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Greater Cleveland Regional Transit Authority



Operating and Capital Budget
For the Year 2011

Greater Cleveland Regional Transit Authority

2011 Adopted Budget Plan

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

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

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**Greater Cleveland Regional Transit Authority
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For the Fiscal Year Beginning

January 1, 2010

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The Government Finance Officers Association of the United States and Canada (GFOA) presented an award of Distinguished Budget Presentation to the Greater Cleveland Regional Transit Authority for its annual budget for the fiscal year beginning January 2010.

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

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

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TABLE OF CONTENTS

Citizens Summary

Transmittal Letter

Executive Summary	TL - 1
A Strategic Approach to the Budget	TL - 4
Program and Project Initiatives	TL - 5
Fare Structure	TL - 6
General Fund	TL - 7
Service Levels	TL - 19
Policy Compliance	TL - 21
Capital Program	TL - 23
Conclusion	TL - 25
Fund Statements	TL - 27

Performance Management

TransitStat	PM - 1
Energy Price Risk Management	PM - 8

Budget Guide

Organization of the Budget Plan

Fiscal and Budgetary Policies

Introduction	BG - 2
All Funds	BG - 2
General Fund	BG - 6
Capital Improvement Funds	BG - 8
Supplemental Pension Fund	BG - 10
Insurance Fund	BG - 10
Bond Retirement Fund	BG - 11

Budget Management Process

Introduction	BG - 13
The Budget Cycle	BG - 13
Budget Calendar of Events	BG - 14
Quality Management System	BG - 15
Budget Monitoring and Control	BG - 15

Glossary

Service Profile

Fund Budgets

All Funds

Introduction	FB - 1
All Funds Balance Analysis	FB - 2
All Funds Revenue	FB - 3
All Funds Expenditures	FB - 4

General Fund

General Fund Balance Analysis	FB - 7
General Fund Revenue	FB - 8
Sales and Use Tax	FB - 8
Passenger Fares	FB - 10
Investment Income	FB - 10
Advertising & Concessions	FB - 11
Federal and State Operating Assistance	FB - 11
Other Revenue	FB - 12
General Fund Expenditures	FB - 13

Bond Retirement Fund

Insurance Fund

Supplemental Pension Fund

Law Enforcement Fund

Capital Improvement Fund

Fund Balance Analysis	FB - 24
Capital Improvement Fund Revenue	FB - 26

TABLE OF CONTENTS

Department Budgets

Authority-wide Organizational Chart	DB - 3
Expenditures by Division	DB - 4
Staffing by Division	DB - 6
Division - Operations	
Division Summary	DB - 9
Paratransit District	DB - 13
Rail District	DB - 17
Transit Police	DB - 23
Service Management	DB - 27
Service Quality	DB - 32
Fleet Management	DB - 36
Pass-Thrus	DB - 41
Hayden District	DB - 43
Harvard District	DB - 47
Triskett District	DB - 49
Division - Finance & Administration	
Division Summary	DB - 53
Office of Business Development	DB - 56
Accounting	DB - 59
Information Technology	DB - 63
Support Services	DB - 67
Procurement	DB - 70
Revenue	DB - 73
Division - Engineering & Project Mgt.	
Division Summary	DB - 77
Euclid Corridor Transportation Project	DB - 80
Project Support	DB - 81
Programming & Planning	DB - 84
Engineering & Project Development	DB - 87
Division - Legal Affairs	
Division Summary	DB - 91
Safety	DB - 94
Legal	DB - 97
Risk Management	DB - 100

Department Budgets (continued)

Division - Human Resources	
Division Summary	DB -105
Human Resources	DB - 108
Labor & Employee Relations	DB - 111
Training & Employee Development	DB - 114
Division - Executive	
Division Summary	DB -119
Executive	DB - 123
Secretary/Treasurer - Board of Trustees	DB - 126
Internal Audit	DB - 129
Marketing & Communications	DB - 132
Office of Management & Budget	DB - 136
Fund Transfers	DB - 139

Capital Improvement Plan

Introduction	CIP - 1
Organization of the Capital Improvement Plan	CIP - 1
Capital Assets	CIP - 2
Capital Improvement Planning Cycle	CIP - 8
Budget Calendar of Events	CIP - 9
Transportation Improvement Program	CIP - 10
Appropriations	CIP - 10
Capital Improvement Financial Policies	CIP - 11
Capital Improvement Criteria	CIP - 11
Priority Areas	CIP - 12
Financial Capacity	CIP - 14
Debt Management	CIP - 17
Operating Impacts	CIP - 19
Project Categories	CIP - 20
RTA Capital Fund	CIP - 21
RTA Development Fund	CIP - 28

2011 Citizens Summary

Transmittal Letter

Executive Summary	TL - 1
A Strategic Approach to the Budget	TL - 4
Program and Project Initiatives	TL - 5
Fare Structure	TL - 6
General Fund	TL - 7
Service Levels	TL - 19
Policy Compliance	TL - 21
Capital Program	TL - 23
Conclusion	TL - 25
Fund Statements	TL - 27

Performance Management

TransitStat	PM - 1
Energy Price Risk Management	PM - 8

Citizens Summary

If you wish to see a summary of the 2011 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 2011 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.

2011 TRANSMITTAL LETTER

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

Date: November 9, 2010

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

Subject: 2011 Transmittal Letter

EXECUTIVE SUMMARY

All and all, 2010 was yet another successful year at RTA. Once again RTA was highly recognized on a national, and international level for its best in industry accomplishments, highlighted by hosting the APTA Bus and Paratransit Conference, the COMTO National Conference and numerous smaller meetings of industry and municipal professionals yearning to learn more about our success with the HealthLine.

With a full plate of ARRA funded infrastructure improvements well under way, we were able to cut the ribbon on the first one to be completed, the Stephanie Tubbs Jones Transit Center where we will be able to better serve our customers for years to come. In recognition of RTA's Safety is Job #1 philosophy, we were proud to accept the APTA "Gold" award for our safety program from FTA Administrator Peter Rogoff.

During 2010 we successfully:

- Increased productivity and reduced overhead expenses, as evidenced by the integration of the Harvard District functions into the Hayden and Triskett Districts,
- Managed utility and fuel costs through fuel hedging and other innovative programs,
- Reduced labor and inventory expenses, and
- Consolidated lower productivity services to increase our total service efficiency.

Although the weakening of the economy was very concerning, the strength of our organization, our people, our relationships, and our recent accomplishments allowed us to be cautiously optimistic about our future. That optimism was well founded, as 2010 was a year during which much of our hard work paid dividends in the form of additional financial resources from NOACA, Tiger, several FTA State of Good Repair and TIGGER Grants, and the long awaited announcement by the Governor of a significant three year plan for additional funding for public transit, the Next Generation Transit Partnership Program.

Most importantly, 2010 better positioned RTA to be more economically sustainable into 2011 and beyond, so that we can continue to provide our customers with the safe, reliable and first class service they want, need and deserve.

The financial divergence between revenues and expenses, which began impacting RTA in 2001, has not only continued, but also widened dramatically in 2009. The recession of 2008-2009 sliced an additional \$24 million from revenue. The strategic use of one-time revenues and adjustments to service levels and reduction of other expenditures allowed the Authority to achieve a balanced budget in 2009, although by the narrowest of margins. That \$24 million loss in revenue, which continued into 2010, required RTA to take additional action to further

2011 TRANSMITTAL LETTER

reduce expenses to match an increasingly lower revenue base.

As revenue has continued to decrease, RTA has cut expenses, raised fares, and reduced service for three straight years. Administrative positions were reduced by 5% in 2009 and cut by another 3% in 2010. Salaried employees took a 3% wage cut for half of 2009 and all of 2010. As the fuel surcharge expired in the first quarter of 2010, the staff recommended that fares be held at the \$2.25 base level. Public hearings were held in January 2010 to discuss the fares and a \$9 million reduction in service. This service cut reduced our employment level by 163. In consonance with the service reduction, Harvard Garage was closed on weekends and then taken out of operation in August. Another 64 positions were eliminated. Fuel costs were reduced by \$9.1 million in 2010 due to the use of fuel hedging from the Energy Price Risk Management Program. Electricity costs were reduced by \$1.6 million.

In recent years, RTA has been the most recognized transit system in the nation. One factor is our demonstrated strategy of sound financial management. The 2009 and 2010 Budgets are excellent examples of the execution of that strategy. The actions taken to right size our service, our employment and to reduce other costs have paid dividends. Those actions have positioned the Authority to sustain it in difficult financial times. We feel that this budget, while far from ideal, continues to match our service and fare levels with the current revenue realities.

The Board of Trustees' first review of the 2011 Operating and Capital Budget will take place at the Finance Committee meeting on November 9, 2010. The committee will deliberate issues in the operating and capital budget requests at subsequent meetings on November 16 and December 7, 2010. At the Board meeting on December 21, 2010, we expect the Finance Committee to present a recommendation to the full Board of Trustees to adopt the proposed 2011 Operating, Capital, and the Other Funds Budgets.

Resources are included to fund rail, bus, and paratransit services and continue rehabilitation and maintenance of equipment and facilities. In preparing the 2011 budget request, staff developed Fund Balance Analysis statements for each major fund group, which summarize financial activity and the resulting ending balances. The Finance, Operations, and Planning and Development Committees will review major revenue & expenditure assumptions and trends, financial policy indicators, service & employment levels, strategic and other program initiatives, and capital projects included in the 2011 – 2015 Capital Improvement Plan (CIP).

The 2011 appropriation for operating expenditures totals \$225,874,579. In comparison, the 2009 Budget totaled \$246,514,436 for operating expenditures and the 2010 Budget appropriated \$225,941,877. The Authority continued and added new initiatives to control expenditures during the execution of the 2010 Budget and is projected to finish the year at \$217,569,825, about \$8.3 million under budget. The 2011 Budget has been held almost constant and is actually about \$67,000 less than the amount budgeted for 2010. It includes \$168.2 million for Personnel Services; providing salary, overtime, and fringe benefit resources needed to fund 2,232 positions. The authorized employment level for 2011 is a decrease of 245 positions from the 2,477 in the original 2010 budget. Personnel Services

2011 TRANSMITTAL LETTER

costs have been reduced to an amount less than 2006 levels. An April 2010 service reduction, layoffs in operating support positions and the closing of Harvard Garage accounts for this reduction.

For 2011, the combined Capital Budgets for the RTA Capital & RTA Development Funds total \$95.05 million for equipment, rehabilitation, and other capital projects to improve, replace, or upgrade the Authority's facilities and services. This includes \$2.35 million, or 2.5% of the total, of 100% locally funded projects within the RTA Capital Fund and \$92.70 million, or 97.5%, of grant & locally supported projects within the RTA Development Fund. The emphasis within the capital program for the 2011-2015 CIP is to better match budgeted projects with the anticipated revenue, both for locally and grant funded projects.

The requested capital budget appropriation of \$95.05 million is significantly higher than the 2010 capital budget of \$72.07 million is primarily as a result of including additional budget authority for capital projects with identified non-traditional funding sources. These include \$16.80 million for the rehabilitation of the Red Line Station at University Circle that will be primarily funded through two earmark grants, a combined \$10.09 million of budget authority for three Capital Operating Assistance grants, \$5.56 million of budget authority for various facility & equipment upgrade projects at three bus facilities funded through the FTA Bus State of Good Repair program, and \$4.07 million for the Access to Jobs program. This leaves \$58.53 million of requested project budgets to be funded from traditional Capital & Rail Grants and other potential non-traditional funding sources.

As was done 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. As a result of including alternative project budgets funded through non-traditional sources, as well as Capital Operating Assistance grants within the requested CIP, the five-year capital plan increased from \$436.4 million for 2010-2014 to \$491.5 million over the 2011- 2015 period.

Capital financing and the balance between the capital program and operating costs continue to be a major challenge for the Authority. Recent Capital Budgets have addressed this issue through the deferral and reduction of some projects. The 2011 Capital budget, though higher than in 2010, represent the Authority's efforts to reduce the growth of the capital program to a level that is compatible with anticipated funding levels.

Due to 100% federal grant funding that did not require a 20% local match, the Authority has been able to stretch the use of its available bond funds enabling the Authority to defer a planned FY2010 \$20.0 million debt service sale into FY2011. A \$25.0 million debt service sale is planned for FY2011 that is expected to meet the Authority's local funding needs for capital projects until FY2014. This action will, though, increase the Authority's debt service payments in 2011 & beyond and continue to challenge the Authority's ability to meet debt service requirements as well as operational needs.

The revenue required to support both operating and capital budgets continues to pose difficult fiscal challenges. The shortfall from our largest revenue source, the Sales & Use

2011 TRANSMITTAL LETTER

Tax, has been limiting the ability to provide service for the last eight years. Now, the dramatic drop in this revenue caused by the recent recession more severely constrains every aspect of our operation. This shortfall significantly limits our ability to provide service, maintain and upgrade our capital plan, and finance these needs.

The Authority has made significant efforts to reduce costs since 2000. The budgets for the last ten years have been financially constrained and only actions to control costs have allowed RTA to achieve positive financial balances. The 2008-2009 recession made the 2009 Budget the most difficult RTA has ever had to execute. Without the fuel surcharge and service realignment executed at the end of 2008 and then the additional action to implement the deferred fuel surcharge and the deferred service reduction in September 2009, our 2009 fiscal year would have ended with a large negative balance. Our diligence in seeking additional funding in 2009 to provide temporary relief from the unprecedented decline in Sales Tax Revenue allowed RTA to achieve a positive ending balance. Those one-time funds were used in 2010 and will be again in 2011. Those revenues, the maintenance of fares at \$2.25, a 12% service realignment, the closing of Harvard Garage and reduction of expenditures once again, will cause RTA to end 2010 with a significantly improved and now reasonable year-end balance. The premium service provided in the past had to be reduced, but base level services were maintained.

Our objective for 2011 is to maintain the level of service we have and to avoid any further service cuts. A \$12 million funding gap had to be solved to accomplish that. This budget meets that objective. Further elimination of routes is not envisioned and with the assistance of Governor Strickland and ODOT, some service will actually be restored. This budget allows the Authority to end the year with a fourteen-day end of year balance. Given the constraints we now face, it is a reasonable mix of service funded under a tight but improving financial outlook.

A STRATEGIC APPROACH TO THE BUDGET

In developing the budget as well as developing our 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.**

2011 TRANSMITTAL LETTER

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.

Again, for 2011, our business planning efforts continue to highlight two of the five policy goals as most critical: **Customer Focus** and **Improve Financial Health**. In an effort to more effectively transition the strategic planning focus into the 2011 budgeting process, the evaluation of requests and the allocation of funding for 2011 initiatives were linked to the business plan and most directly to these two policy goals.

