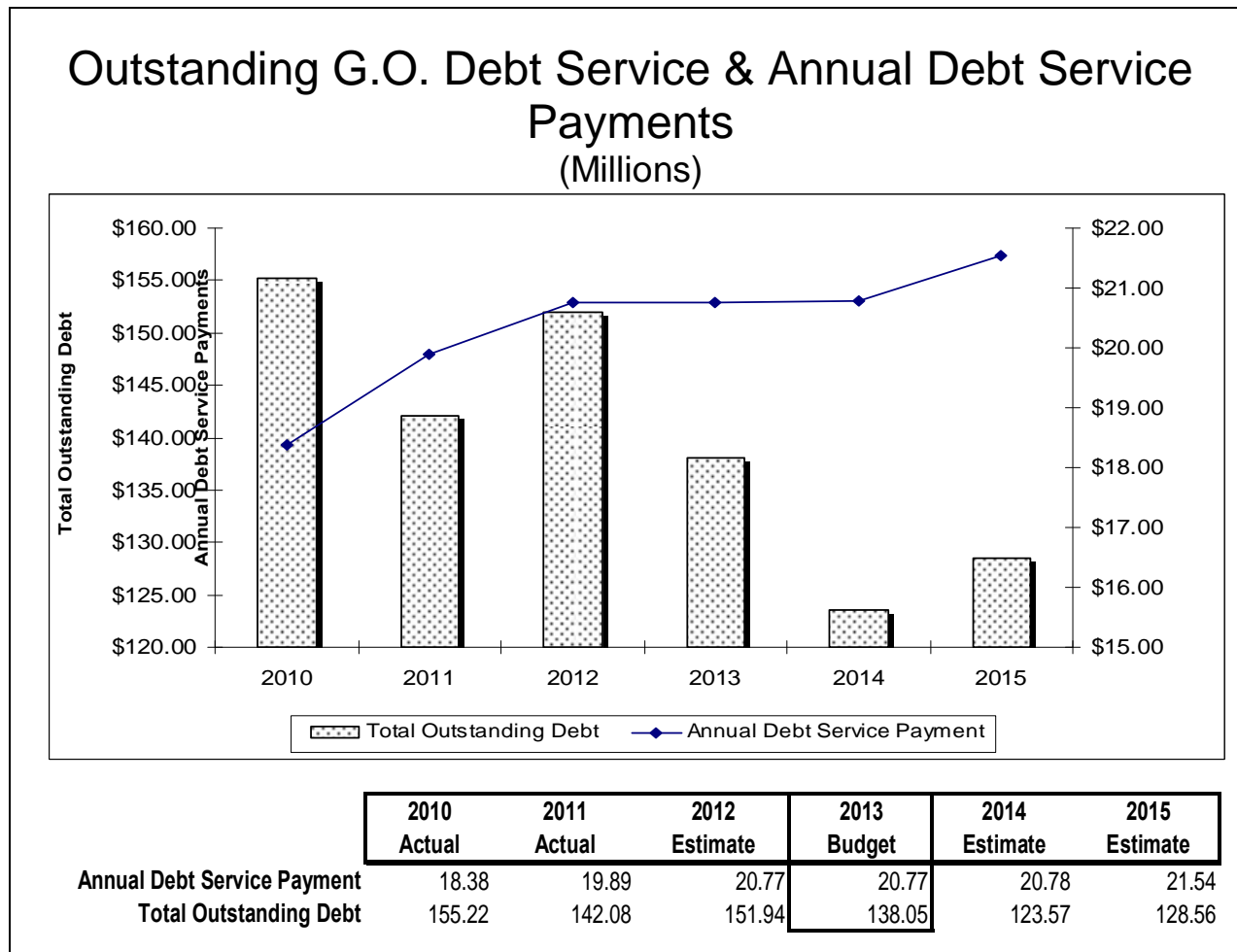


Figure CIP-5: Outstanding G.O. Debt Service & SIB Loan and Annual Debt Service Payments

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 2012 decreased to \$27.6 billion from \$29.8 billion at the end of 2011 that 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 \$27.6 billion, annual debt servicing capacity would be close to \$27.6 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.

# 2013-2017 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 11.4584 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 2013. 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 \$92 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 2012 by various public entities within the County exceeds the unvoted ten-mill limit. Due to this restraint, the Authority issued new debt of \$25.0 million in Revenue 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 2013 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 tax revenues to the Capital Improvement Fund transfers resources that could be used to support operations. In the upcoming year, this amount is estimated at \$21.27 million.
- Continuing challenges with intergovernmental assistance, in tandem with increased capital requirements continues to place pressure on the General Fund to contribute escalating amounts to the Capital Improvement Fund in the future, further reducing the amount available for operating expenditures.
- A decision to issue additional debt in FY 2012 for capital projects will result in debt service and interest payments of nearly \$20.75 million in 2012 and require a General Fund transfer to the Bond Retirement Fund of \$18.32 million.
- Some of the expenditures within the Operating Budget, primarily for personnel costs within the Engineering & Project Development Department and other Authority departments, are incurred in support of ongoing activities within capital projects. Eligible costs are reimbursed to the General Fund as revenue from the RTA Development Fund. In 2012, this activity will result in a projected \$1.7 million in reimbursements, mostly grant funded, to the General Fund.

# 2013-2017 Capital Improvement Plan

- In the last five fiscal years, covering 2007 thru 2011, \$121.7 million of Federal formula capital grants, an amount that includes both the 80-percent Federal and 20-percent Local Shares, 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. The 2013 Capital Budget includes an additional \$12.50 million of budget authority for this purpose, the lowest amount in years though again reducing the availability of funding for the Capital Program and continuing the process of deferring planned projects.
- The capital program helps to maintain the Authority's capital assets in a state of good repair that improves service delivery reliability and, in turn, helps to reduce maintenance costs incurred in the operating budget.
- Daily activities within the Operating Budget in 2013 are supported by the \$3.97 million appropriated to various capital projects contained within the RTA Capital Fund. These projects include the smaller (less than \$150,000), routine capital purchases and facilities maintenance activities and are exclusively supported by local funds from Sales & Use Tax revenue.

## Capital Project Categories

The combined 2013-2017 Capital Improvement Plan (CIP) totals \$409.0 million. Projects included in the CIP are sorted into eight project categories . Bus Garages, Buses, Equipment & Vehicles, Facilities Improvements, Other Projects, Preventive Maintenance/Operating Reimbursements, Rail Projects, and Transit Centers.

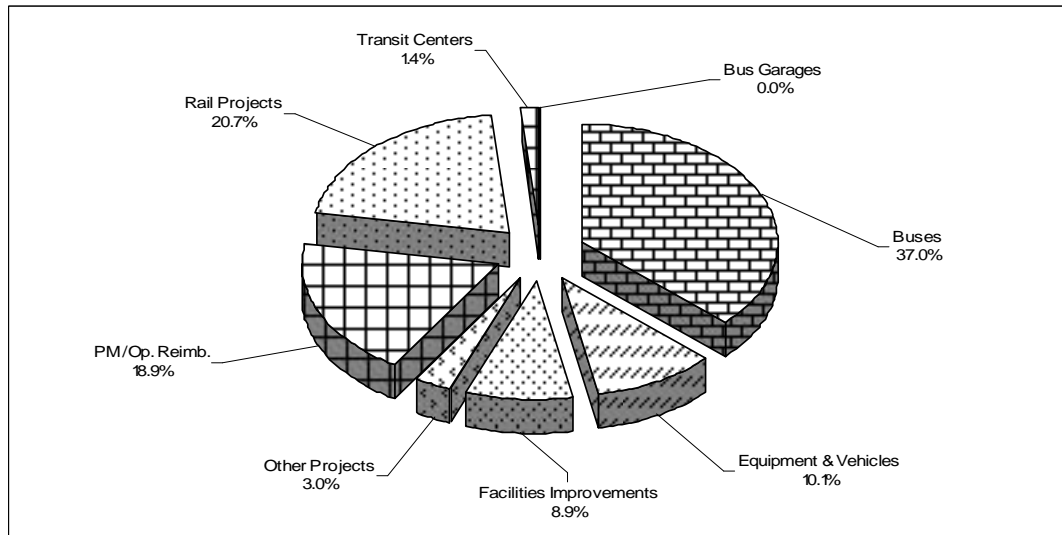
As reflected in Figure CIP-6, the Buses Category at \$34.77 million, or 36.7 percent, is the largest budgeted category in the 2013 Capital Budget. This amount represents the first year of a \$107.44 million program over the next five years to replace up to 175 40q buses and up to 60 paratransit buses. This is followed by the Rail projects category, with \$19.52 million, or 20.8 percent of the total and the Preventive Maintenance/Operating Expense projects category with \$17.81 million, or 18.9 percent.

To a lesser degree, the remaining capital categories make up the remainder of the 2013 capital budget. The largest of these is the Equipment & Vehicles category with \$9.49 million, or 10.1 percent of the 2013 capital budget, Facilities Improvements with \$8.36 million, or 8.9 percent, the Other Projects category with \$2.81 million, or 3.0 percent, and the Transit Centers category with \$1.30 million included in the 2013 capital budget, or 1.4 percent.

Unlike the CIP's from prior years, the largest budgeted category over the five-year period in the 2013-17 CIP is not for programmed reimbursements for preventive maintenance and other operating expenses, but instead is the Rail Projects category, which includes an unfunded budget of \$44.0 million for a proposed extension of the Blue Line at \$117.64 million or 30.4 percent, followed by the Bus Replacements category the second largest category within the total five-year CIP at \$107.44 million, or 27.7 percent, over the five-year period. These are followed by the Preventive Maintenance/Operating Reimbursements category with \$103.53 million, or 26.7 percent, Facilities Improvements at \$23.78 million, or 6.1 percent, Equipment & Vehicle purchases at \$18.35 million, or 4.7 percent, the Other Projects category with \$14.37 million, or 3.7 percent, and Transit Centers with \$2.45 million, or 0.7 percent of programmed projects. Due to the current state of good repair projects at the Bus Garages, there are no major programmed bus garage projects in the upcoming 2013-17 CIP.