PROGRAM AND PROJECT INITIATIVES

The recession of 2008-2009 has made one initiative very clear. The major point of emphasis is to survive the unprecedented drop in revenue from loss of sales tax and loss of fare revenue caused by this recession. The loss of almost \$19 million in sales tax and nearly \$5 million in fare revenue have had a major impact on RTA's balance sheet. Service had to be cut twice for 2009 and again in 2010, fares had to be increased, positions were left vacant, one bus garage has been closed and capital projects have been significantly constrained. One time funding initiatives were explored and developed to help offset the loss in revenue and at least delay actions needed to balance the budget so that RTA had enough time to adjust service levels and personnel. TransitStat, a data driven performance management initiative, was implemented at the beginning of 2008 with the goal of continuing and further promoting the cultural change of constant improvement and its natural outcome, reductions in expenditures. The first initiative for TransitStat dramatically reduced non-operator overtime by over \$2.4 million. Other initiatives such as inventory management, vehicle reliability, and operational scorecards enhanced operational capacity while reducing costs. TransitStat was expanded to encompass all areas of the Authority's operations in 2009. Now Workers' Compensation, electricity usage, energy retrofits, revenue collection, fuel hedging, safety, and customer service are also generating results. Since its inception, TransitStat has

2011 TRANSMITTAL LETTER

saved the Authority nearly \$24 million. TransitStat was implemented prior to the 2008-2009 recession in response to the weakening economy in Northeast Ohio. It has been a major factor in surviving this deep recession. We can and will continue to manage our resources as effectively as possible, but without sufficient revenue to sustain operations at a level in line with the needs of the working public in Greater Cleveland service reductions had to be made. We have become a smaller transit authority. Our challenge now is to hold the current base level of service and avoid a continuing decline.

Management and execution of the American Recovery and Reinvestment Act (ARRA) Grant and the nearly \$46 million provided to maintain RTA infrastructure is also very important. The Authority has 17 ARRA projects in process. Some of these projects include maintenance of rail infrastructure, renovating rail cars, renovation of rail grade crossings, reconstruction of Puritas Station, reconstruction of East 55th Station, reconstruction of Woodhill Station, construction of the Stephanie Tubbs Jones East Side Transit Center, and the purchase of 57 paratransit vehicles. These projects provided the bulk of capital improvements the Authority could afford in 2010 and will be finished during the upcoming year. In this difficult economy they are very important because added financial constraints have made maintenance of our system even more difficult.

Fare Structure

The financial constraints the economy has imposed over the last 10 years has required RTA to reduce service and increase fares to at least maintain a base level of service. After thirteen years with no increase, the Authority had to raise fares in 2006. The RTA Board elected to execute the increase over an eighteen-month period with a 25-cent increase in July 2006 and another 25-cent increase in January 2008. The result was a \$1.75 base fare.

The dramatic increase in diesel fuel cost in 2008 (fuel jumped from \$2.50 per gallon to \$4.18 per gallon) added \$7.4 million to RTA expenses. Consequently, in October 2008 RTA added a 25-cent fuel surcharge to fares with an additional 25-cent increase deferred until September 2009. RTA had hoped to avoid the imposition of the second 25 cents.

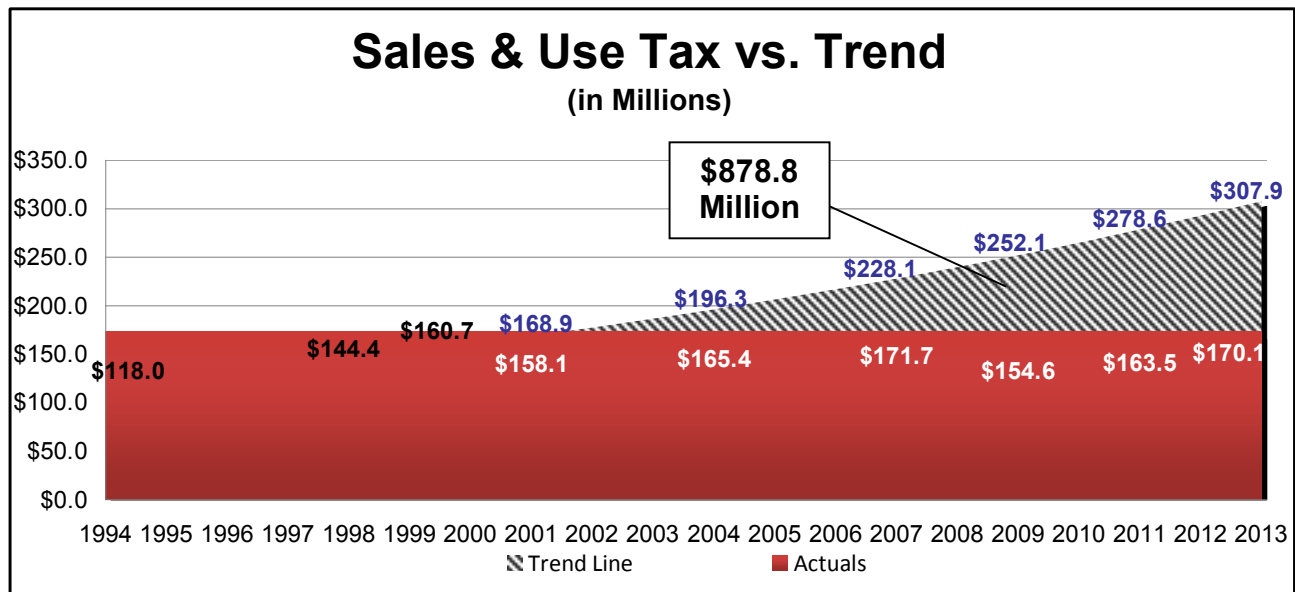
The 2008-2009 recession caused even greater financial difficulties for RTA and most transit authorities throughout the U.S. In September the additional \$0.25 of the fuel surcharge and a deferred service cut had to be implemented. This pushed base fares to \$2.25. The fuel surcharge was to be eliminated if fuel prices went down. That happened in late 2008 and the beginning of 2009. However, the loss of nearly \$19 million in Sales & Use Tax revenue imposed another financial hurdle. The Board had little choice but to vote to maintain the \$2.25 base fare. Holding the base fare at \$2.25 still meant a 12% service reduction had to be made to balance the budget. Our objective for the 2011 Budget is to maintain service at the current level and to avoid any further increase in fares. This Budget meets that objective.

2011 TRANSMITTAL LETTER

GENERAL FUND

Underperforming Sales & Use Tax

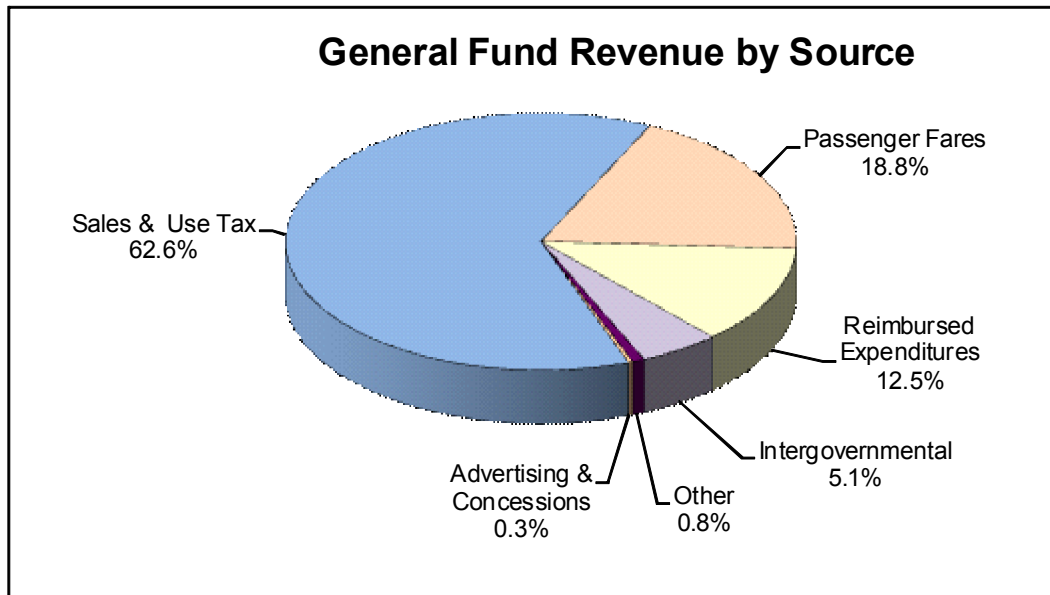
The graph shown in this section presents the major issue affecting the Authority and the region. Revenue from the Sales & Use Tax, from 1992 to 2000, increased about 5.6% per year. Beginning in 2001, local economic activity and sales tax growth flattened. The average annual growth declined to 0.9%. Consequently, the Authority has experienced an increasing gap between revenues generated in the past and current revenues. That factor has been worsened by the deep recession of 2008-2009. Sales & Use Tax revenue for 2008 was \$173.6 million. In 2009 it dropped to \$154.6 million. This 11% drop removed \$19 million from the Authority's revenue.



This is by far the most dramatic decline in revenue from the Sales & Use Tax in the history of the Authority; the previous worst decline in a year was 1.6%. Unlike recessions in the past, most economists expected the effects of this one to be long lasting. RTA had projected that it would take a minimum of six years to get back to the \$173.6 million Sales Tax amount generated in 2008. Sales Tax generated 70% of RTA's revenues in 2000. It only generated 58% in 2009. Some recovery was anticipated in 2010. In fact, that recovery appears to be better than expected with our projection showing Sales & Use Tax revenue of \$161.6 million. Part of that increase came from an addition to the Sales Tax base. No additions are expected in 2011. The increase is encouraging but closer analysis reveals that only two of 12 categories have increased. On that basis, we project a 1.2% increase in Sales Tax for 2011 and estimate \$163.5 million in revenue. That figure is about \$5.2 million higher than our previous 2011 projection but is still about \$10 million less than the 2008 receipts. The Authority has adjusted and must continue to adjust to what now appears to be a sustained lower revenue base for the next several years.

2011 TRANSMITTAL LETTER

Revenue



The current 2011 estimate projects \$261.3 million in General Fund revenue and total resources of \$270.2 million as the 2010 fiscal year ends with an \$8.8 million balance. Total resources for 2008 were \$276.2 million, for 2009 the total was \$272.9 million. Projected total resources for 2010 are \$272.8 million.

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 its revenues will support. The General Fund Balance Analysis, included as Attachment A, presents the 2010 Operating Budget in summary. The specific assumptions and calculations for the revenues included there are as follows:

Passenger Fares

\$49.1 Million

Rationale:

Ridership through September 2010 was 11.5% below the same period in 2009. The recession, leading to a double-digit unemployment rate in the region, the reduction in gasoline prices and the service reductions over the last three years are the reasons for this decrease. The Authority provided service for approximately 51.3 million riders in 2009 and collected fare revenue of \$49.7 million. The Budget was \$54.7 million. The deferred fuel surcharge implemented in September 2009 raised the fare to \$2.25. The Authority elected to maintain the \$2.25 base fare for 2010. Even with that base fare many routes had to be eliminated and a 12% service reduction was executed in April of 2010. The increased fares should have produced fare revenue of \$52.3 million but ridership continued to decline through the first eight months of 2010. The revenue estimate for 2010 has been reduced to \$48.4 million. There has been some improvement in the number of riders since August but

2011 TRANSMITTAL LETTER

the economy is expected to be flat in the fourth quarter of 2010 and the first half of 2011. Until the economy improves and people are recalled to work, ridership will continue at reduced loads and fare revenue will remain depressed. RTA will hold the base fare level at \$2.25 and will maintain that rate for as long as possible. The estimate for 2011 fare revenue is \$49.1 million.

Sales & Use Tax Revenue

\$163.5 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 in 2009. As previously stated, this source declined by 10.94%, losing nearly \$19 million in revenue.

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. The indication was that our Sales Tax revenue would not recover in the short term and would not return to the \$173 million mark generated in 2008 until 2015. RTA projected a 1.2% increase in Sales Tax revenue for 2010 (\$156.4 million). We felt that most of that increase would be generated in the second half of the year.

Through the first five months of 2010 the estimate was proven correct. June, August, September and October had Sales Tax collections that were much higher than expected, producing 9-11% growth in each of those months. (The chart below details 2010 collections). Retail sales in the second quarter were higher than expected, as were car sales. The Sales Tax revenue estimate has been upgraded to \$161.6 million for 2010. The optimism that existed in the second quarter has now waned. The Federal Reserve in Cleveland and many economists are projecting a flat fourth quarter and 1-1.5% growth for the first half of 2011.

MONTH <u>RECEIVED</u>	2009 <u>ACTUAL</u>	4 -Year <u>Average</u>	2010 <u>Budget</u>	2010 <u>ACTUAL*</u>	2010 <u>Dollar</u> <u>Variance</u>	2010 <u>Percent</u> <u>Variance</u>	2011 <u>Budget</u>
JANUARY	\$12,734,154	\$13,037,641	\$12,845,269	\$13,029,565	\$184,296	1.43%	\$13,159,856
FEBRUARY	\$12,834,724	\$13,765,449	\$12,946,716	\$13,235,921	\$289,205	2.23%	\$13,368,280
MARCH	\$17,103,628	\$17,657,845	\$17,455,332	\$16,734,752	(\$720,580)	-4.13%	\$16,901,950
APRIL	\$11,828,348	\$12,788,946	\$11,931,559	\$12,261,769	\$330,210	2.77%	\$12,354,140
MAY	\$12,406,078	\$13,176,387	\$12,514,329	\$11,917,611	(\$596,718)	-4.77%	\$12,096,450
JUNE	\$12,694,667	\$14,260,216	\$12,906,668	\$14,007,370	\$1,100,702	8.53%	\$14,175,500
JULY	\$12,323,435	\$13,310,890	\$12,430,966	\$12,557,155	\$126,189	1.02%	\$12,770,650
AUGUST	\$12,248,257	\$13,602,122	\$12,355,132	\$13,394,184	\$1,039,052	8.41%	\$13,608,490
SEPTEMBER	\$13,268,229	\$15,022,782	\$13,485,235	\$14,773,029	\$1,287,794	9.55%	\$14,876,440
OCTOBER	\$12,535,554	\$13,639,555	\$12,644,936	\$13,831,261	\$1,186,325	9.38%	\$13,982,030
NOVEMBER	\$12,428,910	\$13,313,706	\$12,557,361	\$12,557,361	\$0	0.00%	\$13,287,960
DECEMBER	\$12,180,237	\$13,532,441	\$12,367,752	\$12,367,752	\$0	0.00%	\$12,943,870
TOTAL	\$154,586,221	\$170,710,764	\$156,441,255	\$160,667,730	\$4,226,475	2.70%	\$163,525,616

2011 TRANSMITTAL LETTER

Sales Tax collections are better than expected and yet the underlying economy does not support the collections RTA is receiving. A year ago our projection for 2011 was \$158.3 million. The improvement in the recent four months has caused us to re-evaluate that projection. We still cannot be overly optimistic. On that basis, our estimate for Sales Tax collections in 2011 has been revised from \$158.3 million to \$163.5 million. This is \$15.3 million below 2008 projections but is an increase of \$5.2 million from projections six months ago. If that number is achieved in 2011, the gap between 2008 (\$173.6 million) and 2011 will have been reduced from \$19 million to \$10 million.

<u>Advertising & Concessions</u>	\$0.75 Million
Advertising Contract	\$525K
HealthLine (net)	\$125K
<u>Other</u>	<u>\$100K</u>
Total	\$0.75M

Rationale:

The 2011 Budget Advertising and Concessions Category consist of three subcategories. The first is the current advertising contract. However, due to 2008, 2009, and 2010 fleet reductions, the advertising contract's annual guarantee shrunk from \$1,000,000 to \$525,000 this year. The second is the HealthLine naming rights contract that will net the Authority \$125,000 in 2011. The other subcategory is composed of various concession and vending arrangements and is expected to generate \$100,000 in the upcoming year.

<u>Intergovernmental</u>	\$ 14.0 Million
Temporary State Funding	\$11.3M
Elderly and Disabled Fare Assistance	\$ 0.7M
<u>Access to Jobs Revenue (JARC)</u>	<u>\$ 2.0M</u>
Total	\$14.0M

Rationale:

When the 2008-2009 hit full force in 2009, the RTA had a \$24 million funding gap. Expenses were reduced but those actions could not eliminate the gap. Temporary funding for the Healthline, the Trolley's and ADA Paratransit filled the remainder of the gap. The 2011 Budget is the last year those funds will be available. They provide \$11.3 million to help maintain service.

In 2008, the Authority received \$2.1 million from the State of Ohio for elderly and disabled fare assistance. The State of Ohio tax receipts were reduced by the recession and in 2009 RTA received only \$688,000 in this category. In 2010 this was again reduced to \$619,000. With some recovery in the economy, the projection is increased slightly to \$650,000 for 2011.

2011 TRANSMITTAL LETTER

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 to be used in 2009 and 2010, at approximately \$1.2 million-\$1.4 million per year. 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 those funds was used in the end of 2009. The remaining \$1.5 million from that grant were used in 2010 and then supplemented with funds from grants previously received. Remaining funds from these grants will be used in 2011. The projection is for \$2.0 million.

Other Revenue

\$1.2 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 our CNG fleet has been retired.

Investment Income

\$112 Thousand

The available 2010 General Fund cash balances have been improved over 2009. 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. That decline continued in 2010 and investment income is now projected at approximately \$86,500. 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 for 2011 is \$112,493.

Reimbursed Expenditures

\$32.6 Million

Capitalized Operating Assistance	\$29.2M
Fuel Tax Reimbursement	\$ 1.2M
<u>Force Account Labor & Material</u>	<u>\$ 2.2M</u>
Total	\$32.6M

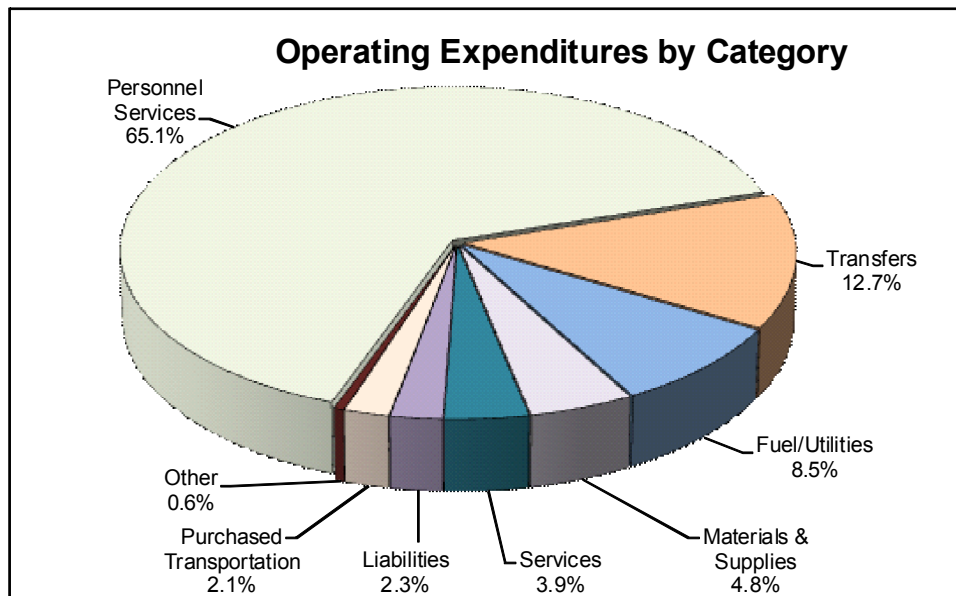
2011 TRANSMITTAL LETTER

Rationale:

This category primarily is composed of capitalized operating assistance, fuel tax reimbursements, grant labor, and material reimbursements. In 2009, this category was \$33.4 million. This is about \$3.6 million less than was projected because four federal grants with expected receipts in 2009 were not finalized until after the close of the fiscal year (Those grants contained over \$10 million in revenue expected for 2009). Much of this revenue was received and thus reimbursed in 2010. This explains the higher than usual amount in reimbursed expenditures for 2010. ARRA project force account labor also added to the higher than usual total.

This category will decline in 2011 to \$32.6 million. Service has been reduced and the amount of preventive maintenance has been reduced because we are maintaining fewer busses and with the closure of Harvard Garage, one less facility. ARRA force account labor will also be ending and the only real amount of force account labor will be the \$1.8 million for the heavy rail vehicle overhaul. Governor Strickland has pushed for funding for Transit and worked with ODOT to commit a little over \$4.0 million, which will be used to reimburse contract maintenance that allows RTA to reach the \$29.2 million level for Capitalized Operating Assistance.

Expenditures



The Operating Expenditures for 2011 include the appropriation and expenditure changes as described below. As with revenues, expenditures are estimated not only for the 2011 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

2011 TRANSMITTAL LETTER

2011 Budget (collective bargaining agreements, service changes, requirements of the Capital Improvement Plan, etc.).

The chart on page TL – 16 summarizes the budgeted increases/reductions in expenditures for 2011. 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 and 2010 to control and reduce expenditures and the improvement in Sales Tax collections the Authority will be able to avoid a service reduction in 2011.

Compensation Issues include the wage and fringe payments consistent with current collective bargaining agreements with the ATU and FOP, vacancy replenishments, as well as expected cost increases associated with health care and the Ohio Public Employee Retirement System (OPERS). Savings in labor and fringe benefits will be realized from the annualization of reduction in employees from the reductions in positions in operational support personnel, reduction in personnel due to the 2010 service reduction and the closing of Harvard Garage. In the past, Sales & Use Tax revenue covered the personnel costs. Passenger fares and grants covered the remaining costs. For instance, in 2006 revenue from this source was \$168.6 million and Personnel Services was \$168.9 million. In 2008, the numbers were \$173.6 million in Sales Tax versus \$173.0 million for Personnel Services. In 2009, the Sales & Use Tax generated \$154.6 million of revenue while Personnel Services were \$176.6 million. This is a \$22 million shortfall. For 2010, the shortfall was reduced to \$3.9 million due to the actions taken to reduce personnel expenses and the improvement in Sales Tax. The gap has been reduced significantly and action to maintain this closure must continue. As such, there are no wage and salary increases projected for employees in 2011 and the shortfall is held at \$4.7 million with Personnel Services budgeted at \$168.2 million and revenue from the Sales & Use Tax at \$163.5 million.

RTA has attempted to negotiate concessions to the current union contracts for 17 months. Concessions have not been achieved and salaries have not increased. The needed changes to Health Care provisions have not materialized during negotiations. The Authority has budgeted for a 10% increase in expense in this area. Salaried employees received no pay increase for the first seven months of 2009 and then had wages reduced by 3% for the remainder of the year. The 3% reduction remained in effect for all of 2010. Wages for those employees will be returned to the base rate at the beginning of 2011.

RTA has had to become a smaller organization. We hope the rightsizing we have done in recent years will lead to sustainability in the near future. Administrative positions were eliminated in 2008 and 2009. Service reductions were made in 2007, 2008, 2009 and 2010. Personnel were eliminated with each of these cuts. The Authority also eliminated non-administrative support positions in 2010. In 2007, RTA had 2,744 budgeted positions. For 2008 funded personnel was reduced to 2,693. Positions were cut further to 2,577 for 2009 and then to 2,477 for 2010. The number of positions budgeted for 2011 has been reduced to 2,232. In addition, a selective hiring freeze was employed for 2008, 2009 and 2010. That practice will likely continue in 2011. Fringe benefits are expected to grow by \$2.2 million because of Health Care increases. The final payment of \$1.3 million due for the conversion from quarterly to monthly OPERS payments is due at the beginning of 2011. These elements

2011 TRANSMITTAL LETTER

have added to costs and offset most of the reductions made. We expect to hold personnel costs for 2011 below the amount budgeted for 2010 at \$168.2 million. The Budget for 2010 was \$169.5 million while projections indicate expenditures will be \$165.5 million.

Fuel costs have been stabilized. The unprecedented increases in fuel costs for 2008 are well documented. At RTA, the effects were nearly crippling, where the daily purchase price for diesel fuel ranged from a low of \$2.55 per gallon to a high of \$4.18 per gallon, and costs increased from \$12 million to \$19.3 million. Fuel costs for 2009 were reduced to about \$17.4 million. A better way to purchase fuel was needed, one that would reduce the volatility and stabilize and control costs.

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 and effective 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.

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 budgeted amount for 4,850,000 gallons of diesel fuel for 2010 was \$9.4 million. At the beginning of 2010, RTA began to execute the sale on fuel futures contracts bought previously. The realized gains from these sales have been used to offset the actual cost of diesel purchased on the market. This results in a net cost. Diesel fuel costs have been lower than budgeted, \$2.19/gal versus the \$2.35/gal budgeted. The Authority has used 180,000 gallons less than budgeted. Diesel costs for 2010 are projected at \$10.3 million. Realized gains of \$2.0 million are projected. The result will be a net cost for diesel fuel of \$8.3 million, \$1.1 million under budget.

The volatility experienced in the past has been eradicated. Costs have been stabilized for 2010, 2011 and 2012. For 2011, 88% of the fuel requirement has already been purchased at a cost of \$2.31 per gallon. The currently projected cost is \$10.972 million. This will fund 4,750,000 gallons of fuel. That amount funds an increase in service. Futures contracts for 65% of the 2012 requirement are already in place. As opportunities become available, the remainder of 2012 requirements will be purchased and work will begin on 2013 needs.

Cost Reduction Measures will continue to result in significant savings. In addition to the reduction of staff and salaries described under compensation issues, travel expenditures have been reduced for the last three years and that will continue in 2011. Once again, there will be no cost of living adjustment for materials and supplies. Encumbrances for 2009 were held to less than \$3.6 million. This is the lowest amount in the last 20 years. For 2010, RTA is attempting to hold that level. Encumbrance carry-over probably can not be reduced further.

In addition, the Authority closely reviewed utility usage, completely auditing the electricity accounts. In 2009, we went out on the open market and solicited bids for our electricity rate. The rate quotes received lowered our cost by 2 cents per kilowatt-hour and resulted in savings of over \$1.127 million. Other actions further reduced costs by \$504,000 for

2011 TRANSMITTAL LETTER

electricity. RTA has applied for rate changes for our rail sub stations that will reduce costs by another \$324,000 in the future and then in May, RTA will bid electricity again. The TIGGER Energy Retrofit grant will reduce electricity usage at our facilities by approximately \$193,000.

Transfer to the Insurance Fund

In 2009, a transfer from the General Fund of \$3.52 million was made. Although significant, it was not enough to maintain the Insurance Fund at the established balance of \$5.0 million. The fund now has a balance of \$4.6 million. Consistent with the recommendation from our Director of Risk Manager and Board guidance, the Authority will make transfers to reinstate the \$5.0 million balance in the Insurance Fund. Transfers from the General Fund of \$3.2 million in 2010 and \$3.25 million in 2011 are currently budgeted. These amounts should restore the \$5.0 million balance at the end of 2010 and maintain it in 2011. The actual level of claims will dictate the transfers needed to maintain that balance.

Transfer to the Supplemental Pension Fund

The 2011 budget estimates that the Supplemental Pension Fund will need transfers of \$100,000 for 2011 and 2012 in order to accommodate the increase in retirees affecting the Authority's pension liabilities.

Transfers to Capital

In 2011, Transfers to Capital will total \$31.3 million and equal 19.1% of the Sales Tax & Use revenue. This amount includes \$19.2 million to be transferred to the Bond Retirement Fund for debt service payments associated with existing debt. An additional \$12.1 million will be transferred to the Capital Improvement Fund for payment of 100% locally funded projects and for the local match portion of grant-funded projects. Due to increases in capitalized operating expense reimbursements, along with a dwindling local match fund balance, and the inclusion of capital grants to reimburse Operating Expenses the combined transfers to Capital have continued to increase over the past several years. The total Transfers to Capital will decline, in comparison to the projected amounts required for the 2010 Budget Year, but will remain well above the Board Policy goals for the foreseeable future. In the two out-years, 19.3% and 18.8% of revenue from the Sales & Use Tax will be needed to meet the demands of the Capital program. The high level of this measure continues to highlight the difficulty created by increased capital and debt service needs in a time of constrained revenue.