# 2013-2017 Capital Improvement Plan

## 2013 Capital Projects by Category (Millions)



|                         | 2013           | 2014           | 2015           | 2016           | 2017           | 2013 - 17       |
|-------------------------|----------------|----------------|----------------|----------------|----------------|-----------------|
| Bus Garages             | \$0.00         | \$0.00         | \$0.00         | \$0.00         | \$0.00         | \$0.00          |
| Buses                   | \$34.77        | \$28.08        | \$10.78        | \$15.52        | \$18.30        | \$107.44        |
| Equipment & Vehicles    | \$9.49         | \$2.58         | \$2.32         | \$1.70         | \$2.27         | \$18.35         |
| Facilities Improvements | \$8.36         | \$6.15         | \$2.01         | \$5.09         | \$2.18         | \$23.78         |
| Other Projects          | \$2.81         | \$2.82         | \$2.91         | \$2.91         | \$2.92         | \$14.37         |
| PM/Oper. Reimb.         | \$17.81        | \$18.31        | \$20.81        | \$23.31        | \$23.31        | \$103.53        |
| Rail Projects           | \$19.52        | \$16.85        | \$36.39        | \$35.69        | \$9.19         | \$117.64        |
| Transit Centers         | \$1.30         | \$0.29         | \$0.29         | \$0.29         | \$0.29         | \$2.45          |
| <b>Total</b>            | <b>\$94.06</b> | <b>\$75.07</b> | <b>\$75.50</b> | <b>\$84.50</b> | <b>\$58.43</b> | <b>\$387.58</b> |

Figure CIP-6: Capital Projects by Category

## RTA Capital Fund

The RTA Capital Fund is a smaller fund for 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 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 cover 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. The sales tax set aside as a transfer from the General Fund to RTA Capital began in 1989, is the only source of

# 2013-2017 Capital Improvement Plan

revenue into this fund other than investment income. In 2013, transfers from the General Fund will increase to \$21.27 million, or 11.48 percent of expected sales tax revenues along with anticipated investment income of \$650. The transfer amount, in combination with the transfer of

\$18.32 million from the Operating Budget to the Bond Retirement Fund brings the total commitment to Capital to \$39.59 million or 21.4 percent of the projected 2013 sales & use tax revenue.

FY 2013 budgeted expenditures or cash flows within the RTA Capital Fund of \$22.42 million include \$1.35 million for Asset Maintenance projects, \$2.10 million for Routine Capital purchases, and an \$18.97 million transfer into the RTA Development Fund. The estimated 2013 ending balance of \$1.85 million is a decrease from prior years as additional local financial resources are positioned for the Authority's upcoming bus purchases over the next five years.

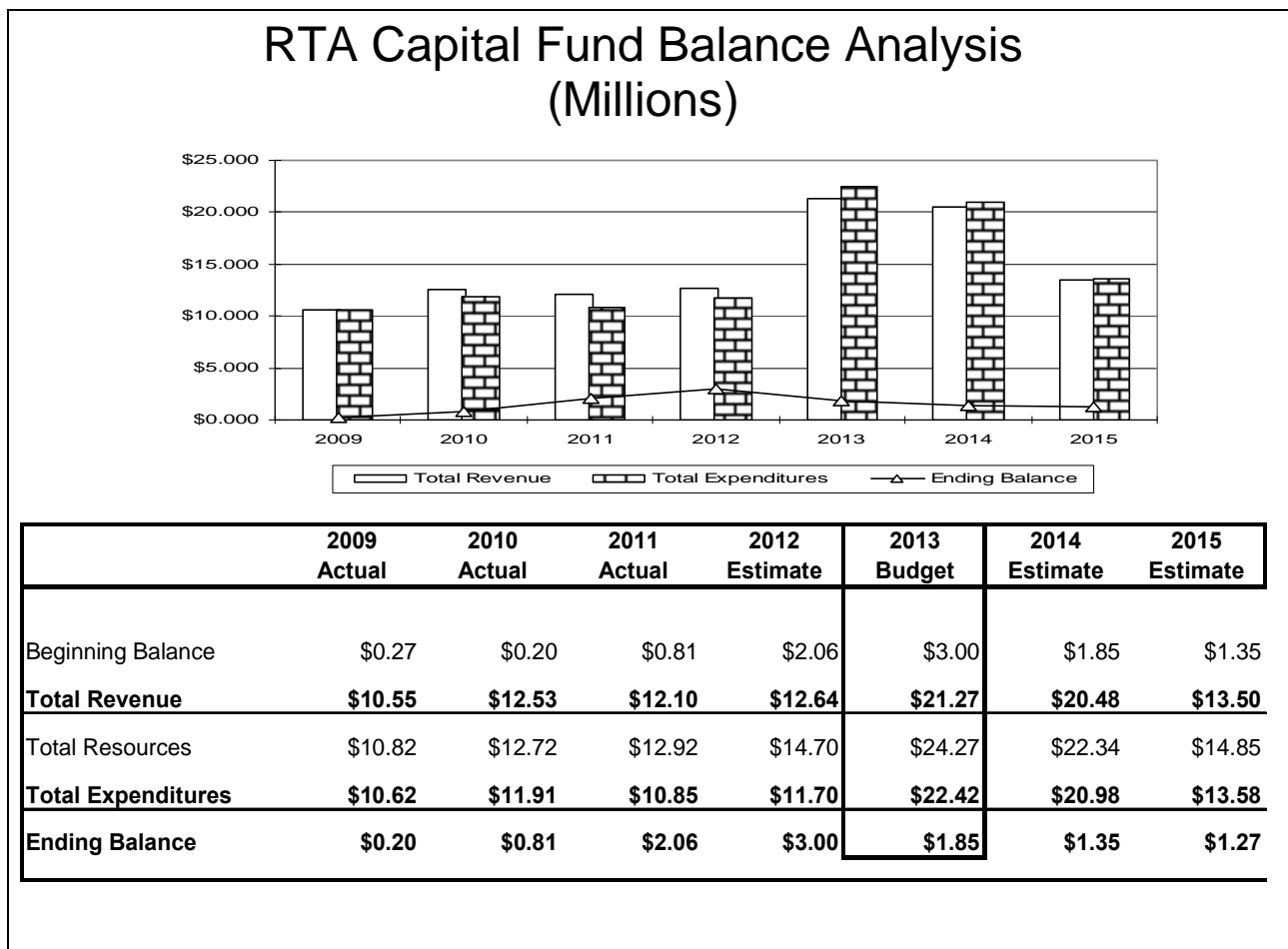


Figure CIP-7: RTA Capital Fund Balance Analysis



# 2013-2017 Capital Improvement Plan

## RTA Capital Fund Balance Analysis

|                                  | 2009<br>Actual    | 2010<br>Actual    | 2011<br>Actual    | 2012<br>Estimate  | 2013<br>Budget    | 2014<br>Budget    | 2015<br>Budget    |
|----------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| <b>Beginning Balance</b>         | 270,264           | 197,782           | 814,717           | 2,061,599         | 3,003,989         | 1,854,228         | 1,354,923         |
| <b>Revenue</b>                   |                   |                   |                   |                   |                   |                   |                   |
| Transfer from General Fund       | 10,550,000        | 12,525,000        | 12,101,441        | 12,636,995        | 21,270,044        | 20,484,550        | 13,497,116        |
| Investment Income                | 370               | 235               | 265               | 650               | 450               | 400               | 400               |
| Other Revenue                    | 0                 | 41                | 0                 | 0                 | 0                 | 0                 | 0                 |
| <b>Total Revenue</b>             | <b>10,550,370</b> | <b>12,525,276</b> | <b>12,101,706</b> | <b>12,637,645</b> | <b>21,270,494</b> | <b>20,484,950</b> | <b>13,497,516</b> |
| <b>Total Resources</b>           | <b>10,820,634</b> | <b>12,723,058</b> | <b>12,916,423</b> | <b>14,699,244</b> | <b>24,274,483</b> | <b>22,339,178</b> | <b>14,852,439</b> |
| <b>Expenditures</b>              |                   |                   |                   |                   |                   |                   |                   |
| Asset Maintenance                | 1,197,531         | 1,703,742         | 708,534           | 1,150,000         | 1,350,000         | 1,300,000         | 1,300,000         |
| Routine Capital                  | 1,079,267         | 929,599           | 544,849           | 925,000           | 2,100,000         | 1,950,000         | 1,600,000         |
| Transfer to RTA Development Fund | 8,346,054         | 9,275,000         | 9,601,441         | 9,620,255         | 18,970,255        | 17,734,255        | 10,684,255        |
| <b>Total Expenditures</b>        | <b>10,622,852</b> | <b>11,908,341</b> | <b>10,854,824</b> | <b>11,695,255</b> | <b>22,420,255</b> | <b>20,984,255</b> | <b>13,584,255</b> |
| <b>Ending Balance</b>            | <b>197,782</b>    | <b>814,717</b>    | <b>2,061,599</b>  | <b>3,003,989</b>  | <b>1,854,228</b>  | <b>1,354,923</b>  | <b>1,268,184</b>  |

### 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 annually.

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 \$2.44 million, or 2.6 percent, of the 2013 Capital Improvement Budget. This is a significant increase in budget appropriation, relative to previous years as the Authority has focused on bringing its non-revenue vehicle fleet to a state of good repair through a replacement and a vehicle-leasing program.

The greatest portion of Routine Capital projects in FY 2013 is within the Operations Division, which has \$1.78 million or 73.1 percent of the total budget appropriated for this purpose. Most of this, \$1.19 million, is programmed for the non-revenue vehicle replacement program and \$510,000 for various equipment pools throughout various Operating Division Departments. The Transit Police Department has a security pool program included within the appropriation for Routine Capital purchases in 2013 with \$225,000.

### 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.

The FY 2013 budget appropriation for Asset Maintenance projects is \$1.54million, representing 1.6 percent of the overall FY 2013 Capital Improvement Budget (see Figure CIP-8). This

# 2013-2017 Capital Improvement Plan

amount is an increase, relative to prior years budgets, as a result of the inclusion of additional state of good repair projects and energy efficiency initiatives. Recently a grant-funded state of good repair capital project in the RTA Development Fund was established to cover some of the larger facilities maintenance projects and the resultant shift in programmed expenditures.

The largest portion of these projects, \$1.03 million, or 67.1 percent, is within the Engineering and Project Development Department, which coordinates larger construction-related asset maintenance projects. This is followed by the Service Management Department with \$280,000, or 18.2 percent, of all Asset Maintenance projects. The remaining amounts are budgeted in the Fleet Management Department for the rehabilitation of bus lifts (\$125,000) and in an asset maintenance contingency project of \$100,000.