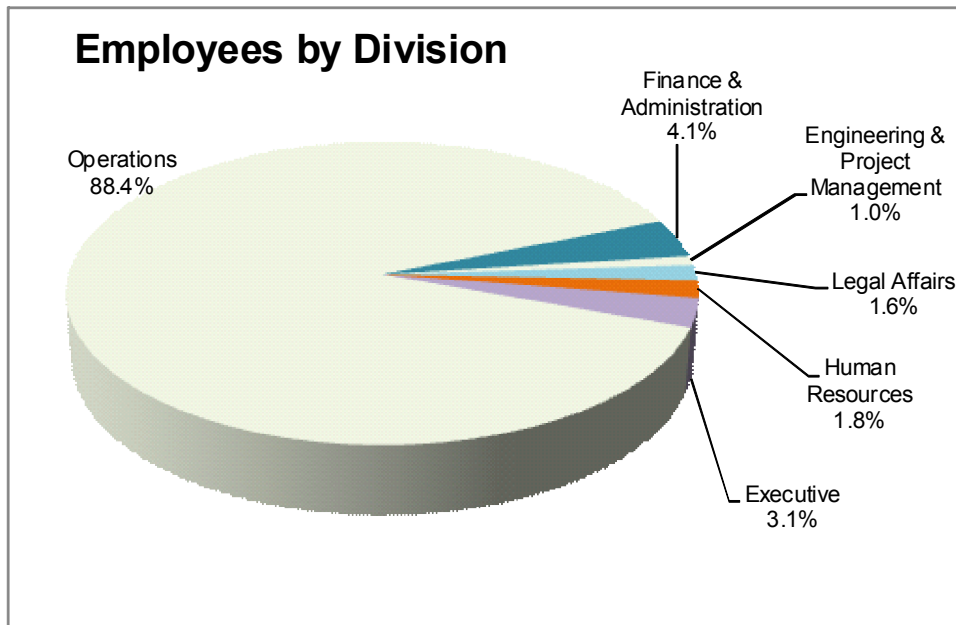
2011 TRANSMITTAL LETTER

AREAS OF EXPENDITURE GROWTH 2011 BUDGET

2010 Projected Operating Expenditures		\$217,569,825	
Compensation Issues		\$2,681,300	1.2%
Fringe Benefits	\$1,882,067		
Service Increase (Labor)	\$665,500		
Hourly & Salary Labor Increase	\$818,532		
Unemployment Compensation	(\$684,799)		
Fuel / Utilities		\$3,456,878	1.6%
Diesel Fuel	\$2,577,520		
Other Fuel / Utilities Adjustments (net)	\$744,858		
Service Increase (Fuel)	\$134,500		
Service Opportunities		\$1,931,348	0.9%
ADA Purchased Transportation	\$592,797		
Services	\$535,741		
Materials and Supplies	\$602,810		
Service Increase (Parts)	\$200,000		
Administrative/Proceederal Changes		\$235,228	0.1%
Workers' Compensation	\$153,316		
Property Tax	(\$3,126)		
Other (Net)	\$85,038		
Expenditure Growth		\$8,304,754	3.8%
2011 Budgeted Operating Expenditures		\$225,874,579	

Employment Level Analysis

The chart on the following page summarizes changes in staffing from the 2010 Budget to the level included in the 2011 Budget. The 2011 Budget reflects staffing of 2,232, an overall decrease of 245 positions. With the April 2010 service reductions and the closing of Harvard Garage, 235 operating positions have been eliminated, including mechanics and operational support positions. In addition, 10 administrative support positions have been eliminated due to the administrative reduction to adjust and right-size administrative support to existing budget limitations, and abate upcoming fiscal hardships. These reductions must be taken to align with service levels and maintain our fiscal position. The pie chart below demonstrates relative employment levels within each division.



2011 TRANSMITTAL LETTER

EMPLOYMENT LEVEL CHANGES 2011 BUDGET

2010 Budget	2,477
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Operations		(227)
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April Service Reduction	(163)	
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Harvard Closing Weekends	(15)	
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Harvard Closing	(49)	
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Service Support		(7)
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Mechanics/Serviceers	(4)	
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Administrative	(3)	
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Administrative/Support Staff		(11)
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Administrative/Support	(11)	
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2011 Budgeted Positions	2,232
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Net Change in Employment Level	(245)
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2011 TRANSMITTAL LETTER

SERVICE LEVELS

In these difficult economic times, the Authority has been faced with dwindling revenues, particularly from our largest revenue sources, the Sales and Use Tax and Passenger Fares. As the unemployment levels rise, less people are taking transit, which then contributes to less Passenger Fare revenue. This combined with increasing operating costs, limits the ability to provide service at levels RTA would like to provide for our customers.

<u>Service Levels</u>	<u>2010</u>	<u>2011</u>	<u>% Change 2010-2011</u>
Service Hours	1,817,626	1,690,674	-7.0%
Service Miles	24,431,291	22,632,473	-7.4%

In recent years, service levels were adjusted to more accurately reflect customer demand. In some cases, this involved service reductions and merging of routes. The budgeted miles and hours include the annualized effect of service changes that were made in April 2010. The changes include route changes for lower utilized bus routes traveling from suburban areas into downtown, as well as some changes made on other routes to consolidate costs. The frequencies of those routes have been adjusted in off-peak hours. Headway adjustments on select routes are scheduled mostly in off-peak periods when ridership is low. This involves changing the time interval between vehicles moving in the same direction.

Service for bus and rail are reduced. Paratransit services have increased slightly. RTA continues our actions to promote our continuing commitment to ADA service and requirements. In 2011, the Authority will remain sustainable because of the slight increase in sales tax revenue.

2011 TRANSMITTAL LETTER

**2011 Budgeted Service Levels By Mode
Compared to 2010 Budgeted Service Levels by Mode**

Service Mode	Service Hours				Service Miles			
	2010 Budget	2011 Budget	Variance	Percent Variance	2010 Budget	2011 Budget	Variance	Percent Variance
Rail								
Heavy Rail(Red)	73,711	72,135	(1,576)	-2.1%	1,606,193	1,570,110	(36,083)	-2.2%
Light Rail(Blue/Green)	62,686	56,970	(5,716)	-9.1%	760,916	700,390	(60,526)	-8.0%
Total Rail	136,397	129,105	(7,292)	-5.3%	2,367,109	2,270,500	(96,609)	-4.1%
Bus								
RTA	1,346,584	1,219,314	(127,270)	-9.5%	16,854,877	14,982,400	(1,872,477)	-11.1%
Van Pool	30,000	25,500	(4,500)	-15.0%	590,000	557,000	(33,000)	-5.6%
Total Bus	1,376,584	1,244,814	(131,770)	-9.6%	17,444,877	15,539,400	(1,905,477)	-10.9%
Paratransit								
In-House	206,016	209,123	3,107	1.5%	3,125,027	3,169,700	44,673	1.4%
Contract	98,629	107,632	9,003	9.1%	1,494,278	1,652,873	158,595	10.6%
Total Paratransit	304,645	316,755	12,110	4.0%	4,619,305	4,822,573	203,268	4.4%
Grand Totals	1,817,626	1,690,674	(126,952)	-7.0%	24,431,291	22,632,473	(1,798,818)	-7.4%

2011 TRANSMITTAL LETTER

POLICY COMPLIANCE

The discussion in this section focuses on the financial status of GCRTA as it relates to the Authority's basic adopted financial policies. These policies 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:

Revenues

For 2011, Operating Revenues will account for 22.5% of total operating expenses. This ratio is under the **Operating Ratio** policy goal of 25% and less than the 2010 estimate of 23.4%. The increase of operating expenses in 2011 was the main contributor in the decrease of this ratio, compared to the 2010 estimate. The reduction of operating expenses helped to increase the ratio in 2010, compared to the prior two years. The Fuel Surcharge, implemented in 2008 and 2009, helped to stabilize the Fare revenue, even though we have had a decrease of ridership over the past year.

Its companion indicator, **Fare Subsidy (Net Cost) Per Passenger** at \$3.81, will fall short of the policy goal of three times the average fare of \$1.08 or \$3.24 due to decreases in ridership and associated fare revenue. These two indicators demonstrate that the Operating Budget lost ground in covering a sufficient portion of the actual service costs.

Expenditures

This Indicator includes a **One-Month Operating Reserve**, for available ending balance. The 2011 and 2010 Operating Reserve is equal to a 0.5 month, a significant increase over 2009. By managing expenses, we again plan to improve this number during 2011. The Authority does all that it can to reduce expenses, but downward pressure on revenues threaten the results of our costs savings and meeting this indicator.

The Authority will meet its operational needs in the 2011 budget by managing efficiently and effectively. Because of the recession, reserves available can be measured in days. 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 cyclic downturn in Sales Tax has lasted eight years. It is no longer a cycle; it is a new reality. With the temporary revenues already discussed and actions taken to reduce cost, a positive balance for year-end will be again achieved in 2011.

The percent of **Overhead Cost to Total Cost** is projected to be 16.0%, slightly over the maximum of 15%, and the **Cost per Hour of Service** is projected to be \$131.48, an increase over the 2010 estimate. We are seeing an increase because although we implemented major budget reductions in service for 2010, the 2011 operating expenses are budgeted to increase. We will work diligently to control expenses during 2011 to bring these indicators down.

2011 TRANSMITTAL LETTER

Debt Structures

After declining to a low of 1.14 at the end of Fiscal Year (FY) 2009, the **Debt Service Coverage** ratio is projected to end FY2010 at 1.43, significantly better than the original 2010 estimate of 1.06. The improvement during the year is due to steps taken to control Operating Budget expenditures and to an improvement of \$5.1 million in revenue from the Sales & Use Tax relative to the original budget resulting in a \$6.6 million increase in the projected year-end fund balance.

This ratio will slightly improve in FY2011 to 1.49, due again to an expected increase in the fund balance, but will again fall just below the minimum goal of 1.50 as a result of increasing debt service requirements in support of the capital program. This ratio is expected to worsen in 2012 and 2013 due to programmed increases in debt service requirements and continuing decreases to the General Fund ending balance as this measure falls to 1.22 and 0.97 respectively.

Capital Outlay

Our goal is also to contribute a minimum of 10% and 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 21.7% **Contribution to Capital** in 2010, which amounts to \$35.06 million, exceeded this goal and, though it will decline to 19.1% in 2011 it is expected to continue well above the maximum of 15% of Sales Tax Revenue due to the relationship between revenue from the Sales & Use Tax and the increasing capital and debt service needs of the Authority. This outlay continues to support 100% locally funded RTA Capital projects, provides the local match for projects funded by grants, and funds the Authority’s debt service requirements. The contribution to capital is expected to slightly increase to 19.3% in 2011 and then decrease to 18.8% in 2013, both significantly above the maximum range for this Board Policy measure due, as mentioned before, to meeting the growing capital and debt service needs of the Authority relative to expected revenue from the Sales & Use Tax.

The ratio of **Capital Maintenance Outlay to Capital Expansion Outlay**, at 96.9%, is well outside of the Board Policy goal of between 33% and 67% for 2010. It slightly decreases from a projected level of 99.0% in 2010, but continues at a high level as the Authority continues to focus on maintaining and rehabilitating existing assets, rather than on expansion projects, during the economic downturn. This measure is again expected to exceed the goal during 2012 with a ratio of 83.4% and in 2013 with 88.5% as more maintenance projects are prioritized in the upcoming years.

2011 TRANSMITTAL LETTER

CAPITAL PROGRAM

The Capital Improvement Plan (CIP) provides for the purchase, maintenance, and improvement of the Authority's capital assets and covers a period of five years, from 2011 through 2015. Capital assets are properties such as buses, rail cars, facilities, equipment, etc., and the life of these properties extends over a period of years. Capital improvement planning provides a framework for scheduling improvements based on the availability of resources, the condition of assets, and the priorities among projects. The capital-intensive nature of public transportation makes long-term financial planning indispensable.

The first year of the CIP reflects the 2011 Capital Improvement Budget. For the upcoming Fiscal Year the focus continues to be on supporting the Operating Budget through the reimbursement of preventive maintenance expenses and Capital Operating Assistance grants, the Heavy Rail Fleet Mid-Life Overhaul project, and the on-going rehabilitation and maintenance of the Authority's existing assets. In the following four years, the longer-term plans of the organization are outlined. Though the projected cost of the five-year CIP is \$491.5 million, an increase of \$55.15 million or 12.6%, from the 2010-14 CIP, it continues to reflect the existing financial & operational constraints facing the Authority. The increase in budget authority through the five years of this CIP is due to the inclusion of capital projects with earmark grants, for capital operating assistance grants, and for alternative capital projects that will only be funded if & when non-traditional funding can be identified.

Capital projects supported by this budget authority allocation are categorized into seven areas as shown in the chart displayed below. The larger programs/projects included in the five-year plan are shown below.

Highlights of the larger programs & projects included in the 2011-2015 CIP are as follows:

- Capitalized Operating Expenses \$137.4 million
- Operating Expense Reimbursements \$75.0 million
- Rail Station Rehabilitations \$55.7 million
- Bus & Paratransit Bus Programs \$40.0 million
- Blue Line (Light Rail) Extension \$33.8 million
- Track & Rail Infrastructure Rehabilitation \$26.5 million

2011-2015 CAPITAL IMPROVEMENT PLAN

PROJECT CATEGORY	2011 Budget	2012 Plan	2013 Plan	2014 Plan	2015 Plan	2011-15
Bus Garages	\$5,559,040	\$0	\$0	\$0	\$0	\$5,559,040
Buses	\$0	\$95,000	\$13,705,000	\$13,705,000	\$12,500,000	\$40,005,000
Equipment & Vehicles	\$1,994,000	\$2,952,500	\$4,111,400	\$1,555,000	\$1,913,000	\$12,525,900
Facilities Improvements	\$1,803,000	\$3,745,900	\$3,989,250	\$7,985,100	\$4,695,000	\$22,218,250
Other Projects	\$55,584,492	\$45,240,937	\$45,874,587	\$45,928,437	\$45,932,337	\$238,560,790
Rail Projects	\$29,266,519	\$13,250,541	\$14,646,885	\$29,385,750	\$54,223,700	\$140,773,395
Transit Centers	\$845,000	\$10,278,286	\$2,693,500	\$4,513,600	\$13,543,200	\$31,873,586
TOTALS	\$95,052,051	\$75,563,164	\$85,020,622	\$103,072,887	\$132,807,237	\$491,515,961

2011 TRANSMITTAL LETTER

The total 2011 Capital Improvement Budget is \$95.05 million, of which \$2.35 million, or 2.5%, is for RTA Capital Fund projects and \$92.70 million, or 97.5%, is for RTA Development Fund projects. The stabilization of budgeted RTA Capital Fund projects in the first year of the CIP, followed by an expected shift of some activities to the grant funded RTA Development projects beginning in 2012, reflects the precarious status of expected revenue from the Sales & Use Tax. The two largest projects with identified grant funding sources included in the 2011 Capital Improvement Budget are Capitalized Operating Expenses, at \$30.2 million, or 31.8% of the total capital budget for the year, and the rehabilitation of the University Circle Red Line Station, primarily funded with earmark grants at \$16.8 million, or 17.7% of the total.

In addition, budget authority is also provided in 2011 for the following projects with identified grant funding sources:

- A combined \$14.16 million for various State and Federal Capital Operating Assistance grants;
- A combined \$5.56 million of projects for a recently awarded Bus State of Good Repair grant that will fund rehabilitation work at the Hayden & Paratransit Garages and at the Central Bus Maintenance Facility;
- Continuation of the Heavy Rail (Red Line) Vehicle Mid-Life Overhaul project with \$3.1 million for equipment and \$1.8 million for reimbursed labor costs;
- The rehabilitation of the Lee Rd./Van Aken Blvd. Light Rail Station with \$4.3 million; and
- Payment of the bi-annual Fare Collection Equipment Lease at \$2.4 million.

The 2011 through 2015 Capital Improvement Plan of \$491.5 million that continues the Authority's focus on the maintenance and rehabilitation of existing capital assets, especially during in the first several years of the proposed CIP. The GCRTA remains committed to both policy goals of Customer Service and Improving Financial Health by continuing to develop and to refine a more realistic capital program that both meets the Authority's needs as well as its ability to finance it.

CONCLUSION

The 2010 Operating and Capital Budgets were very tight when authorized. The 2008-2009 recession affected the entire U.S. Northeast Ohio had never recovered from the downturn in 2001. In 2009, unemployment rose to 11% in Northeast Ohio. Sales Tax declined by an unprecedented 11% resulting in nearly \$19 million in lost revenue. Fare revenue was \$5 million under budget because of lost ridership. The Authority took action throughout the fiscal year to combat this problem. The same strong action was required in 2010. Fares were held at the \$2.25 base level. Service was decreased again. Personnel costs were reduced. 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

2011 TRANSMITTAL LETTER

authorized in 2009 provided the bulk of our infrastructure maintenance in 2010. For 2011, the normal CIP will again be supplemented by a grant for State of Good Repair and by the University Circle earmark grants.

The funds borrowed in 2008 were tightly rationed and will last three years instead of the customary two. RTA provided the maximum service to the public that is possible. Due to the recession, premium service could not be funded. Base service has been maintained. For 2011, the RTA objective is to avoid another fare increase and any further elimination of routes and to end the year with a fund balance that at least covered ten days of operations. The actions taken over the last two years and continuing actions that will be part of this 2011 Budget, will allow us to meet those objectives. The 2011 Budget has been shaped by the 2008-2009 recession and the severe economic challenges it has imposed. The revenues available are significantly smaller. RTA has had no choice but to continue to react and become a smaller, leaner entity.

ATTACHMENT A

General Fund Balance Analysis

	2007	2008	2009	2010	2011	2012	2013
	Actual	Actual	Actual	Estimate	Budget	Budget	Budget
Beginning Balance	15,762,335	14,047,468	8,401,085	2,880,104	8,871,812	9,650,747	4,865,879
Revenue							
Passenger Fares	43,467,204	48,173,971	49,757,083	48,401,904	49,127,933	50,110,492	51,112,702
Advertising & Concessions	1,217,959	1,591,538	1,197,713	892,570	750,000	750,000	750,000
Sales & Use Tax	171,661,508	173,568,817	154,586,220	161,586,577	163,525,616	166,796,128	170,132,051
Operating Assistance - ARRA Federal Grants	0	0	0	3,196,015	0	0	0
Short Term Notes	0	0	8,000,000	0	0	0	0
CMAQ Reimbursement for the Healthline	0	0	1,930,603	5,389,397	7,205,000	1,680,000	0
Operating Assistance - Paratransit Operations	0	0	0	4,320,000	3,109,000	3,109,000	3,109,000
Ohio Elderly Fare Assistance	2,246,309	0	2,756,762	619,000	650,000	650,000	650,000
State Funding Fuel Initiative	0	0	7,875,683	1,165,200	0	0	0
Operating Assistance - Trolley Operations	0	0	0	1,961,960	980,980	0	0
Access to Jobs Program	572,647	976,432	2,697,111	2,329,175	2,034,466	2,034,466	2,034,466
Investment Income	870,024	825,633	198,200	86,533	112,493	146,241	190,113
Other Revenue	1,193,213	1,391,890	2,053,241	1,492,334	1,200,000	1,000,000	1,000,000
Reimbursed Expenditures	34,201,180	35,597,279	33,461,105	38,500,000	32,561,100	31,500,000	30,000,000
Weekly Shopper Service	0	0	0	30,000	30,000	30,000	30,000
Total Revenue	255,430,044	262,125,560	264,513,721	269,970,665	261,286,588	257,806,327	259,008,332
Total Resources	271,192,379	276,173,028	272,914,806	272,850,769	270,158,400	267,457,074	263,874,211
Operating Expenditures							
Personnel Services	173,796,848	173,016,961	176,631,322	165,498,948	168,180,247	169,021,148	170,711,360
Diesel Fuel	12,112,507	19,272,336	17,357,364	8,260,480	10,972,500	11,191,950	11,415,789
Other Expenditures	47,653,742	47,662,814	44,548,954	43,810,397	46,721,832	46,955,441	47,002,397
Total Operating Expenditures	233,563,097	239,952,111	238,537,640	217,569,825	225,874,579	227,168,539	229,129,545
Short Term Notes Payment	0	0	0	8,048,493	0	0	0
Transfer to the Insurance Fund	1,200,000	2,900,000	3,520,000	3,203,000	3,250,000	3,100,000	3,250,000
Transfer to the Pension Fund	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Transfers to Capital							
Bond Retirement Fund	15,456,127	14,753,950	17,327,062	17,353,787	19,181,632	21,302,402	21,375,801
Capital Improvement Fund	6,825,687	10,065,882	10,550,000	17,703,853	12,101,441	10,920,255	10,584,255
Total Transfers to Capital	22,281,814	24,819,832	27,877,062	35,057,640	31,283,073	32,222,656	31,960,056
Total Expenditures	257,144,911	267,771,943	270,034,702	263,978,958	260,507,652	262,591,196	264,439,601
Available Ending Balance	14,047,468	8,401,085	2,880,104	8,871,812	9,650,747	4,865,879	-565,390

ATTACHMENT B

2011 Proposed Budget Financial Indicators

	2008 Actual	2009 Actual	2010 Estimate	2011 Budget	2012 Budget	2013 Budget
REVENUES						
Operating Ratio	21.5%	21.8%	23.4%	22.5%	22.8%	23.0%
Fare Subsidy (Net Cost) Per Passenger	\$3.23	\$3.70	\$3.66	\$3.81	\$3.74	\$3.70
Average Fare	\$0.83	\$1.00	\$1.09	\$1.08	\$1.08	\$1.08
EXPENDITURES						
Operating Reserve (Months)	0.4	0.1	0.5	0.5	0.3	0.0
Overhead Cost vs. Total Cost	12.2%	12.6%	14.1%	16.0%	16.0%	15.9%
Cost/Hour of Service	\$105.47	\$115.04	\$125.78	\$131.48	\$131.05	\$131.05
Growth per Year	5.3%	9.1%	9.3%	4.5%	-0.3%	0.0%
DEBT STRUCTURES						
Debt Service Coverage	1.32	1.14	1.43	1.49	1.22	0.97
CAPITAL OUTLAY						
Sales Tax Contribution to Capital	14.3%	18.0%	21.7%	19.1%	19.3%	18.8%
Capital Maintenance to Expansion	89.3%	95.6%	99.0%	96.9%	83.4%	88.5%

Definitions:

Operating Ratio = Operating Revenue (Fares + Advertising + Interest) / Total Operating Expenditures
 Fare Subsidy (Net Cost) Per Passenger = (Total Operating Expenditures/Ridership) - (Fares/Ridership)
 Operating Reserve = Available Ending Balance / (Total Operating Expenditures/12)
 Overhead Cost vs. Total Cost = Operating Overhead Cost / Total Operating Cost
 Cost/Hour of Service = Total Operating Expenditures / Total Service Hours
 Debt Service Coverage = (Total Operating Revenues - Total Operating Expenditures) / Debt Service
 Contribution to Capital = (Capital Improvements Contribution & Capital Improvement + Bond Retirement Transfers) / Sales & Use Tax Revenue
 Capital Maintenance to Expansion = Capital Maintenance Outlay / Total Capital Outlay

Notes:

* Total Operating Expenditures are net capital expenditures.

ATTACHMENT C

RTA Development Fund Balance Analysis

	2007 Actual	2008 Actual	2009 Actual	2010 Estimate	2011 Budget	2012 Budget	2013 Budget
Beginning Balance	18,784,966	22,837,466	33,485,254	30,508,300	37,768,392	51,657,933	46,979,983
Revenue							
General Obligation Debt Proceeds	0	35,472,559	0	0	25,000,000	0	0
Transfer from RTA Capital Fund	5,000,000	7,600,882	8,346,054	14,653,853	9,601,441	9,170,255	8,834,255
Investment Income	844,393	1,672,096	271,990	261,579	350,000	375,000	400,000
Federal Capital Grants	74,319,702	86,109,609	65,807,459	65,106,807	66,994,100	70,699,040	63,981,780
ARRA Federal Capital Grants	0	0	7,840,623	28,823,088	7,284,988	0	0
State Capital Grants	8,532,391	9,370,685	9,162,154	1,807,284	6,776,795	6,776,795	6,776,795
Capital Lease	25,000,000	0	0	0	0	0	0
Other Revenue	2,810,906	1,837,731	0	500,000	500,000	500,000	500,000
Total Revenue	116,507,392	142,063,562	91,428,280	111,152,611	116,507,324	87,521,090	80,492,830
Total Resources	135,292,358	164,901,028	124,913,534	141,660,911	154,275,715	139,179,022	127,472,812
Expenditures							
Capital Outlay	109,944,506	128,830,215	93,705,234	103,192,519	102,617,783	92,199,040	85,309,040
Other Expenditures	2,000,000	472,559	0	0	0	0	0
Transfer to Bond Retirement Fund	510,386	2,113,000	700,000	700,000	0	0	0
Total Expenditures	112,454,892	131,415,774	94,405,234	103,892,519	102,617,783	92,199,040	85,309,040
Ending Balance	22,837,466	33,485,254	30,508,300	37,768,392	51,657,933	46,979,983	42,163,773

ATTACHMENT D

RTA Capital Fund Balance Analysis

	2007 Actual	2008 Actual	2009 Actual	2010 Estimate	2011 Budget	2012 Budget	2013 Budget
Beginning Balance	2,899,226	1,374,346	270,264	197,782	797,915	800,415	804,915
Revenue							
Transfer from General Fund	6,825,687	10,065,882	10,550,000	17,703,853	12,101,441	10,920,255	10,584,255
Investment Income	96,409	65,557	370	126	2,500	4,500	4,500
Other Revenue	0	0	0	8	0	0	0
Total Revenue	6,922,096	10,131,439	10,550,370	17,703,987	12,103,941	10,924,755	10,588,755
Total Resources	9,821,322	11,505,785	10,820,634	17,901,768	12,901,856	11,725,170	11,393,670
Expenditures							
Asset Maintenance	1,394,482	1,630,502	1,197,531	1,425,000	1,450,000	1,000,000	1,000,000
Routine Capital	2,052,494	2,004,137	1,079,267	1,025,000	1,050,000	750,000	750,000
Other Expenditures	0	0	0	0	0	0	0
Transfer to RTA Development Fund	5,000,000	7,600,882	8,346,054	14,653,853	9,601,441	9,170,255	8,834,255
Total Expenditures	8,446,976	11,235,521	10,622,852	17,103,853	12,101,441	10,920,255	10,584,255
Ending Balance	1,374,346	270,264	197,782	797,915	800,415	804,915	809,415

ATTACHMENT E

Bond Retirement Fund Balance Analysis

	2007 Actual	2008 Actual	2009 Actual	2010 Estimate	2011 Budget	2012 Budget	2013 Budget
Beginning Balance	1,764,973	1,727,210	1,733,884	2,084,582	1,812,196	1,774,333	1,789,156
Revenue							
Transfer from General Fund	15,456,127	14,753,950	17,327,062	17,353,787	19,181,632	21,302,402	21,375,801
Transfer from RTA Development Fund	510,386	2,113,000	700,000	700,000	0	0	0
Investment Income	271,752	316,200	36,270	47,086	75,000	125,000	125,000
Other Revenue	2,404	326,277	0	4,462	0	0	0
Total Revenue	16,240,669	17,509,427	18,063,332	18,105,335	19,256,632	21,427,402	21,500,801
Total Resources	18,005,642	19,236,637	19,797,216	20,189,917	21,068,828	23,201,734	23,289,957
Expenditures							
Debt Service							
Principal	9,358,533	10,216,526	10,012,244	11,108,564	11,816,510	14,050,515	14,603,260
Interest	6,919,899	7,286,227	7,700,390	7,269,157	7,472,985	7,357,063	6,823,518
Other Expenditures	0	0	0	0	5,000	5,000	5,000
Total Expenditures	16,278,432	17,502,753	17,712,634	18,377,721	19,294,495	21,412,578	21,431,778
Ending Balance	1,727,210	1,733,884	2,084,582	1,812,196	1,774,333	1,789,156	1,858,179

ATTACHMENT F
Insurance Fund Balance Analysis

	2007 Actual	2008 Actual	2009 Actual	2010 Estimate	2011 Budget	2012 Budget	2013 Budget
Beginning Balance	5,167,010	5,264,655	5,432,199	4,634,855	5,450,958	5,560,958	5,508,708
Revenue							
Investment Income	316,340	167,544	75,515	72,778	85,000	105,000	110,000
Transfer from General Fund	1,200,000	2,900,000	3,520,000	3,203,000	3,250,000	3,100,000	3,250,000
Total Revenue	1,516,340	3,067,544	3,595,515	3,275,778	3,335,000	3,205,000	3,360,000
Total Resources	6,683,350	8,332,199	9,027,714	7,910,633	8,785,958	8,765,958	8,868,708
Expenditures							
Claims and Premium Outlay	1,418,695	2,900,000	4,392,859	2,459,675	3,225,000	3,257,250	3,354,968
Total Expenditures	1,418,695	2,900,000	4,392,859	2,459,675	3,225,000	3,257,250	3,354,968
Ending Balance	5,264,655	5,432,199	4,634,855	5,450,958	5,560,958	5,508,708	5,513,740

ATTACHMENT G

Supplemental Pension Fund Balance Analysis

	2007	2008	2009	2010	2011	2012	2013
	Actual	Actual	Actual	Estimate	Budget	Budget	Budget
Beginning Balance	933,358	983,292	1,036,017	1,083,091	1,124,897	1,165,397	1,209,397
Revenue							
Investment Income	42,900	34,609	28,441	22,505	23,000	25,500	26,500
Transfer from General Fund	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Total Revenue	142,900	134,609	128,441	122,505	123,000	125,500	126,500
Total Resources	1,076,258	1,117,901	1,164,458	1,205,596	1,247,897	1,290,897	1,335,897
Expenditures							
Benefit Payments	92,966	81,884	81,366	80,699	82,500	81,500	80,500
Other Expenditures	0	0	0	0	0	0	0
Total Expenditures	92,966	81,884	81,366	80,699	82,500	81,500	80,500
Ending Balance	983,292	1,036,017	1,083,091	1,124,897	1,165,397	1,209,397	1,255,397

ATTACHMENT H

Law Enforcement Fund Balance Analysis

	2007 Actual	2008 Actual	2009 Actual	2010 Estimate	2011 Budget	2012 Budget	2013 Budget
Beginning Balance	204,509	204,126	172,193	152,517	232,924	244,374	256,974
Revenue							
Law Enforcement Revenue	99,046	14,400	11,280	15,000	11,000	12,000	12,000
Investment Income	11,784	4,505	425	197	450	600	950
Other Revenue	0	61,991	28,937	127,741	0	0	
Total Revenue	110,830	80,896	40,642	142,938	11,450	12,600	12,950
Total Resources	315,339	285,022	212,835	295,455	244,374	256,974	269,924
Expenditures							
Capital & Related Items	111,213	112,829	60,318	62,531	0	0	0
Total Expenditures	111,213	112,829	60,318	62,531	0	0	0
Ending Balance	204,126	172,193	152,517	232,924	244,374	256,974	269,924