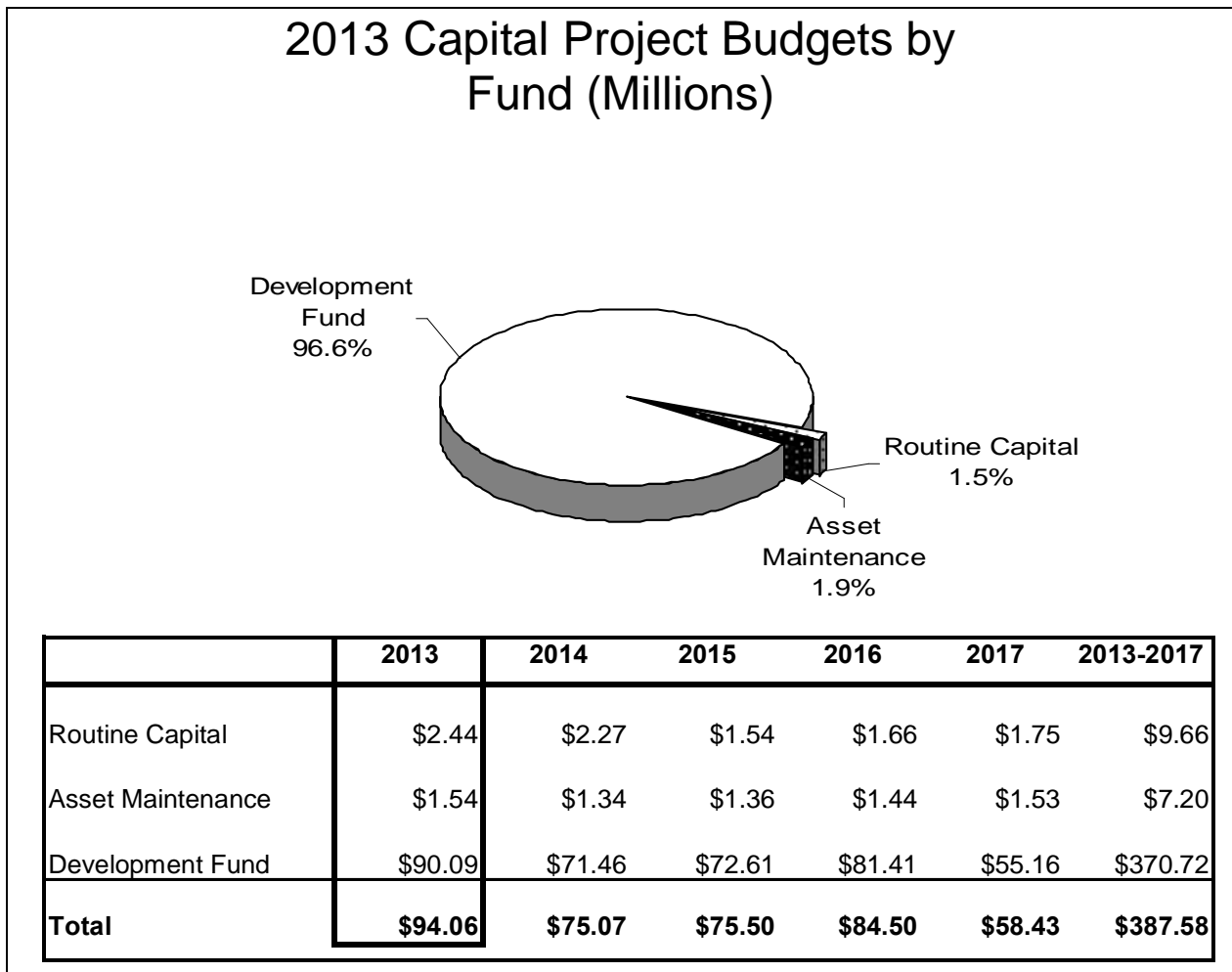


Figure CIP-8: Capital Project Budgets by Fund

# 2013-2017 Capital Improvement Plan

| GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY<br>2013 - 2017 CAPITAL IMPROVEMENT PLAN<br>RTA CAPITAL FUND |                |                  |                  |                  |                  |                  |                  |
|--|----------------|------------------|------------------|------------------|------------------|------------------|------------------|
| (FACILITIES) ASSET MAINTENANCE PROJECTS  |                |                  |                  |                  |                  |                  |                  |
| DEPARTMENT / PROJECT NAME  | PROJECT NUMBER | 2013 Budget      | 2014 Plan        | 2015 Plan        | 2016 Plan        | 2017 Plan        | 2013-17 Total    |
| <b><u>35 SERVICE MANAGEMENT</u></b>  |                |                  |                  |                  |                  |                  |                  |
| 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          |
|  |                | <b>280,000</b>   | <b>310,000</b>   | <b>310,000</b>   | <b>330,000</b>   | <b>360,000</b>   | <b>1,590,000</b> |
| <b><u>39 FLEET MANAGEMENT</u></b>  |                |                  |                  |                  |                  |                  |                  |
| Bus Districts Lift Rebuilds/Rehab's  | 47395099       | 125,000          | 125,000          | 125,000          | 150,000          | 150,000          | 675,000          |
|  |                | <b>125,000</b>   | <b>125,000</b>   | <b>125,000</b>   | <b>150,000</b>   | <b>150,000</b>   | <b>675,000</b>   |
| <b><u>80 ENG. &amp; PROJECT DEV.</u></b>   |                |                  |                  |                  |                  |                  |                  |
| Energy Retrofits   | 32675339       | 100,000          | 100,000          | 100,000          | 100,000          | 100,000          | 500,000          |
| Parking Lot Rehab Pool   | 32805029       | 100,000          | 60,000           | 75,000           | 75,000           | 85,000           | 395,000          |
| Facilities - ADA Projects  | 32805099       | 100,000          | 100,000          | 100,000          | 100,000          | 100,000          | 500,000          |
| Passenger Facilities Maint. Pool   | 32805199       | 150,000          | 200,000          | 150,000          | 175,000          | 175,000          | 850,000          |
| Operating Facilities Maint. Pool   | 32805299       | 345,000          | 345,000          | 395,000          | 410,000          | 455,000          | 1,950,000        |
| Triskett-Upgrade Allerton Bldg Controls  | 32805139       | 125,000          | 0                | 0                | 0                | 0                | 125,000          |
| Westgate Transit Ctr Sidewalks/Curbs   | 32805239       | 110,000          | 0                | 0                | 0                | 0                | 110,000          |
|  |                | <b>1,030,000</b> | <b>805,000</b>   | <b>820,000</b>   | <b>860,000</b>   | <b>915,000</b>   | <b>4,430,000</b> |
| <b><u>99 OFFICE OF MGT. &amp; BUDGET</u></b>   |                |                  |                  |                  |                  |                  |                  |
| Asset Maintenance Contingency  | 49995059       | 100,000          | 100,000          | 100,000          | 100,000          | 100,000          | 500,000          |
|  |                | <b>100,000</b>   | <b>100,000</b>   | <b>100,000</b>   | <b>100,000</b>   | <b>100,000</b>   | <b>500,000</b>   |
| <b>TOTAL ASSET MAINTENANCE</b>   |                | <b>1,535,000</b> | <b>1,340,000</b> | <b>1,355,000</b> | <b>1,440,000</b> | <b>1,525,000</b> | <b>7,195,000</b> |

# 2013-2017 Capital Improvement Plan

| GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY<br>2013 - 2017 CAPITAL IMPROVEMENT PLAN<br>RTA CAPITAL FUND - Routine Capital Projects |                |                  |                  |                  |                  |                  |                   |
|---|----------------|------------------|------------------|------------------|------------------|------------------|-------------------|
| ROUTINE CAPITAL (EQUIPMENT) PROJECTS  |                |                  |                  |                  |                  |                  |                   |
| DEPARTMENT / PROJECT NAME   | PROJECT NUMBER | 2013 Budget      | 2014 Plan        | 2015 Plan        | 2016 Plan        | 2017 Plan        | 2013-17 Total     |
| <b><u>12 EXECUTIVE</u></b>  |                |                  |                  |                  |                  |                  |                   |
| NOACA Dues  | 49120199       | 56,250           | 57,700           | 57,700           | 57,700           | 58,500           | 287,850           |
| Build-up Greater Cleveland Dues   | 49120299       | 45,000           | 45,000           | 45,000           | 45,000           | 46,500           | 226,500           |
| Outside Legal Services - Leg. Review  | 49120399       | 86,000           | 90,000           | 90,000           | 90,000           | 91,500           | 447,500           |
|   |                | <b>187,250</b>   | <b>192,700</b>   | <b>192,700</b>   | <b>192,700</b>   | <b>196,500</b>   | <b>961,850</b>    |
| <b><u>31 PARATRANSIT DISTRICT</u></b>   |                |                  |                  |                  |                  |                  |                   |
| Paratransit District Equipment Pool   | 47310109       | 25,000           | 15,000           | 25,000           | 15,000           | 25,000           | 105,000           |
|   |                | <b>25,000</b>    | <b>15,000</b>    | <b>25,000</b>    | <b>15,000</b>    | <b>25,000</b>    | <b>105,000</b>    |
| <b><u>32 RAIL DISTRICT</u></b>  |                |                  |                  |                  |                  |                  |                   |
| Rail District Equipment Pool  | 47320199       | 160,000          | 47,500           | 25,000           | 25,000           | 25,000           | 282,500           |
|   |                | <b>160,000</b>   | <b>47,500</b>    | <b>25,000</b>    | <b>25,000</b>    | <b>25,000</b>    | <b>282,500</b>    |
| <b><u>34 TRANSIT POLICE</u></b>   |                |                  |                  |                  |                  |                  |                   |
| Security Improvements Pool  | 44340199       | 225,000          | 225,000          | 225,000          | 250,000          | 250,000          | 1,175,000         |
|   |                | <b>225,000</b>   | <b>225,000</b>   | <b>225,000</b>   | <b>250,000</b>   | <b>250,000</b>   | <b>1,175,000</b>  |
| <b><u>35 SERVICE MANAGEMENT</u></b>   |                |                  |                  |                  |                  |                  |                   |
| Work Access Passenger Vans  | 46350129       | 55,000           | 56,000           | 0                | 0                | 60,000           | 171,000           |
|   |                | <b>55,000</b>    | <b>56,000</b>    | <b>0</b>         | <b>0</b>         | <b>60,000</b>    | <b>171,000</b>    |
| <b><u>39 FLEET MANAGEMENT</u></b>   |                |                  |                  |                  |                  |                  |                   |
| NRVIP - Lease Payments  | 46390139       | 385,000          | 550,000          | 710,000          | 825,000          | 825,000          | 3,295,000         |
| NRVIP - Heavy Duty Trucks   | 46390239       | 800,000          | 800,000          | 0                | 0                | 0                | 1,600,000         |
| Fleet Management Equipment Pool   | 47390199       | 70,000           | 25,000           | 40,000           | 25,000           | 40,000           | 200,000           |
|   |                | <b>1,255,000</b> | <b>1,375,000</b> | <b>750,000</b>   | <b>850,000</b>   | <b>865,000</b>   | <b>5,095,000</b>  |
| <b><u>46 HAYDEN DISTRICT</u></b>  |                |                  |                  |                  |                  |                  |                   |
| Hayden District Equipment Pool  | 47460129       | 117,500          | 72,500           | 27,500           | 12,500           | 27,500           | 257,500           |
|   |                | <b>117,500</b>   | <b>72,500</b>    | <b>27,500</b>    | <b>12,500</b>    | <b>27,500</b>    | <b>257,500</b>    |
| <b><u>49 TRISKETT DISTRICT</u></b>  |                |                  |                  |                  |                  |                  |                   |
| Triskett District Equipment Pool  | 47490129       | 87,500           | 12,500           | 12,500           | 27,500           | 12,500           | 152,500           |
|   |                | <b>87,500</b>    | <b>12,500</b>    | <b>12,500</b>    | <b>27,500</b>    | <b>12,500</b>    | <b>152,500</b>    |
| <b><u>57 PROGRAMMING &amp; PLANNING</u></b>   |                |                  |                  |                  |                  |                  |                   |
| Carbon Footprint Software   | 42570139       | 50,000           | 0                | 0                | 0                | 0                | 50,000            |
|   |                | <b>50,000</b>    | <b>0</b>         | <b>0</b>         | <b>0</b>         | <b>0</b>         | <b>50,000</b>     |
| <b><u>61 INFORMATION TECHNOLOGY</u></b>   |                |                  |                  |                  |                  |                  |                   |
| Systems Development Pool  | 42610199       | 140,000          | 140,000          | 150,000          | 150,000          | 150,000          | 730,000           |
|   |                | <b>140,000</b>   | <b>140,000</b>   | <b>150,000</b>   | <b>150,000</b>   | <b>150,000</b>   | <b>730,000</b>    |
| <b><u>62 SUPPORT SERVICES</u></b>   |                |                  |                  |                  |                  |                  |                   |
| Office Equipment/Furniture Pool   | 43620199       | 35,000           | 35,000           | 35,000           | 35,000           | 40,000           | 180,000           |
|   |                | <b>35,000</b>    | <b>35,000</b>    | <b>35,000</b>    | <b>35,000</b>    | <b>40,000</b>    | <b>180,000</b>    |
| <b><u>67 OFFICE OF MGT. &amp; BUDGET</u></b>  |                |                  |                  |                  |                  |                  |                   |
| Routine Capital Contingency   | 49990159       | 100,000          | 100,000          | 100,000          | 100,000          | 100,000          | 500,000           |
|   |                | <b>100,000</b>   | <b>100,000</b>   | <b>100,000</b>   | <b>100,000</b>   | <b>100,000</b>   | <b>500,000</b>    |
| <b>TOTAL ROUTINE CAPITAL</b>  |                | <b>2,437,250</b> | <b>2,271,200</b> | <b>1,542,700</b> | <b>1,657,700</b> | <b>1,751,500</b> | <b>9,660,350</b>  |
| <b>RTA CAPITAL FUND TOTAL</b>   |                | <b>3,972,250</b> | <b>3,611,200</b> | <b>2,897,700</b> | <b>3,097,700</b> | <b>3,276,500</b> | <b>16,855,350</b> |