ATTACHMENT I
All Funds Balance Analysis

	2007	2008	2009	2010	2011	2012	2013
	Actual	Actual	Actual	Estimate	Budget	Budget	Budget
Beginning Balance	45,516,377	46,438,563	50,530,896	41,541,232	56,059,094	70,854,158	61,415,012
Revenue							
Passenger Fares	43,467,204	48,173,971	49,757,083	48,401,904	49,127,933	50,110,492	51,112,702
Sales & Use Tax	171,661,508	173,568,817	154,586,220	161,586,577	163,525,616	166,796,128	170,132,051
Federal	74,319,702	86,109,609	73,648,082	97,125,910	74,279,088	70,699,040	63,981,780
State	10,778,700	9,370,685	21,725,202	13,300,881	17,740,795	12,215,795	7,426,795
Investment Income	2,453,602	3,086,144	611,211	490,804	648,443	781,841	857,063
Other Revenue	40,097,355	41,797,538	47,449,387	45,853,250	38,067,546	35,826,466	34,296,466
General Obligation Debt Proceeds	0	35,472,559	0	0	25,000,000	0	0
Capital Lease	25,000,000	0	0	0	0	0	0
Total Revenue	367,778,071	397,579,323	347,777,185	366,759,326	368,389,421	336,429,761	327,806,857
Total Resources	413,294,448	444,017,886	398,308,081	408,300,557	424,448,515	407,283,919	389,221,869
Expenditures							
Personnel Services	173,796,848	173,016,961	176,631,322	165,498,948	168,180,247	169,021,148	170,711,360
Diesel Fuel	12,112,507	19,272,336	17,357,364	8,260,480	10,972,500	11,191,950	11,415,789
Other Expenditures	51,276,616	51,230,086	49,083,497	54,461,795	50,034,332	50,299,191	50,442,864
Capital Outlay	113,391,482	132,464,854	95,982,032	105,642,519	105,117,783	93,949,040	87,059,040
Debt Service	16,278,432	17,502,753	17,712,634	18,377,721	19,289,495	21,407,578	21,426,778
Total Expenditures	366,855,885	393,486,990	356,766,849	352,241,463	353,594,357	345,868,907	341,055,830
Available Ending Balance	46,438,563	50,530,896	41,541,232	56,059,094	70,854,158	61,415,012	48,166,039

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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, Total Quality Management (TQM), and the Balanced Scorecard are popular examples of proven management techniques in the private sector. In government, 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. 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 their 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.

The City of Baltimore developed CitiStat. CitiStat brought its 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, Atlanta, San Francisco, and Washington State. 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.

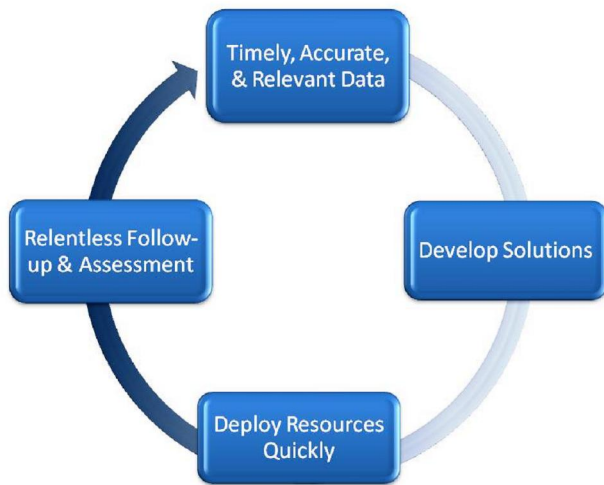
The Administrative TransitStat leadership team includes:

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

Performance Management

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:

Operations TransitStat:

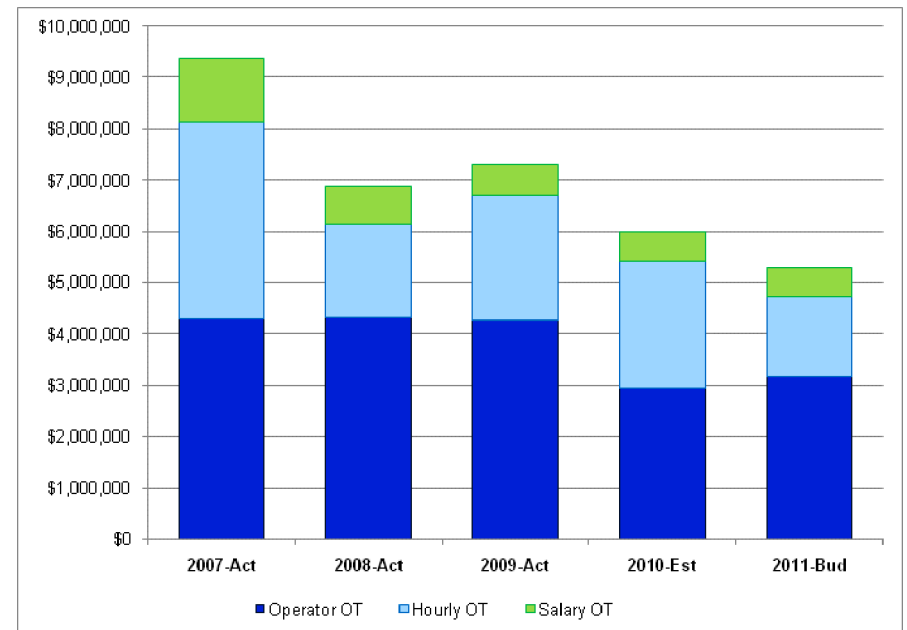
1. Paratransit Part-Time Operators
2. Inventory EOQ – Top 50 FAD items
3. Utilities/Energy Management & Conservation
4. Brand Management
5. Training Initiatives
6. Shift Changes
7. Vehicle Reliability
8. Fare Evasion
9. District/Department Scorecards

Administrative TransitStat:

1. Capital Plan Execution
2. Stimulus Package Execution
3. Customer Service Performance
4. Revenue/Vaulting Procedures
5. Ridership Reporting
6. Purchasing Card Enhancements
7. Employee Injuries/Back to Work Program
8. Collision Reduction
9. Strategic Healthcare Plan
10. Electricity Audit
11. Healthcare Audit
12. Energy Price Risk Management

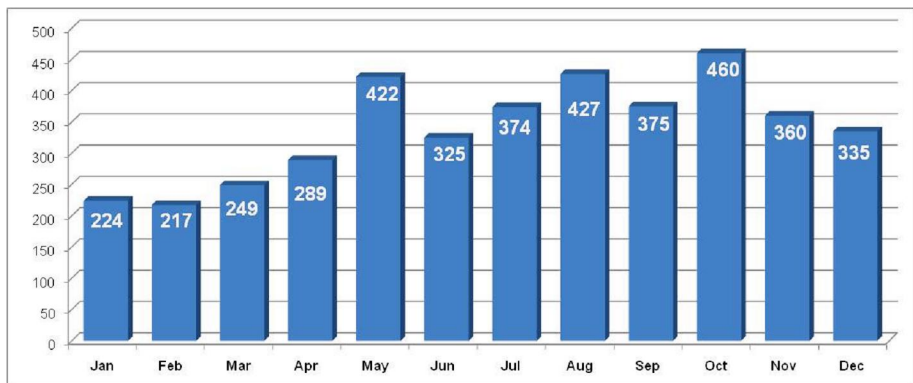
Successes

In non-operator overtime, the Authority saved \$2.3 million in 2008, compared to 2007. This was achieved through detailed analysis of overtime cost drivers, developing more effective ways to dispense overtime, effectively managing and monitoring the times to complete tasks, and maximizing use of the UltraMain maintenance and material system. Overtime for 2009 and 2010 were maintained at the new levels and 2011 is projected to be slightly lower.



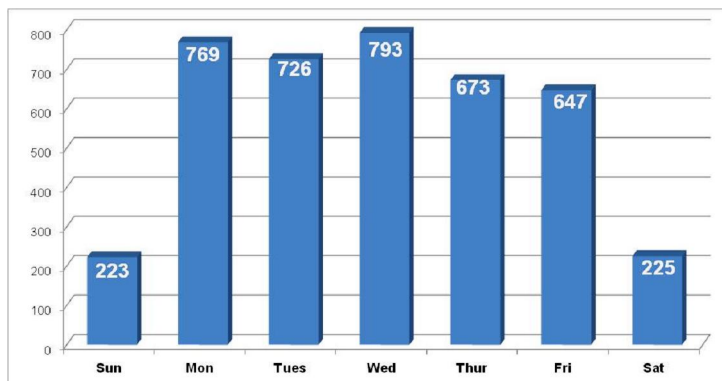
Performance Management

The Transit Police Department has reviewed the fare evasion on the Red Line and the HealthLine based on citations given.

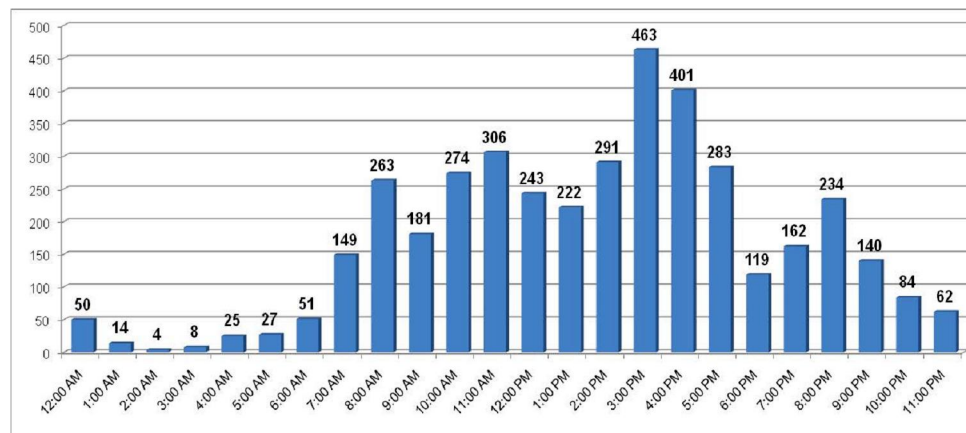


The number of citations per month, as seen in the graph above, has gradually increased since the beginning of the year, with a slight dip in June, November, and December. Only 0.055% of all riders along the Health Line and Red Line were issued citations for fare evasion. This equals to 1 out of every 1,820 passengers.

Transit Police also reviewed the citations issued by weekday.



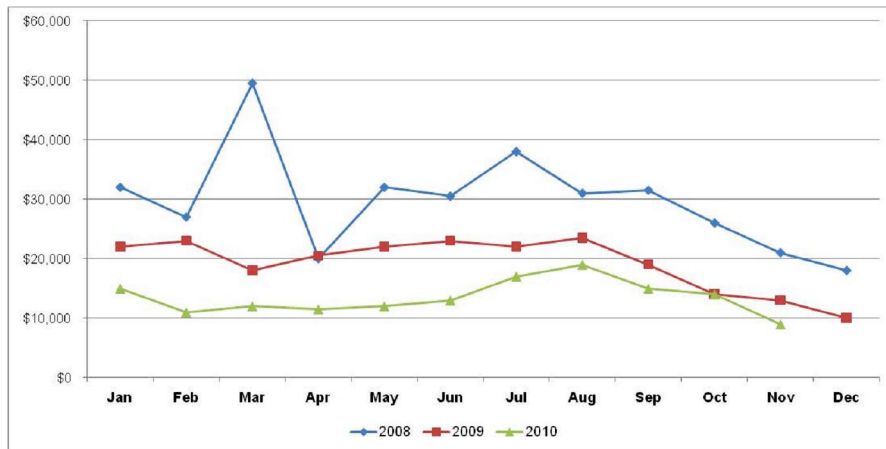
There was a fairly even distribution of citations issued during the weekdays; however, the weekends had a large drop. Saturday and Sunday both produced only 5.5% of the total citations issued.



Transit Police noticed that there were spikes in citations during the times when students attend school. Between 3:00pm and 6:00pm, 28% of all citations were issued, which is also the time when students are out of school for the day. When Transit Police analyzed the data for juveniles, 39% of the fare evaders between 3:00pm and 5:00pm were in fact juveniles. They found that a majority of these students received fare cards from their schools. Transit Police, the Cleveland City School District, and the City of Cleveland have created a plan to reduce juvenile fare violations, which will be in effect February 2011.

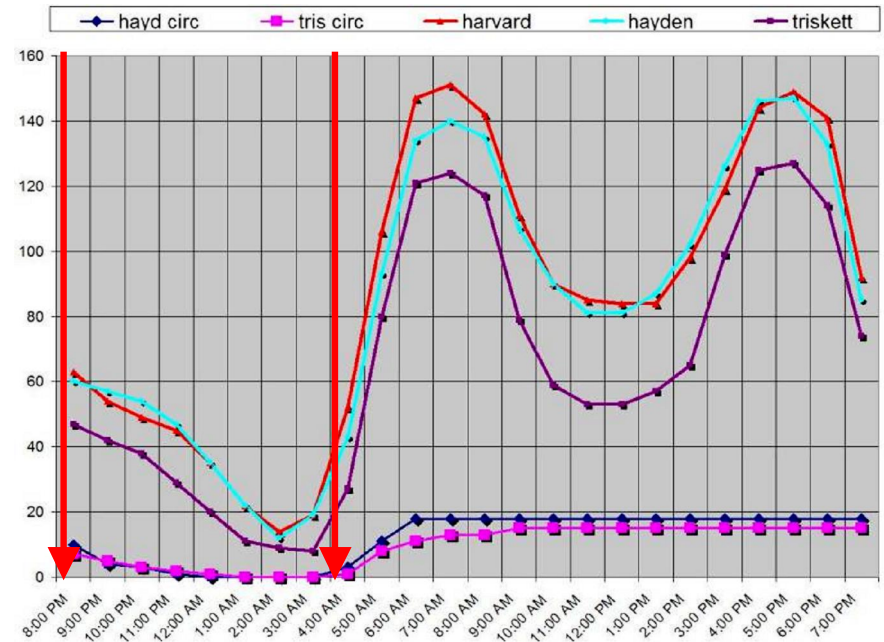
Performance Management

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. The total towing charges for 2010 are reduced nearly 56%, compared to the total charges for 2008.