# 2013 - 2017 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 are reviewed and resources provided through sales tax contributions transferred from the RTA Capital Fund, debt sales, and interest income.

In 2009, \$8.35 million was transferred from the RTA Capital Fund to the RTA Development Fund to cover the local match for the Preventive Maintenance (PM) reimbursement project and to cover expenses within the fund not covered by other revenue sources. Since then, this amount has increased each year . from \$9.28 million in 2010, to \$9.62 million in 2011, and again to an estimated \$9.62 million in FY 2012. In FY 2013, transfers from the RTA Capital fund to the Development Fund will increase to \$18.97 million as the local funding component is aligned with the scheduled five-year bus replacement program. It will then slightly decline in FY 2014 to \$17.34 million, though still historically high due to the inclusion of a second local funding component for the bus program, before dropping to \$10.68 million in FY 2015 as the additional amounts drop off.

Other local funding sources include debt service 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 2013, 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. In 2009 it had decreased to \$30.51 million as proceeds from an earlier debt issuance began to be drawn down by capital activities. The fund balance declined further in 2010, to \$21.14 million and remained near that level at an estimated \$25.95 million at the end of FY 2011. A debt issuance of \$25.0 million, originally planned for 2010 was delayed until 2012 due to the infusion of 100 percent Federally funded stimulus funding for capital projects. As a result, the fund balance increased to an estimated \$58.44 million at the end of FY 2012 and will again fall in FY 2014, though rise in FY 2015 due to a planned debt issuance.

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-27, 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 outlays of \$92.75 million in 2013. 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 levels

# 2013 - 2017 Capital Improvement Plan

presented in the 2013-17 Capital Improvement Plan, which are based on the establishment of budget appropriation authority for the projects.

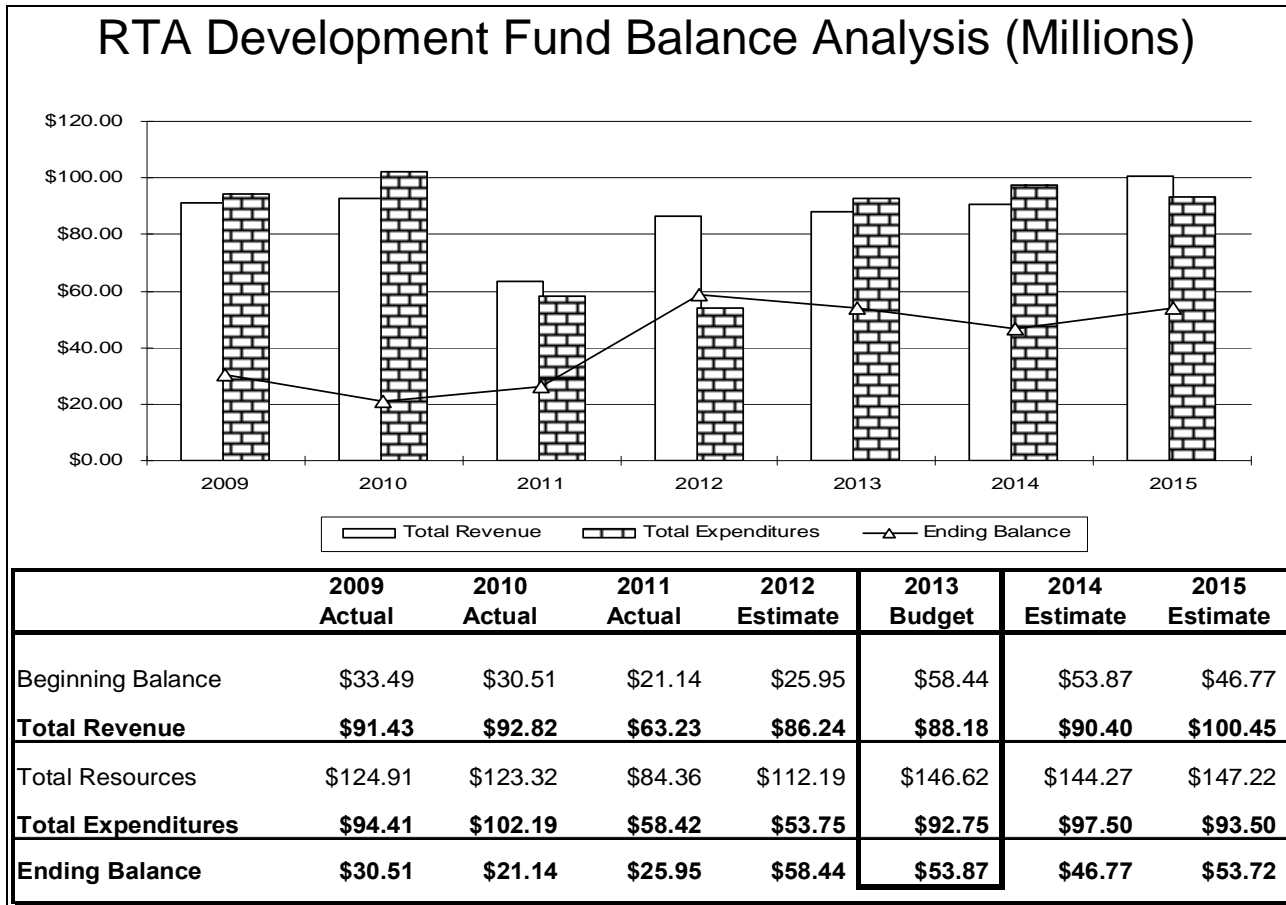


Figure CIP-9: RTA Development Fund Balance Analysis

## RTA Development Fund Balance Analysis

|                                  | 2009 Actual        | 2010 Actual        | 2011 Actual       | 2012 Estimate      | 2013 Budget        | 2014 Budget        | 2015 Budget        |
|----------------------------------|--------------------|--------------------|-------------------|--------------------|--------------------|--------------------|--------------------|
| <b>Beginning Balance</b>         | <b>33,485,254</b>  | <b>30,508,300</b>  | <b>21,135,307</b> | <b>25,947,255</b>  | <b>58,441,750</b>  | <b>53,871,577</b>  | <b>46,769,154</b>  |
| <b>Revenue</b>                   |                    |                    |                   |                    |                    |                    |                    |
| General Obligation Debt Proceeds | 0                  | 0                  | 0                 | 25,000,000         | 0                  | 0                  | 20,000,000         |
| Transfer from RTA Capital Fund   | 8,346,054          | 9,275,000          | 9,601,441         | 9,620,255          | 18,970,255         | 17,734,255         | 10,684,255         |
| Investment Income                | 271,990            | 244,766            | 242,341           | 160,585            | 235,000            | 245,000            | 245,000            |
| Federal Capital Grants           | 73,648,082         | 81,487,975         | 51,104,869        | 47,023,123         | 67,243,750         | 70,687,500         | 67,787,500         |
| State Capital Grants             | 9,162,154          | 1,807,284          | 778,956           | 1,135,673          | 1,730,822          | 1,730,822          | 1,730,822          |
| Other Revenue                    | 0                  | 0                  | 1,500,000         | 3,304,859          | 0                  | 0                  | 0                  |
| <b>Total Revenue</b>             | <b>91,428,280</b>  | <b>92,815,025</b>  | <b>63,227,607</b> | <b>86,244,495</b>  | <b>88,179,827</b>  | <b>90,397,577</b>  | <b>100,447,577</b> |
| <b>Total Resources</b>           | <b>124,913,534</b> | <b>123,323,325</b> | <b>84,362,914</b> | <b>112,191,750</b> | <b>146,621,577</b> | <b>144,269,154</b> | <b>147,216,731</b> |
| <b>Expenditures</b>              |                    |                    |                   |                    |                    |                    |                    |
| Capital Outlay                   | 93,705,234         | 101,488,018        | 58,415,659        | 53,750,000         | 92,750,000         | 97,500,000         | 93,500,000         |
| Transfer to Bond Retirement Fund | 700,000            | 700,000            | 0                 | 0                  | 0                  | 0                  | 0                  |
| <b>Total Expenditures</b>        | <b>94,405,234</b>  | <b>102,188,018</b> | <b>58,415,659</b> | <b>53,750,000</b>  | <b>92,750,000</b>  | <b>97,500,000</b>  | <b>93,500,000</b>  |
| <b>Ending Balance</b>            | <b>30,508,300</b>  | <b>21,135,307</b>  | <b>25,947,255</b> | <b>58,441,750</b>  | <b>53,871,577</b>  | <b>46,769,154</b>  | <b>53,716,731</b>  |

# 2013 - 2017 Capital Improvement Plan

## **RTA Development Fund Projects**

In 2013, the combined budget appropriation for RTA Development Fund projects accounts for most, \$90.09 million or 96.9 percent, of the Authority's Capital Improvement Budget for the upcoming year (see Figure CIP-8). The listing of projects within this fund is based upon the establishment of budget appropriation authority and includes projects that may have already received grant-funding, projects in the application stage, those included in the Transportation Improvement Program (TIP), larger projects supported by 2013 local funds, or projects without an identified funding source. The following highlights some of the larger programmed RTA Development Fund Capital Improvement Projects in 2013. Please refer to pages CIP-31 through CIP-36 for a complete list of projects included within the RTA Development CIP.

### **Bus Garages - \$0.0 million**

Due to a Federal State of Good Repair grant received in FY 2011, facility improvements and equipment replacement projects are underway at the Paratransit, Hayden and Central Bus garages with an expected completion of all activities in mid-FY 2013. As a result of these improvements, no grant funded bus garage projects are programmed for the 2013-17 CIP.

### **Bus/Paratransit Improvement Programs - \$34.77 million**

Two bus replacement programs are programmed for the 2013 budget year. The largest, at \$32.19 million, is for the first year of a multi-year bus replacement program that will replace up to 175 40q buses over the next five years. The second, at \$2.58 million, is for a scheduled replacement program for paratransit buses.

### **Bus Rapid Transit (BRT) - \$0.0 million**

The HealthLine, formerly the Euclid Corridor Transportation Project (ECTP), is the only project within this category. It opened for service in the fourth quarter of 2008. No further budget appropriations will be required as the remaining punch-list items were substantially complete by the end of the 2009 Fiscal Year. Final closeout of remaining contracts and open Federal grants will take place by mid-2013.

### **Equipment & Vehicles - \$7.34 million**

FY 2013 projects included within this category includes a combined \$3.5 million for various information technology improvements throughout the Authority, \$949,000 for the second of a two year program to install event recorders on the Authority's rail fleets, and \$1.0 million for the installation of replacement cameras and DVRs on the Authority's revenue fleets.

### **Facilities Improvements - \$6.93 million**

The combined Facilities Improvements budget of \$6.93 million includes construction projects of \$2.30 million for the replacement of the Tower City escalators and \$1.97 million for the rehabilitation of the East Boulevard Track Bridge. Other project budgets within this category include \$1.04 million for the installation of rub rails on HealthLine center platforms and \$750,000 for state of good repair work on existing facilities of the Authority.

# 2013 - 2017 Capital Improvement Plan

## **Other Projects - \$2.43 million**

In prior years, this category had included both operating expense reimbursement projects as well as budget authority for other projects that do not fit within the other categories of the capital program. For FY 2013, the Preventive Maintenance and Operating Expense Reimbursement projects have been included within their own category to avoid overshadowing those other, typically smaller projects. These include some pass-thru grants that are administered by the Authority, but used by other entities and the one project included for FY 2013 . \$2.43 million for the payment of a fare collection equipment lease.

## **Preventive Maintenance / Operating Reimbursements - \$17.81 million**

This new category includes budget authority for preventive maintenance reimbursements to the Operating Budget, as well as various Operating expense reimbursement projects and contains the second largest portion of budget authority, both within FY 2013, as well as over the five years of the planned 2013-17 CIP.

The largest, for preventive maintenance reimbursements with a budget appropriation of \$12.50 million, makes up 13.9 percent of the entire RTA Development Fund appropriation for the upcoming Budget Year . both the smallest amounts in years as grant funding has been shifted to address various state of good repair projects throughout the Authority. Other programmed grant funded projects within this category for FY 2013 include \$2.01 million for JARC, or reverse commute services . a Federal program that was not extended in MAP-21, and \$3.13 million for the reimbursement of ADA Operating Budget expenses.

## **Rail Projects- \$19.52 million**

The Rail Projects category continues to be the most diverse category within the RTA Development Fund and in FY 2013, the largest. The FY 2013 CIP includes a rail station construction project, signalization & electrical work, and on-going rail infrastructure & track rehabilitation projects.

Major programmed projects within this category for 2013 include \$12.38 million for the construction of the Red Line University Circle . Little Italy Station, \$1.60 million for the replacement of grade crossings and junctions at Shaker Square, \$1.50 million for the on-going rail infrastructure state of good repair program, and \$846,200 for engineering & design services for the rehabilitation for the East 116<sup>th</sup> Street Light Rail Station.

## **Transit Centers / Bus Loops - \$1.30 million**

The 2013 capital budget includes \$900,000 for the development of a park-n-ride lot in Independence and \$287,000 for various passenger enhancements throughout the Authority.

## **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.



# 2013 - 2017 Capital Improvement Plan

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.

# 2013 - 2017 Capital Improvement Plan

## GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY 2013 - 2017 CAPITAL IMPROVEMENT PLAN RTA DEVELOPMENT FUND

| ANTICIPATED FUNDING SOURCE                         |                |                   |                   |                   |                   |                   |                    |  |
|--|----------------|-------------------|-------------------|-------------------|-------------------|-------------------|--------------------|--|
| CATEGORY / PROJECT NAME                            | PROJECT NUMBER | CALENDAR YEAR     |                   |                   |                   |                   | TOTALS             |  |
|  |                | 2013              | 2014              | 2015              | 2016              | 2017              | 2013-2017          |  |
| <b>BUSES</b>                                       |                |                   |                   |                   |                   |                   |                    |  |
| <b>BUS IMPROVEMENT PROGRAM</b>                     |                |                   |                   |                   |                   |                   |                    |  |
| 2013-17 Bus Replacement Program                    | 10390130       | 10,988,391        | 7,881,016         | 4,531,392         | 465,766           | 9,496,616         | 33,363,181         |  |
| FFY 2012 Federal Formula Grant - Amendment         | 10,988,391     |                   |                   |                   |                   |                   |                    |  |
| FFY 2013 Federal Formula Grant                     | 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      |                   |                   |                   |                   |                   |                    |  |
| 2013-17 Bus Replacement Program                    | 10390130       | 6,969,178         | 5,969,178         | 0                 | 0                 | 0                 | 12,938,356         |  |
| FY 2013 100% Local Funds                           | 6,969,178      |                   |                   |                   |                   |                   |                    |  |
| FY 2014 100% Local Funds                           | 5,969,178      |                   |                   |                   |                   |                   |                    |  |
| 2013-17 Bus Replacement Program                    | 10390130       | 1,730,822         | 1,730,822         | 0                 | 0                 | 0                 | 3,461,644          |  |
| FY 2013 Urban Transit Program                      | 1,730,822      |                   |                   |                   |                   |                   |                    |  |
| FY 2014 Urban Transit Program                      | 1,730,822      |                   |                   |                   |                   |                   |                    |  |
| 2013-17 Bus Replacement Program                    | 10390130       | 0                 | 6,250,000         | 0                 | 0                 | 0                 | 6,250,000          |  |
| FFY 2013 OTPPP Award - Unfunded                    | 6,250,000      |                   |                   |                   |                   |                   |                    |  |
| 2013-17 Bus Improvement Program                    | 10390130       | 12,500,000        | 6,250,000         | 6,250,000         | 12,500,000        | 6,250,000         | 43,750,000         |  |
| SFY 2012 CMAQ-NOACA Grant                          | 6,250,000      |                   |                   |                   |                   |                   |                    |  |
| SFY 2013 CMAQ-NOACA Grant                          | 6,250,000      |                   |                   |                   |                   |                   |                    |  |
| SFY 2014 CMAQ-NOACA Grant                          | 6,250,000      |                   |                   |                   |                   |                   |                    |  |
| SFY 2015 CMAQ-NOACA Grant                          | 6,250,000      |                   |                   |                   |                   |                   |                    |  |
| SFY 2016 CMAQ-NOACA Grant                          | 6,250,000      |                   |                   |                   |                   |                   |                    |  |
| SFY 2016 CMAQ-NOACA Grant - Pending                | 6,250,000      |                   |                   |                   |                   |                   |                    |  |
| SFY 2017 CMAQ-NOACA Grant                          | 6,250,000      |                   |                   |                   |                   |                   |                    |  |
| <b>Sub-Total - Bus Improvement Program</b>         |                | <b>32,188,391</b> | <b>28,081,016</b> | <b>10,781,392</b> | <b>12,965,766</b> | <b>15,746,616</b> | <b>99,763,181</b>  |  |
| <b>PARATRANSIT IMPROVEMENT PROGRAM</b>             |                |                   |                   |                   |                   |                   |                    |  |
| 2013-17 Paratransit Buses                          | 12390130       | 1,205,000         | 0                 | 0                 | 0                 | 0                 | 1,205,000          |  |
| FFY 2012 Federal Formula Grant                     | 1,205,000      |                   |                   |                   |                   |                   |                    |  |
| 2013-17 Paratransit Buses                          | 12390130       | 1,372,814         | 0                 | 0                 | 0                 | 0                 | 1,372,814          |  |
| FFY 2008 Federal Formula Grant (Unappropriated)    | 376,814        |                   |                   |                   |                   |                   |                    |  |
| SFY 2012 ODOT Paratransit Vehicles Award           | 996,000        |                   |                   |                   |                   |                   |                    |  |
| 2013-17 Paratransit Buses                          | 12390130       | 0                 | 0                 | 0                 | 2,550,000         | 2,550,000         | 5,100,000          |  |
| FY 2016 100% Local Funds                           | 2,550,000      |                   |                   |                   |                   |                   |                    |  |
| FY 2017 100% Local Funds                           | 2,550,000      |                   |                   |                   |                   |                   |                    |  |
| <b>Sub-Total - Paratransit Improvement Program</b> |                | <b>2,577,814</b>  | <b>0</b>          | <b>0</b>          | <b>2,550,000</b>  | <b>2,550,000</b>  | <b>7,677,814</b>   |  |
| <b>TOTAL - BUSES</b>                               |                | <b>34,766,205</b> | <b>28,081,016</b> | <b>10,781,392</b> | <b>15,515,766</b> | <b>18,296,616</b> | <b>107,440,995</b> |  |
| <b>EQUIPMENT &amp; VEHICLES</b>                    |                |                   |                   |                   |                   |                   |                    |  |
| <b>MANAGEMENT INFORMATION SYSTEM</b>               |                |                   |                   |                   |                   |                   |                    |  |
| Oracle Upgrade to Version 12                       | 42610100       | 0                 | 100,000           | 50,000            | 0                 | 120,000           | 270,000            |  |
| FFY 2013 Federal Formula Grant                     | 100,000        |                   |                   |                   |                   |                   |                    |  |
| FFY 2014 Federal Formula Grant                     | 50,000         |                   |                   |                   |                   |                   |                    |  |
| FFY 2016 Federal Formula Grant                     | 120,000        |                   |                   |                   |                   |                   |                    |  |
| Network Infrastructure - Networks                  | 42610120       | 545,000           | 98,000            | 58,000            | 27,000            | 166,600           | 894,600            |  |
| FFY 2012 Federal Formula Grant                     | 545,000        |                   |                   |                   |                   |                   |                    |  |
| FFY 2013 Federal Formula Grant                     | 98,000         |                   |                   |                   |                   |                   |                    |  |
| FFY 2014 Federal Formula Grant                     | 58,000         |                   |                   |                   |                   |                   |                    |  |
| FFY 2015 Federal Formula Grant                     | 27,000         |                   |                   |                   |                   |                   |                    |  |
| FFY 2016 Federal Formula Grant                     | 166,600        |                   |                   |                   |                   |                   |                    |  |
| Midas - Operator Dispatch System Replacement       | 42610180       | 241,120           | 0                 | 0                 | 0                 | 0                 | 241,120            |  |
| FY 2013 100% Local Funds                           | 241,120        |                   |                   |                   |                   |                   |                    |  |
| Network Infrastructure - Data Center               | 42610220       | 455,000           | 145,000           | 65,000            | 55,000            | 115,000           | 835,000            |  |
| FFY 2012 Federal Formula Grant                     | 455,000        |                   |                   |                   |                   |                   |                    |  |
| FFY 2013 Federal Formula Grant                     | 145,000        |                   |                   |                   |                   |                   |                    |  |
| FFY 2014 Federal Formula Grant                     | 65,000         |                   |                   |                   |                   |                   |                    |  |
| FFY 2015 Federal Formula Grant                     | 55,000         |                   |                   |                   |                   |                   |                    |  |