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

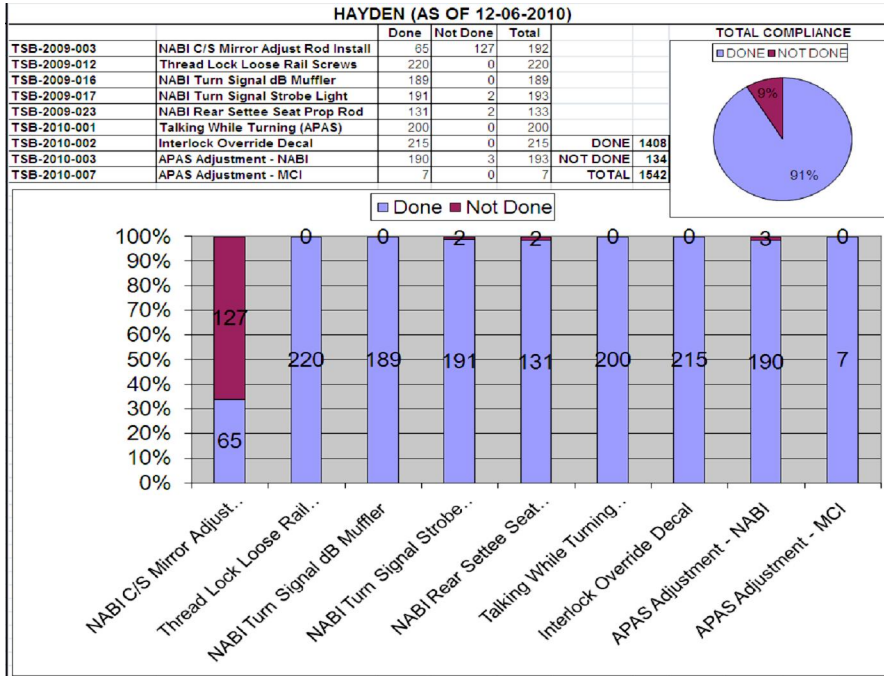
The graph below displays the number of buses per District that are on the road at a given time. Between 8:00pm and 4:00am is the time when the least number of buses are in revenue service and the greatest number of buses are in the garages. This time span is when the most mechanics are needed to schedule,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



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

Performance Management

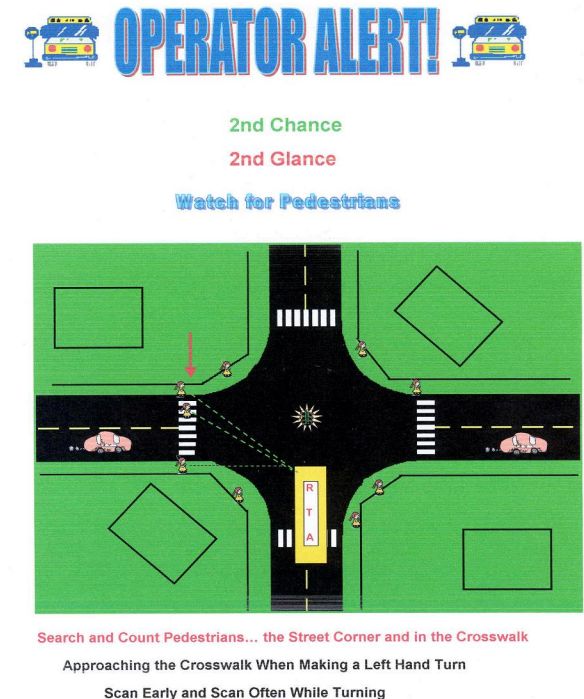
CBM (Central Bus Maintenance) has been monitoring the progress of their safety campaigns by District. The chart below displays one of the Safety Campaigns for Hayden District.



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

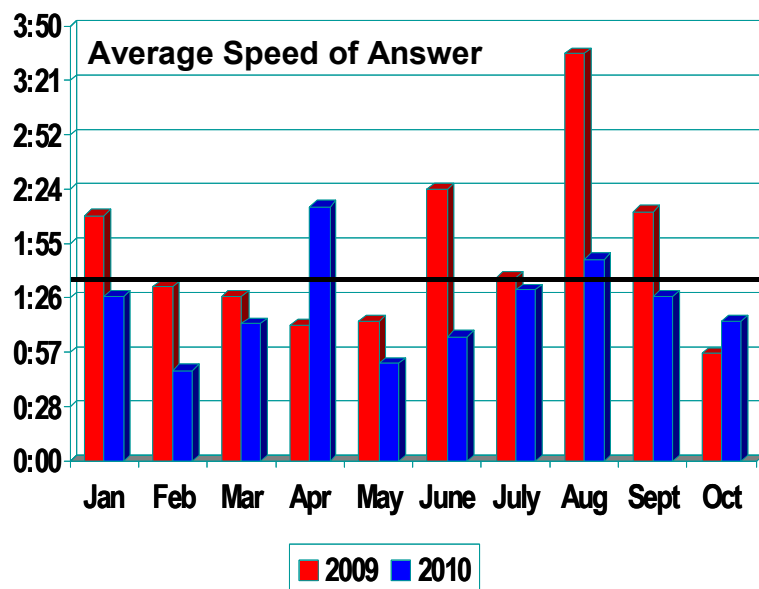
They concluded that 98% of Operators scanned the road curb before making a left-hand turn; 99% of operators correctly identified the number of customers on the right-hand corner; 85% of Operators correctly identified the number of customers on the left-hand corner; and 94% of Operators waited 2 seconds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



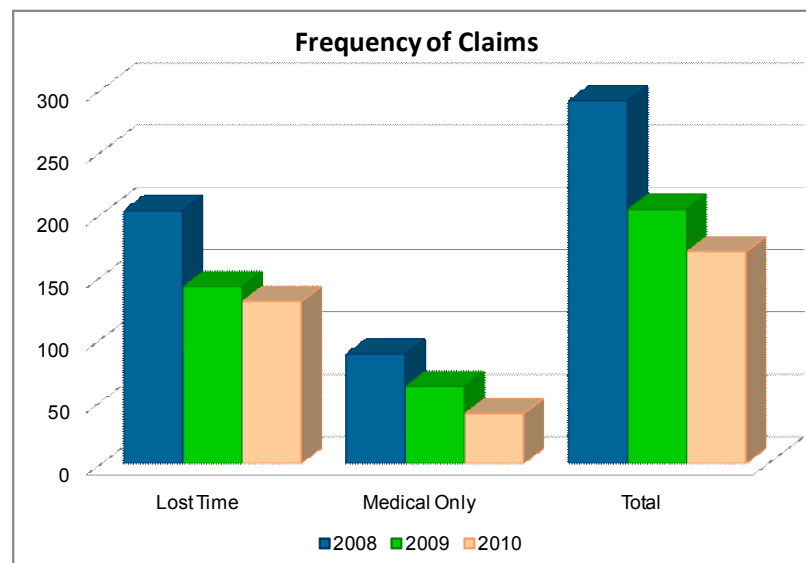
Performance Management

The Telephone Information Center is a section under the Marketing and Communications Department. Since 2008, the Telephone Information Center has been monitoring their performance. They have significantly decreased their Average Speed of Answer from a high of 5 minutes in 2008 to just over 1 minute average in 2010. Their goal was to answer every call within 1.5 minutes and they have surpassed their goal.



The Telephone Information Center operators have increased the number of calls answered in 2010 to nearly 500,000; over a 20% increase from 2009 and over 30% increase compared to 2008. One operator increased the number of calls answered by 42% compared to 2009 and four additional operators increased the number of calls answered from 21% to 34%, compared to 2009.

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. Additional information about this program is on PM-8.

Performance Management

TransitStat Moving Forward

In 2011, TransitStat will continue performance monitoring of the Administrative and Operations divisions. The Stat programs will be used to focus on critical initiatives that can better position GCRTA to address impending economic threats. TransitStat is the scorecard that GCRTA will continue to use to achieve breakthrough performance.

Energy Price Risk Management

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

The fuel hedging program's strategy uses a process that:

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

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

The Authority began positioning itself in the first quarter of 2009. By April, the Authority had nearly 3.9 million gallons of the 5 million gallon usage, purchased for 2010. The performance objective was to establish a 2010 fuel cost at or below \$2.20 per gallon. Regular reports and tracking are included in the 2009 and 2010 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. This meets our objective of stabilizing budgeted costs and then goes on to significantly reduce overall costs. All of 2011 and most of 2012 fuel requirements have been hedged and net costs are projected at \$10.9 million and \$12.4 million, respectively.

2011 Budget Guide

Organization of the Budget Plan	BG - 1
Fiscal and Budget Policies	
Introduction	BG - 2
All Funds	BG - 2
General Fund	BG - 6
Capital Improvement Funds	BG - 8
Supplemental Pension Fund	BG - 10
Insurance Fund	BG - 10
Bond Retirement Fund	BG - 11
Budget Management Process	
Introduction	BG - 13
The Budget Cycle	BG - 13
Budget Calendar of Events	BG - 14
Quality Management System	BG - 15
Budget Monitoring and Control	BG - 15
Glossary	BG - 16
Service Profile	BG - 25

Budget Guide

The 2011 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.

2011 Budget Guide

Organization of the Adopted Budget Plan

The purpose of this section is to describe the contents of the 2011 Operating and Capital Budgets (Adopted Budget Plan) for the Greater Cleveland Regional Transit Authority. This section is an aid to those who wish to analyze the budget in detail. Tables of Contents in the first section of this book and on the tabs in the beginning of each chapter provide further direction to the reader.

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

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 a glossary of terms used in the Adopted Budget Plan.

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.

The **Department Budgets** present the Adopted Budget Plan by organizational unit. These chapters describe the six divisions including their mission statements, functions, achievements, and priorities for 2011. Individual budgets, budget implementation narratives, organization charts, and staffing level summaries are provided for each department.

The **Capital Improvement Plan** itemizes capital projects approved for 2011 and those planned for 2012 through 2015. The chapter discusses funding sources, the capital improvement planning cycle, and the criteria used to establish priorities.

2011 Budget Guide

Budget Management Process

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 of 1998 to include four more financial indicators as companions to the existing four. The indicators represent policy goals in an effort to achieve and maintain a sound fiscal condition. The impact of the financial policies is highlighted in the Policy Implementation sections that follow.

For accounting purposes, the Authority reports the results of its operations in a single enterprise fund, **All Funds Statement**. However, for budget purposes, a separate budget must be adopted annually for each fund (see **Fund Budgets**). 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.

The policies are designed to provide a financial management framework, which ensures the fiscal integrity of the organization and adherence to laws and regulations. The Authority's purpose, which is to provide a public service, can 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.

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 is when total expenditures are equal to total revenues. However, the budget is also balanced in situations where total expenditures are less than total revenues, also 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.

2011 Budget Guide

Budget Management Process

All Funds, cont.

In the General Fund, estimated resources total \$270.2 million: current revenues of \$261.3 million plus an assumed beginning balance of \$8.9 million. Total estimated expenditures for 2011 equal \$260.5 million and are within the estimate of total resources available. The ending balance, \$9.7 million, does not meet the one-month reserve recommended by the Trustees for the General Fund (see page BG-6) but is much closer than the \$2.9 million ending balance in 2009. The Board policy goal is considerably more restrictive and more determinant than is 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 GCRTA and makes funds management a priority. Investment decisions should attempt to increase yields without sacrificing the safety of principal or the liquidity position of the organization. In addition, idle cash balances should be invested whenever possible to maximize investment income.

Implementation:

The Ohio Depository Act and GCRTA 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 2010 investments and at the same time meet its outstanding financial commitments with an investment yield of 0.47%.

2011 Budget Guide

Budget Management Process

All Funds, cont.

Controlling Costs

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. In addition, the overhead costs must not exceed 15% of the total cost of operations. These policy goals allow the Authority to maximize the use of its resources and provide the most direct service possible.

Budgeted 2011 General Fund operating expenditures, which exclude transfers to other funds, are \$225.9 million, which represent an increase of nearly \$8.3 million, or 3.8%, over estimated 2010 levels. The largest Operating Budget appropriation, \$168.1 million, is for Personnel Services, which accounts for 74.5% of the total operating appropriation. The 2011 appropriation for personnel costs is 1.6% higher than the 2010 estimated level. This increase is due, in part, to the restoration of the 3% wage reduction of non-bargaining personnel. These increases include labor and fringe benefits. Other increases include diesel fuel and utility costs. These costs have been stabilized through the Fuel Hedging program and reduction of Utility costs and have been managed through the TransitStat program.

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.

2011 Budget Guide

Budget Management Process

All Funds, cont.

Funding Public Services

Policy Statement:

Program demands require that an adequate resource stream be maintained. The Authority must make the hard decisions required to assure a continuing 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:

The continuing economic crisis and the constraints in Sales Tax revenue has not let up. Cuyahoga County experienced an historic decline in Sales & Use Tax receipts in 2009. For RTA, 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.

Sales Tax revenue is not expected to return to the 2008 levels until 2015. RTA must then plan on a new base level of revenue at a reduced amount. Other sources of funding have the same revenue generating problems and cannot be depended upon to stabilize transit in Ohio.

In 2008, Governor Strickland led the way for temporary emergency funding for Ohio Transit Agencies with balances held in Metropolitan Planning Organizations (MPO's). As a result, the Northeast Ohio Area Coordinating Agency (NOACA), our regional MPO, made \$9.0 million available to GCRTA to lessen the impact of fuel cost increases from 2008 to 2009. The Authority used \$7.3 million of those funds in 2009 and the remaining \$1.7 million was utilized in 2010. Two grants for Congesting Mitigation and Air Quality (CMAQ) for costs associated with the HealthLine and Trolley operations were authorized for use in 2010, equaling \$6.2 million and \$0.8 million, respectively. Only \$1.69 million of the HealthLine funding was used in 2010, the remainder will be utilized in 2011 and 2012. The CMAQ funds for Trolley operations are split between 2010, \$1.96 million, and 2011, \$0.98 million.

2011 Budget Guide

Budget Management Process

General Fund

The following financial policy goals constitute the foundation of the Authority's financial management process in regards to the General Fund. Since their adoption in 1989, they have heavily influenced the development of the annual budget, including the decisions on fare and service changes. Regular monitoring of the related financial indicators by both management and the Board of Trustees demonstrates the importance of these goals to the Authority's operations.

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:

As in prior years, this policy generated discussion during 2011 budget deliberations. Although the projected ending balance is significantly higher than in 2009, the 2010 ending balance and 2011 budgeted ending balance represents only a 0.5-month operating reserve, with the ending balances at \$8.9 million and \$9.7 million, respectively.

Policy Statement:

(1) Growth in the cost of delivering a unit of service (cost per service hour) shall be kept at or below the rate of inflation.
(2) The overhead costs shall not exceed 15 percent of the total cost.

Rationale:

As a means of assuring cost containment, direct costs should not be permitted to increase faster than overall price levels. Additional indirect costs (overhead) must be supported by service improvements.

Implementation:

Operating expenditures are budgeted to increase by 3.8% in 2011 due to service added, increase of diesel fuel costs, and the restoration of the 3% wage reduction for non-bargaining employees. The comparable growth in the cost per hour of service in 2011 is 4.5%, slightly higher than the projected inflation rate. Both statistics reflect the impact of increases in personnel costs, fuel/utilities, and inventory costs. The growth in cost per hour of service is expected to decrease in 2012 and 2013 with both under the inflation rate. The overhead cost ratio is projected at 16.0% in 2011 and to remain steady in 2012 and 2013, with each year just above the policy maximum.