# 2013 - 2017 Capital Improvement Plan

| GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY<br>2013 - 2017 CAPITAL IMPROVEMENT PLAN<br>RTA DEVELOPMENT FUND  |   |                  |                |                  |                |                |                  |
|---|---|------------------|----------------|------------------|----------------|----------------|------------------|
| ANTICIPATED FUNDING SOURCE  |   | CALENDAR YEAR    |                |                  |                |                | TOTALS           |
| CATEGORY / PROJECT NAME   | PROJECT NUMBER  | 2013             | 2014           | 2015             | 2016           | 2017           | 2013-2017        |
| <b><u>EQUIPMENT &amp; VEHICLES - Cont.</u></b>  |   |                  |                |                  |                |                |                  |
| <b><u>MANAGEMENT INFORMATION SYSTEM - Cont.</u></b>   |   |                  |                |                  |                |                |                  |
| Reporting Tools<br>FFY 2012 Federal Formula Grant   | 42610230<br>150,000   | 150,000          | 0              | 0                | 0              | 0              | 150,000          |
| Network Infrastructure - Phone System<br>FFY 2012 Federal Formula Grant<br>FFY 2013 Federal Formula Grant<br>FFY 2014 Federal Formula Grant<br>FFY 2016 Federal Formula Grant                             | 42610320<br>10,000<br>10,000<br>845,000<br>189,000          | 10,000           | 10,000         | 845,000          | 0              | 189,000        | 1,054,000        |
| Network Infrastructure - Phone System<br>FY 2013 100% Local Funds   | 42610320<br>230,000   | 230,000          | 0              | 0                | 0              | 0              | 230,000          |
| Microsoft Enterprise<br>FFY 2013 Federal Formula Grant<br>FFY 2015 Federal Formula Grant<br>FFY 2016 Federal Formula Grant  | 42610420<br>200,000<br>200,000<br>140,000                   | 0                | 200,000        | 0                | 200,000        | 140,000        | 540,000          |
| Application Performance - Data Archiving Tool<br>FFY 2012 Federal Formula Grant   | 42610430<br>215,000   | 215,000          | 0              | 0                | 0              | 0              | 215,000          |
| Internet - Intranet Development<br>FFY 2012 Federal Formula Grant<br>FFY 2013 Federal Formula Grant<br>FFY 2014 Federal Formula Grant<br>FFY 2015 Federal Formula Grant<br>FFY 2016 Federal Formula Grant | 42610520<br>100,000<br>50,000<br>50,000<br>50,000<br>80,000 | 100,000          | 50,000         | 50,000           | 50,000         | 80,000         | 330,000          |
| Electronic Records - Retention & Discovery<br>FFY 2012 Federal Formula Grant  | 42610530<br>100,000   | 100,000          | 0              | 0                | 0              | 0              | 100,000          |
| Absence Management (FMLA)<br>FFY 2012 Federal Formula Grant   | 42610620<br>50,000  | 50,000           | 0              | 0                | 0              | 0              | 50,000           |
| Absence Management (FMLA)<br>FY 2013 100% Local Funds   | 42610620<br>150,000   | 150,000          | 0              | 0                | 0              | 0              | 150,000          |
| Risk Management<br>FY 2013 100% Local Funds   | 42610820<br>50,000  | 50,000           | 0              | 0                | 0              | 0              | 50,000           |
| Asset Maintenance Management System<br>FFY 2013 FTA SOGR Award  | 42800130<br>250,000   | 250,000          | 0              | 0                | 0              | 0              | 250,000          |
| <b>Sub-Total - Management Information System</b>  |   | <b>2,546,120</b> | <b>603,000</b> | <b>1,068,000</b> | <b>332,000</b> | <b>810,600</b> | <b>5,359,720</b> |
| <b><u>EQUIPMENT</u></b>   |   |                  |                |                  |                |                |                  |
| Bus Warning Lights<br>FY 2013 100% Local Funds  | 15390120<br>345,000   | 345,000          | 0              | 0                | 0              | 0              | 345,000          |
| Electric Motor Conversion Project<br>FY 2013 NOACA / ODOT Grant   | 15800130<br>300,000   | 300,000          | 0              | 0                | 0              | 0              | 300,000          |
| Update RTA Signage Manual<br>FY 2013 100% Local Funds   | 41570130<br>250,000   | 250,000          | 0              | 0                | 0              | 0              | 250,000          |
| Event Recorders - Rail<br>FFY 2012 Federal Formula Grant  | 44150120<br>949,000   | 949,000          | 0              | 0                | 0              | 0              | 949,000          |
| Driver Monitoring Services<br>FY 2013 100% Local Funds  | 44150130<br>812,597   | 812,597          | 0              | 0                | 0              | 0              | 812,597          |
| Track Worker Monitoring Device<br>FY 2013 100% Local Funds  | 44150230<br>210,286   | 210,286          | 0              | 0                | 0              | 0              | 210,286          |
| Driver Security Enclosures<br>FY 2013 Alternate Funding Not Yet Identified  | 44390130<br>500,000   | 500,000          | 0              | 0                | 0              | 0              | 500,000          |
| Bus Camera Upgrade<br>FY 2013 Alternate Funding Not Yet Identified  | 44390230<br>1,000,000                                       | 1,000,000        | 0              | 0                | 0              | 0              | 1,000,000        |

# 2013 - 2017 Capital Improvement Plan

## GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY 2013 - 2017 CAPITAL IMPROVEMENT PLAN RTA DEVELOPMENT FUND

| ANTICIPATED FUNDING SOURCE   |   |               |                  |                  |                  |                  |                  |                   |
|--|---|---------------|------------------|------------------|------------------|------------------|------------------|-------------------|
| CATEGORY / PROJECT NAME  | PROJECT NUMBER  | CALENDAR YEAR |                  |                  |                  |                  | TOTALS 2013-2017 |                   |
|  |   | 2013          | 2014             | 2015             | 2016             | 2017             |                  |                   |
| <b><u>EQUIPMENT &amp; VEHICLES - Cont.</u></b>   |   |               |                  |                  |                  |                  |                  |                   |
| <b><u>EQUIPMENT - Cont.</u></b>  |   |               |                  |                  |                  |                  |                  |                   |
| Print Shop Equipment Replacement<br>FY 2012 Federal Formula Grant  | 442,400   | 45620130      | 426,712          | 0                | 0                | 0                | 0                | 426,712           |
| <b>Sub-Total - Equipment</b>   |   |               | <b>4,793,595</b> | <b>0</b>         | <b>0</b>         | <b>0</b>         | <b>0</b>         | <b>4,793,595</b>  |
| <b>TOTAL - EQUIPMENT &amp; VEHICLES</b>  |   |               | <b>7,339,715</b> | <b>603,000</b>   | <b>1,068,000</b> | <b>332,000</b>   | <b>810,600</b>   | <b>10,153,315</b> |
| <b><u>FACILITIES IMPROVEMENTS</u></b>  |   |               |                  |                  |                  |                  |                  |                   |
| <b><u>BRIDGE REHABILITATION</u></b>  |   |               |                  |                  |                  |                  |                  |                   |
| CRMF Road Bridges Over N/S<br>FY 2013 100% Local Funds   | 500,000   | 20800120      | 500,000          | 0                | 0                | 0                | 0                | 500,000           |
| Track Bridge Rehabilitation - East Boulevard<br>FFY 2012 Federal Formula Grant   | 1,966,250   | 20800150      | 1,966,250        | 0                | 0                | 0                | 0                | 1,966,250         |
| Track Bridges Rehabilitation - E. 81st & 83rd Streets<br>FFY 2013 Federal Formula Grant  | 4,160,000   | 20800160      | 0                | 4,160,000        | 0                | 0                | 0                | 4,160,000         |
| Track Bridge Rehabilitation - CSX & East 92nd Street<br>FFY 2012 Federal Formula Grant<br>FFY 2015 Federal Formula Grant   | 378,000<br>3,000,000  | 20800170      | 378,000          | 0                | 0                | 3,000,000        | 0                | 3,378,000         |
| <b>Sub-Total - Bridge Rehabilitation</b>   |   |               | <b>2,844,250</b> | <b>4,160,000</b> | <b>0</b>         | <b>3,000,000</b> | <b>0</b>         | <b>10,004,250</b> |
| <b><u>SYSTEM-WIDE FACILITIES</u></b>   |   |               |                  |                  |                  |                  |                  |                   |
| Replace Tower City Escalators<br>FFY 2011 Federal Formula Grant - Amendment  | 1,295,000   | 24800820      | 1,295,000        | 0                | 0                | 0                | 0                | 1,295,000         |
| Replace Tower City Escalators<br>FFY 2012 Federal Formula Grant - Amendment  | 1,700,000   | 24800820      | 1,005,000        | 0                | 0                | 0                | 0                | 1,005,000         |
| Bus & Rail State of Good Repair<br>FFY 2012 Federal Formula Grant<br>FFY 2013 Federal Formula Grant<br>FFY 2014 Federal Formula Grant<br>FFY 2015 Federal Formula Grant<br>FFY 2016 Federal Formula Grant        | 750,000<br>750,000<br>750,000<br>750,000<br>750,000           | 32800120      | 750,000          | 750,000          | 750,000          | 750,000          | 750,000          | 3,750,000         |
| Rub Rail for All Center Platform Stations on HealthLine<br>FFY 2012 Alternate Funding Not Yet Identified   | 1,035,160   | 32800130      | 1,035,160        | 0                | 0                | 0                | 0                | 1,035,160         |
| <b>Sub-Total - System-Wide Facilities</b>  |   |               | <b>4,085,160</b> | <b>750,000</b>   | <b>750,000</b>   | <b>750,000</b>   | <b>750,000</b>   | <b>7,085,160</b>  |
| <b>TOTAL - FACILITIES IMPROVEMENTS</b>   |   |               | <b>6,929,410</b> | <b>4,910,000</b> | <b>750,000</b>   | <b>3,750,000</b> | <b>750,000</b>   | <b>17,089,410</b> |
| <b><u>OTHER PROJECTS</u></b>   |   |               |                  |                  |                  |                  |                  |                   |
| <b><u>OTHER</u></b>  |   |               |                  |                  |                  |                  |                  |                   |
| Planning Studies (Transportation for Livable Communities Initiative)<br>SFY 2013 NOACA STP Grant<br>SFY 2014 NOACA STP Grant<br>SFY 2015 NOACA STP Grant<br>SFY 2016 NOACA STP Grant<br>SFY 2017 NOACA STP Grant | 93,750<br>93,750<br>93,750<br>93,750<br>93,750                | 49570120      | 0                | 0                | 93,750           | 93,750           | 93,750           | 281,250           |
| Fare Collection Equipment Lease<br>FFY 2012 Federal Formula Grant<br>FFY 2013 Federal Formula Grant<br>FFY 2014 Federal Formula Grant<br>FFY 2015 Federal Formula Grant<br>FFY 2016 Federal Formula Grant        | 2,426,110<br>2,426,110<br>2,426,110<br>2,426,110<br>2,426,110 | 49650180      | 2,426,110        | 2,426,110        | 2,426,110        | 2,426,110        | 2,426,110        | 12,130,550        |
| <b>TOTAL - OTHER PROJECTS</b>  |   |               | <b>2,426,110</b> | <b>2,426,110</b> | <b>2,519,860</b> | <b>2,519,860</b> | <b>2,519,860</b> | <b>12,411,800</b> |

# 2013 - 2017 Capital Improvement Plan

| GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY<br>2013 - 2017 CAPITAL IMPROVEMENT PLAN<br>RTA DEVELOPMENT FUND |  |                |                   |                   |                   |                   |                   |                     |
|--|--|----------------|-------------------|-------------------|-------------------|-------------------|-------------------|---------------------|
| ANTICIPATED FUNDING SOURCE   |  | PROJECT NUMBER | CALENDAR YEAR     |                   |                   |                   |                   | TOTALS<br>2013-2017 |
| CATEGORY / PROJECT NAME  |  |                | 2013              | 2014              | 2015              | 2016              | 2017              |                     |
| <b>PREVENTIVE MAINTENANCE/OPERATING REIMBURSEMENTS</b>   |  |                |                   |                   |                   |                   |                   |                     |
| <b>PREVENTIVE MAINTENANCE/OPERATING REIMBURSEMENTS</b>   |  |                |                   |                   |                   |                   |                   |                     |
| 2008 New Freedom Program (Mobility Management Only)  |  | 49310180       | 180,000           | 180,000           | 180,000           | 180,000           | 180,000           | 900,000             |
| SFY 2013 Section 5317 NOACA New Freedom Pro.   |  | 180,000        |                   |                   |                   |                   |                   |                     |
| 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        |                   |                   |                   |                   |                   |                     |
| Job Access Reverse Commute Program (JARC)  |  | 49350100       | 2,008,578         | 0                 | 0                 | 0                 | 0                 | 2,008,578           |
| SFY 2013 Section 5316 NOACA JARC   |  | 2,008,578      |                   |                   |                   |                   |                   |                     |
| Paratransit Operating Expenses Reimbursement   |  | 49670110       | 3,125,000         | 3,125,000         | 3,125,000         | 3,125,000         | 3,125,000         | 15,625,000          |
| SFY 2013 NOACA STP Grant   |  | 3,125,000      |                   |                   |                   |                   |                   |                     |
| 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      |                   |                   |                   |                   |                   |                     |
| Preventive Maintenance Expenses  |  | 51670130       | 12,500,000        | 15,000,000        | 17,500,000        | 20,000,000        | 20,000,000        | 85,000,000          |
| FFY 2012 Federal Formula Grant   |  | 12,500,000     |                   |                   |                   |                   |                   |                     |
| 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     |                   |                   |                   |                   |                   |                     |
| <b>TOTAL - PREVENTIVE MAINT./OPER. REIMB.</b>  |  |                | <b>17,813,578</b> | <b>18,305,000</b> | <b>20,805,000</b> | <b>23,305,000</b> | <b>23,305,000</b> | <b>103,533,578</b>  |
| <b>RAIL PROJECTS</b>   |  |                |                   |                   |                   |                   |                   |                     |
| <b>ELECTRICAL SYSTEM</b>   |  |                |                   |                   |                   |                   |                   |                     |
| Substation Replacement - West 117th Street   |  | 21800160       | 0                 | 0                 | 151,000           | 0                 | 3,727,600         | 3,878,600           |
| FFY 2014 Federal Formula Grant   |  | 151,000        |                   |                   |                   |                   |                   |                     |
| FFY 2016 Federal Formula Grant   |  | 3,727,600      |                   |                   |                   |                   |                   |                     |
| Substation Replacement - West 65th Street  |  | 21800190       | 0                 | 3,198,200         | 0                 | 0                 | 0                 | 3,198,200           |
| FFY 2013 Federal Formula Grant   |  | 3,198,200      |                   |                   |                   |                   |                   |                     |
| Substation Replacement - East 120th Street   |  | 21800240       | 0                 | 0                 | 0                 | 0                 | 165,400           | 165,400             |
| FFY 2016 Federal Formula Grant   |  | 165,400        |                   |                   |                   |                   |                   |                     |
| FFY 2018 Federal Formula Grant   |  | 3,746,200      |                   |                   |                   |                   |                   |                     |
| Sectionalize Tower City Catenary System  |  | 21800260       | 34,000            | 0                 | 660,000           | 0                 | 0                 | 694,000             |
| FFY 2012 Federal Formula Grant   |  | 34,000         |                   |                   |                   |                   |                   |                     |
| FFY 2014 Federal Formula Grant   |  | 660,000        |                   |                   |                   |                   |                   |                     |
| Substation Replacement - Fairhill Avenue   |  | 21800290       | 280,000           | 0                 | 0                 | 0                 | 0                 | 280,000             |
| FFY 2011 Federal Formula Grant - Amendment   |  | 280,000        |                   |                   |                   |                   |                   |                     |
| 2nd Independent Feed for E. 55th Street Substation   |  | 21800360       | 0                 | 0                 | 66,000            | 0                 | 2,050,650         | 2,116,650           |
| FFY 2014 Federal Formula Grant   |  | 66,000         |                   |                   |                   |                   |                   |                     |
| FFY 2016 Federal Formula Grant   |  | 2,050,650      |                   |                   |                   |                   |                   |                     |
| Substation Replacement - Puritas Avenue  |  | 21800390       | 0                 | 142,000           | 0                 | 3,717,600         | 0                 | 3,859,600           |
| FFY 2013 Federal Formula Grant   |  | 142,000        |                   |                   |                   |                   |                   |                     |
| FFY 2015 Federal Formula Grant   |  | 3,717,600      |                   |                   |                   |                   |                   |                     |
| <b>Sub-Total - Electrical System</b>   |  |                | <b>314,000</b>    | <b>3,340,200</b>  | <b>877,000</b>    | <b>3,717,600</b>  | <b>5,943,650</b>  | <b>14,192,450</b>   |
| <b>TRACK REHABILITATION</b>  |  |                |                   |                   |                   |                   |                   |                     |
| Rail Infrastructure Program  |  | 23320190       | 1,500,000         | 1,500,000         | 1,500,000         | 1,500,000         | 1,500,000         | 7,500,000           |
| FFY 2012 Federal Formula Grant   |  | 1,500,000      |                   |                   |                   |                   |                   |                     |
| FFY 2013 Federal Formula Grant   |  | 1,500,000      |                   |                   |                   |                   |                   |                     |
| FFY 2014 Federal Formula Grant   |  | 1,500,000      |                   |                   |                   |                   |                   |                     |
| FFY 2015 Federal Formula Grant   |  | 1,500,000      |                   |                   |                   |                   |                   |                     |
| FFY 2016 Federal Formula Grant   |  | 1,500,000      |                   |                   |                   |                   |                   |                     |
| LR Retaining Wall - Buckeye/Woodhill - Shaker Sq.  |  | 23800130       | 652,200           | 1,148,200         | 0                 | 0                 | 0                 | 1,800,400           |
| FFY 2012 Federal Formula Grant   |  | 652,200        |                   |                   |                   |                   |                   |                     |
| FFY 2013 Federal Formula Grant   |  | 1,148,200      |                   |                   |                   |                   |                   |                     |

# 2013 - 2017 Capital Improvement Plan

| GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY<br>2013 - 2017 CAPITAL IMPROVEMENT PLAN<br>RTA DEVELOPMENT FUND |            |                |                   |                   |                   |                   |                  |                     |
|--|------------|----------------|-------------------|-------------------|-------------------|-------------------|------------------|---------------------|
| ANTICIPATED FUNDING SOURCE   |            | PROJECT NUMBER | CALENDAR YEAR     |                   |                   |                   |                  | TOTALS<br>2013-2017 |
| CATEGORY / PROJECT NAME  | 2013       |                | 2014              | 2015              | 2016              | 2017              |                  |                     |
| <b><u>RAIL PROJECTS - Cont.</u></b>  |            |                |                   |                   |                   |                   |                  |                     |
| <b><u>TRACK REHABILITATION - Cont.</u></b>   |            |                |                   |                   |                   |                   |                  |                     |
| Light Rail Crossings Improvements  |            | 23800190       | 596,400           | 4,178,000         | 0                 | 4,391,400         | 0                | 9,165,800           |
| FFY 2012 Federal Formula Grant   | 596,400    |                |                   |                   |                   |                   |                  |                     |
| FFY 2013 Federal Formula Grant   | 4,178,000  |                |                   |                   |                   |                   |                  |                     |
| FFY 2015 Federal Formula Grant   | 4,391,400  |                |                   |                   |                   |                   |                  |                     |
| Light Rail Track Rehabilitation  |            | 23800130       | 700,000           | 0                 | 0                 | 0                 | 0                | 700,000             |
| FFY 2012 Alternate Funding Not Yet Identified  | 700,000    |                |                   |                   |                   |                   |                  |                     |
| Replace Shaker Square Junction & Grade Crossings   |            | 23800270       | 1,600,000         | 0                 | 0                 | 0                 | 0                | 1,600,000           |
| FFY 2012 Federal Formula Grant   | 1,600,000  |                |                   |                   |                   |                   |                  |                     |
| <b>Sub-Total - Track Rehabilitation</b>  |            |                | <b>5,048,600</b>  | <b>6,826,200</b>  | <b>1,500,000</b>  | <b>5,891,400</b>  | <b>1,500,000</b> | <b>20,766,200</b>   |
| <b><u>RAIL STATION REHABILITATION</u></b>  |            |                |                   |                   |                   |                   |                  |                     |
| University Circle - Little Italy Station   |            | 24570140       | 12,379,000        | 1,000,000         | 0                 | 0                 | 0                | 13,379,000          |
| FFY 2012 TIGER III Grant   | 15,629,000 |                |                   |                   |                   |                   |                  |                     |
| SFY 2014 NOACA Enhancement Grant   | 1,000,000  |                |                   |                   |                   |                   |                  |                     |
| Brookpark Road HRV Station Rehabilitation  |            | 24800260       | 0                 | 0                 | 12,304,524        | 0                 | 0                | 12,304,524          |
| FFY 2014 Federal Formula Grant   | 12,304,524 |                |                   |                   |                   |                   |                  |                     |
| Brookpark Road HRV Station Rehabilitation  |            | 24800260       | 300,000           | 0                 | 0                 | 0                 | 0                | 300,000             |
| FY 2013 Excess Property Account - Unfunded   | 300,000    |                |                   |                   |                   |                   |                  |                     |
| East 116th Street LRV Station Rehabilitation   |            | 24800370       | 846,200           | 0                 | 0                 | 4,720,000         | 0                | 5,566,200           |
| FFY 2012 Federal Formula Grant   | 846,200    |                |                   |                   |                   |                   |                  |                     |
| FFY 2015 Federal Formula Grant   | 4,720,000  |                |                   |                   |                   |                   |                  |                     |
| Light Rail Station Platform Reconstruction   |            | 24800520       | 290,460           | 316,350           | 345,850           | 0                 | 375,900          | 1,328,560           |
| FFY 2012 Federal Formula Grant   | 290,460    |                |                   |                   |                   |                   |                  |                     |
| FFY 2013 Federal Formula Grant   | 316,350    |                |                   |                   |                   |                   |                  |                     |
| FFY 2014 Federal Formula Grant   | 345,850    |                |                   |                   |                   |                   |                  |                     |
| FFY 2016 Federal Formula Grant   | 375,900    |                |                   |                   |                   |                   |                  |                     |
| FFY 2017 Federal Formula Grant   | 411,221    |                |                   |                   |                   |                   |                  |                     |
| <b>Sub-Total - Rail Station Rehabilitation</b>   |            |                | <b>13,815,660</b> | <b>1,316,350</b>  | <b>12,650,374</b> | <b>4,720,000</b>  | <b>375,900</b>   | <b>32,878,284</b>   |
| <b><u>TRAIN CONTROL / SIGNAL SYSTEM</u></b>  |            |                |                   |                   |                   |                   |                  |                     |
| HRV Microprocessor Replacement - Eng. Study  |            | 15320130       | 338,125           | 0                 | 0                 | 0                 | 0                | 338,125             |
| FFY 2012 Federal Formula Grant   | 338,125    |                |                   |                   |                   |                   |                  |                     |
| <b>Sub-Total - Train Control / Signal System</b>   |            |                | <b>338,125</b>    | <b>0</b>          | <b>0</b>          | <b>0</b>          | <b>0</b>         | <b>338,125</b>      |
| <b><u>RAIL EXPANSION</u></b>   |            |                |                   |                   |                   |                   |                  |                     |
| Blue Line Extension  |            | 34800190       | 0                 | 4,000,000         | 20,000,000        | 20,000,000        | 0                | 44,000,000          |
| FFY 2013 Federal New Starts Grant - Not Identified   | 4,000,000  |                |                   |                   |                   |                   |                  |                     |
| FFY 2014 Federal New Starts Grant - Not Identified   | 20,000,000 |                |                   |                   |                   |                   |                  |                     |
| FFY 2015 Federal New Starts Grant - Not Identified   | 20,000,000 |                |                   |                   |                   |                   |                  |                     |
| <b>Sub-Total - Rail Expansion</b>  |            |                | <b>0</b>          | <b>4,000,000</b>  | <b>20,000,000</b> | <b>20,000,000</b> | <b>0</b>         | <b>44,000,000</b>   |
| <b><u>RAIL VEHICLE FLEET</u></b>   |            |                |                   |                   |                   |                   |                  |                     |
| State of Good Repair - LRV Fleet Reliability   |            | 15320140       | 0                 | 1,365,500         | 1,365,500         | 1,365,500         | 1,365,500        | 5,462,000           |
| FFY 2013 Federal Formula Grant   | 1,365,500  |                |                   |                   |                   |                   |                  |                     |
| FFY 2014 Federal Formula Grant   | 1,365,500  |                |                   |                   |                   |                   |                  |                     |
| FFY 2015 Federal Formula Grant   | 1,365,500  |                |                   |                   |                   |                   |                  |                     |
| FFY 2016 Federal Formula Grant   | 1,365,500  |                |                   |                   |                   |                   |                  |                     |
| <b>Sub-Total - Rail Vehicle Fleet</b>  |            |                | <b>0</b>          | <b>1,365,500</b>  | <b>1,365,500</b>  | <b>1,365,500</b>  | <b>1,365,500</b> | <b>5,462,000</b>    |
| <b>TOTAL - RAIL PROJECTS</b>   |            |                | <b>19,516,385</b> | <b>16,848,250</b> | <b>36,392,874</b> | <b>35,694,500</b> | <b>9,185,050</b> | <b>117,637,059</b>  |

# 2013 - 2017 Capital Improvement Plan

| GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY<br>2013 - 2017 CAPITAL IMPROVEMENT PLAN<br>RTA DEVELOPMENT FUND |                |                   |                   |                   |                   |                   |                    |
|--|----------------|-------------------|-------------------|-------------------|-------------------|-------------------|--------------------|
| ANTICIPATED FUNDING SOURCE   |                |                   |                   |                   |                   |                   |                    |
| CATEGORY / PROJECT NAME  | PROJECT NUMBER | CALENDAR YEAR     |                   |                   |                   |                   | TOTALS 2013-2017   |
|  |                | 2013              | 2014              | 2015              | 2016              | 2017              |                    |
| <b>TRANSIT CENTERS</b>   |                |                   |                   |                   |                   |                   |                    |
| <b>TRANSIT WAITING ENVIRONMENT</b>   |                |                   |                   |                   |                   |                   |                    |
| Transit Waiting Environment Program  | 30570160       | 286,963           | 288,783           | 288,783           | 288,783           | 288,783           | 1,442,095          |
| FFY 2012 Federal Formula Grant   | 286,963        |                   |                   |                   |                   |                   |                    |
| FFY 2013 Federal Formula Grant   | 288,783        |                   |                   |                   |                   |                   |                    |
| FFY 2014 Federal Formula Grant   | 288,783        |                   |                   |                   |                   |                   |                    |
| FFY 2015 Federal Formula Grant   | 288,783        |                   |                   |                   |                   |                   |                    |
| FFY 2016 Federal Formula Grant   | 288,783        |                   |                   |                   |                   |                   |                    |
| <b>Sub-Total - Transit Waiting Environment</b>   |                | <b>286,963</b>    | <b>288,783</b>    | <b>288,783</b>    | <b>288,783</b>    | <b>288,783</b>    | <b>1,442,095</b>   |
| <b>TRANSIT CENTERS</b>   |                |                   |                   |                   |                   |                   |                    |
| Independence Park & Ride   | 32800230       | 900,000           | 0                 | 0                 | 0                 | 0                 | 900,000            |
| FY 2013 Excess Property Account - Unfunded   | 500,000        |                   |                   |                   |                   |                   |                    |
| FY 2013 100% Local Funds   | 400,000        |                   |                   |                   |                   |                   |                    |
| Clifton Transit Enhancement Program  | 61800190       | 112,500           | 0                 | 0                 | 0                 | 0                 | 112,500            |
| FFY 2012 Bus Livability Clifton Blvd Enhancement   | 3,750,000      |                   |                   |                   |                   |                   |                    |
| SFY 2013 NOACA CMAQ  | 2,987,500      |                   |                   |                   |                   |                   |                    |
| SFY 2013 ODOT Urban Grant  | 1,200,000      |                   |                   |                   |                   |                   |                    |
| <b>Sub-Total - Transit Centers</b>   |                | <b>1,012,500</b>  | <b>0</b>          | <b>0</b>          | <b>0</b>          | <b>0</b>          | <b>1,012,500</b>   |
| <b>TOTAL - TRANSIT CENTERS/SHELTERS</b>  |                | <b>1,299,463</b>  | <b>288,783</b>    | <b>288,783</b>    | <b>288,783</b>    | <b>288,783</b>    | <b>2,454,595</b>   |
| <b>TOTAL RTA DEVELOPMENT FUND</b>  |                | <b>90,090,866</b> | <b>71,462,159</b> | <b>72,605,909</b> | <b>81,405,909</b> | <b>55,155,909</b> | <b>370,720,752</b> |
| <b>TOTAL RTA CAPITAL FUND</b>  |                | <b>3,972,250</b>  | <b>3,611,200</b>  | <b>2,897,700</b>  | <b>3,097,700</b>  | <b>3,276,500</b>  | <b>16,855,350</b>  |
| <b>TOTAL CAPITAL IMPROVEMENT PLAN</b>  |                | <b>94,063,116</b> | <b>75,073,359</b> | <b>75,503,609</b> | <b>84,503,609</b> | <b>58,432,409</b> | <b>387,576,102</b> |



Greater Cleveland Regional Transit Authority  
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