2011 Budget Guide

Budget Management Process

General Fund, cont.

Policy Statement:

(1) The Operating Ratio (Operating Revenues divided by Operating Expenses) shall not be allowed to go below 25 percent with a long-range objective of having Operating Revenues cover an increasing proportion of Operating Expenses. (2) The fare subsidy (net cost) per passenger shall not exceed three (3) times the average fare.

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 the customers are paying a higher portion of the operating cost of providing the service.

Implementation:

Operating revenues include passenger fares, advertising and 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 2008, although still below the 25% goal, primarily due to a fare increase, implemented in two phases, the first in July 2006 with the second, in January 2008. In late 2008, a fuel surcharge of \$0.25 per ride was implemented to offset the increasing cost of diesel fuel. In late 2009, the second half of the fuel surcharge, an additional \$0.25, was implemented. In 2011, the ratio will take a slight downturn to 22.5% due to projected increases in labor, diesel fuel costs, and inventory costs. However, the Operating Ratio is expected to stabilize in 2012 and 2013.

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:

Debt service payments should be comfortably supported by the organization. The excess from general obligations should be used as the measure to not jeopardize the financial condition of the Authority.

Implementation:

The debt service coverage measure has traditionally not only been met, but significantly exceeded the minimum since the Authority had historically used debt sparingly.

The debt service coverage was last met in 2007 at 1.81. In 2008 and 2009, the debt service coverage declined to 1.32 and 1.14 due to significant decreases in revenue from the Sales & Use Tax. The measure rebounded to 1.43 in 2010 due to a decline in operating costs and will again increase to 1.49 in 2011. Debt service is expected to drop off in 2012 and 2013 to 1.22 and 0.97 respectively.

If actual operating costs for 2011 are below projection, this goal may be reached. The use of debt service to help fund the Capital needs of the system must be carefully controlled so that it will not impact the future operating needs of the Authority.

2011 Budget Guide

Budget Management Process

Capital Improvement Funds

Policy Statement:

An amount equivalent to ten percent of sales tax revenues shall be allocated to the Capital Improvement Fund on an annual basis. This amount shall be allocated directly to the Capital Improvement Fund to support budgeted projects or to the Bond Retirement Fund to support debt service payments.

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 proportion of capital projects, but RTA 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 the Bond Retirement Fund. The Authority provided a contribution to capital equivalent to the minimum of 10 percent 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 18.0% and RTA budgeted a transfer of 18.8% in 2010. Capital expenditures for 2011 and 2012 must be held at current levels to remain at about 19.0%. In 2008, the budget for Capital requirements was reduced by 40% and then maintained at that level in 2009. Stimulus funds provided through ARRA in 2009 provided almost a years funding amount for shovel ready capital projects. RTA was able to utilize those funds effectively and catch up on needed infrastructure work. Capital requirements for 2010 were reduced from the 2008-2009 level. Unfortunately, our plan must be maintained at that level in 2011 and 2012 in order to keep our operating and capital budgets in balance. If current Sales Tax revenue will not support past levels of service, it also will not support past levels of capital expenditures.

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 \$1,000, where the useful life of the asset exceeds one year. Capital Improvement Funds include the RTA Capital Fund and the RTA Development Fund. The Capital Fund is supported by the Federal and State grants as well as local sources.

2011 Budget Guide

Budget Management Process

Capital Improvement Funds, cont.

Policy Statement:

The percent of capital maintenance to capital expansion outlay will be a minimum of 33 percent and a maximum of 67 percent.

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 2009 and 2010, the capital maintenance to expansion ratio is 95.6% and 99.0%, respectively. During these years, our capital projects are to maintain our existing vehicles, buildings, and infrastructure. A reduced level of Sales Tax means the funds available will be used for maintenance and no funds available for expansion. This is the new reality currently faced.

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. 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.

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 2011 process. The Authority continues to aggressively pursue the flexible funding authorized under the Safe, Accountable, Flexible, Efficient, Transportation Equity Act: A Legacy for Users (SAFETEA-LU) and continues to improve its internal capability to plan, finance, and implement its Capital Improvement Plan. The 2011 Budget also reflects the capitalization of traditional maintenance type expenditures allowable at the Federal level, which includes inventory material and supplies and preventive maintenance costs. It also includes funding from the Transportation Review Advisory Committee (TRAC). Long-Range capital planning efforts continue and will shape future capital strategies.

2011 Budget Guide

Budget Management Process

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 2007 through 2010 were held at \$100,000. In 2011, 2012 and 2013, \$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-insured position. In 2011, over \$1.6 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 \$3.2 million is budgeted in the Insurance Fund for claims outlay and to cover insurance premiums for catastrophic or extraordinary losses.

2011 Budget Guide

Budget Management Process

Insurance Fund, cont.

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 upon 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:

The Insurance Fund provides coverage for catastrophic or extraordinary losses. Ordinary and routine losses are paid through the Risk Management Department's General Fund Budget. Approximately \$3.5 million and \$3.2 million were transferred to the Insurance Fund in 2009 and 2010, respectively. For 2011, the transfer remains at \$3.2 million.

A \$3.1 million transfer from the General Fund is projected in 2012 to maintain the fund at its minimum balance of \$5.0 million. In 2013, a projected transfer of \$3.25 million will be needed to maintain the minimum balance.

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 be 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 its debt capacity sparingly due to the benefits of federal and state grant funding. Reductions in these sources of capital support over the years though, combined with an aggressive long-range Capital Improvement Plan (CIP), has resulted in more frequent use of debt sales as a revenue source for the Authority's capital needs. At the end of 2010, the combined outstanding debt for the Authority totaled \$152.8 million in general obligation bonds and \$2.2 million for a State Infrastructure Bank (SIB) loan, requiring combined principal and interest payments of nearly \$18.1 million in 2011. Principal and interest payments are expected to continue to increase in future years due to the on-going needs of the Capital Improvement Plan.

2011 Budget Guide

Budget Management Process

Bond Retirement Fund, cont.

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: This provision is not currently applicable since debt obligations have not required the use of ad valorem property taxes for debt service payments. Further, the \$1.49 billion limitation (based on the county's assessed valuation of \$29.8 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 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 leading to a decline from \$32.5 billion declined to \$29.8 billion in the assessed property valuation at the end of 2010. Based on this valuation, the annual debt service capacity of one-tenth of one percent would be \$29.8 million and apply to all debt issued by the Authority.

3. **Restriction:** The total amount of annual debt service on unvoted general obligations 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 10 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 2010, this restriction remains above 10-mill limitation with 10.16 mills in use, primarily due to the decrease in property valuation, leaving 0.00 mills for additional debt issuances. The fact that the 10-mill limit has been exceeded is now another factor to be considered as the Authority prepares for an additional debt issuance in FY 2011.

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. In 1997, Moody's Investors Service refined the Authority's rating to "A3," reaffirming it in 2001. The Authority issued debt in 2008, and refinanced debt at a lower interest rate. The Authority did not issue debt in 2009 or in 2010. Fitch Investors Service currently holds the A+ rating for GCRTA and Moody's is at "Aa2."

2011 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 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 Board.
- A formal budget document is produced, providing clear, timely, and accurate budget information to officials and the public.
- Expenditures are tracked against appropriations and available resources.
- Performance indicators are used to assess the containment of costs and the effectiveness of service delivery.
- Citizens 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. 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 budget "base" begins the annual budget process, which proceeds as follows:

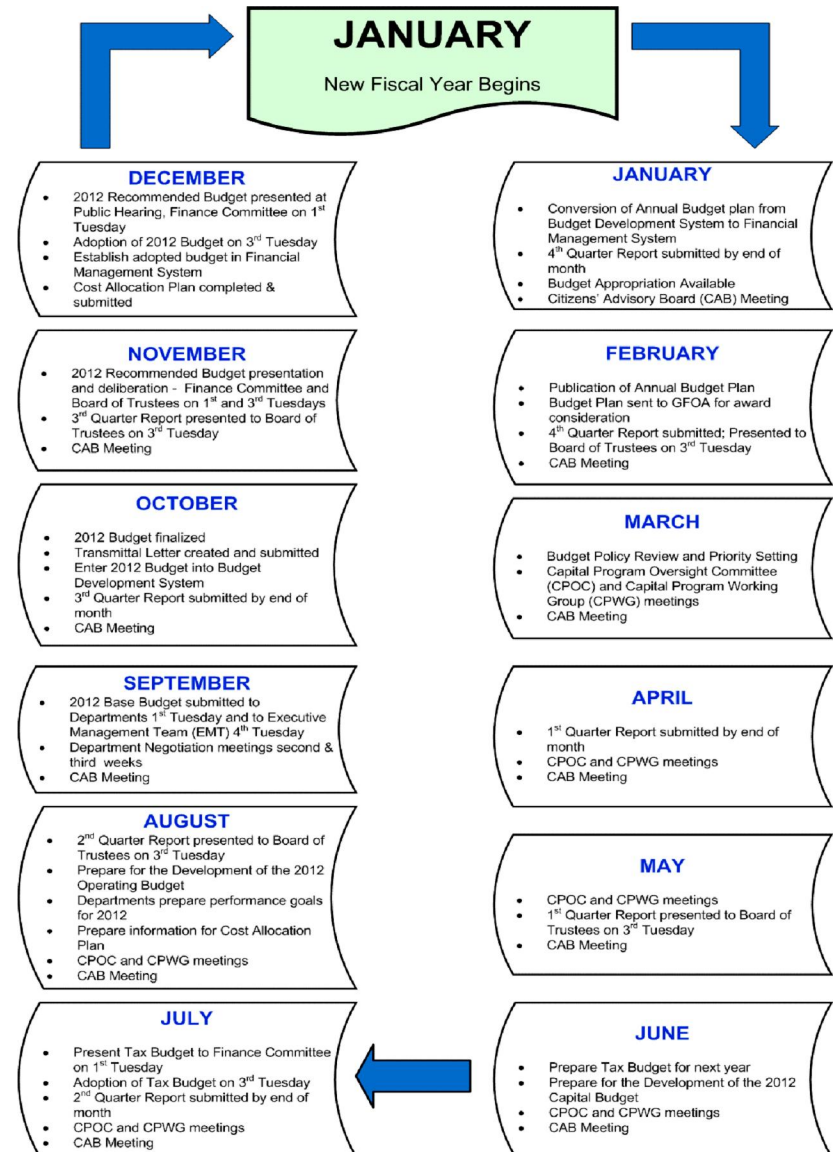
- A budget "basis" (or starting point) is selected, usually based on the mid-year estimate or the original appropriation level.
- The Office of Management and Budget (OMB) staff adjusts the budget basis for any nonrecurring costs, contracts, or binding commitments or inflation. The product is called the Base Budget.
- After receiving the Base Budget, including the budget basis and any OMB adjustments, departments submit requests for adjustments to the Base Budget.
- Negotiations between OMB staff and Department staff refine the Base Budget. When completed, it should include commitments and recurring costs but not discretionary projects or initiatives.

2011 Budget Guide

Budget Management Process

The Budget Cycle, cont.

- New projects or initiatives are presented as Decision Issues. These are negotiated initially at the Division level and then at hearings with the CEO/General Manager, and the Executive Management Team (EMT) based on their effect on the Authority's goals and objectives.
- The finalized CEO/General Manager's Recommended Budget:
 1. Is the sum of the refined Base Budgets, Adjustments, and approved Decision Issues.
 2. Must be limited to estimated available resources.
 3. Shall satisfy the Authority's financial policies to the best extent possible.
 4. Must support the Authority's mission and strategic direction as embodied in the Board Policy Goals and outlined in the Strategic Planning Process.
- The CEO/General Manager's Recommended Budget is presented to the Board of Trustees and is made available to the public.
- A series of budget hearings is scheduled for the Board of Trustees and for the public. Three or four hearings are held including the 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.



2011 Budget Guide

Budget Management Process

Quality Management System

The Authority continues to operate under the Quality Management System (QMS), an outgrowth of the organization's implementation of Total Quality Management (TQM). Within the QMS, the Board of Trustees and senior management have identified a Mission Statement and five Priority Policy Goals essential for growth and progress in RTA, which are reviewed annually and modified if necessary. Budget decisions are made with the overall strategic planning process in mind (see the Transmittal Letter for further details). For 2011, these 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 agency'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 the public and private sectors to 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.

During development of the 2011 Budget, as in recent years, emphasis was placed on two of the Board Policy Goals: **Customer Focus** and **Improve Financial Health**.

Budget Monitoring and Control

A quarterly financial report allows the CEO/General Manager and the Board of Trustees 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 thirty days. Any increase to the Authority's total operating budget requires Board of Trustee 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 Board. This allows the CEO/General Manager flexibility in making staff decisions.

2011 Budget Guide

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 make 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.

2011 Budget Guide

Glossary

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.

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.

2011 Budget Guide

Glossary

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

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

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

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

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

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

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

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

financial and technical support to them for constructing, improving, and preserving America's highway system.

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

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

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

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

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

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

2011 Budget Guide

Glossary

Fund – A reserve of money set aside for a specific purpose. The RTA has funds set up for Operating (General), Capital, Insurance, Bonds, Pension, and Law Enforcement.

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. 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.

2011 Budget Guide

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).

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.

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.

2011 Budget Guide

Glossary

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 – An excess of current expenditures over current revenues. A fund can sustain an operating deficit only if there are sufficient fund balances carried forward from prior years. 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.

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.

2011 Budget Guide

Glossary

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.

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.

2011 Budget Guide

Glossary

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.

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Greater Cleveland RTA Service Profile

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 affect on how RTA develops, supports, and implements services to the Cuyahoga County area.

Economic Profile

Population

- 2009 Estimate at 1,275,709
- -8.5% Population Change from Apr 1, 2000 to Jul 1, 2009
- 2,782 People per Square Mile

Housing

- Average Household Size at 2.4 per Household
- 210,469 Rented Apartments
- 360,988 Owned Homes & Condos

Income Levels

- 2008 Median: \$44,324
- 2009 Median: \$40,101
- April 2010: 9.1%
- 18% Poverty Level
- Cost of Living Index: 83 (Low);

Business Development

- Top 5 Business Sectors
 - Professional, Science, Technology Service
 - Other Services (Excluding Public Administration)
 - Real Estate Rental & Lease
 - Healthcare & Social Assistance
 - Real Estate Sales

- Top Businesses in NorthEast Ohio (Workforce)
 - Cleveland Clinic (32,000)
 - University Hospitals (12,970)
 - Giant Eagle, Inc. (10,319)
 - Progressive Corp. (8,795)
 - Summa Health System (8,079)
 - Group Mgmt. Services, Inc. (6,507)
 - KeyCorp (5,973)
 - First Energy Corp. (5,384)
 - Metro Health System (5,379)
- Total Receipts: \$84.24bil
- Total Employed: 540,000

Service Profile

Cuyahoga County

- Land Area: 458 sq mi
- Water Area: 787.1 sq mi

Ridership Economic Demographics

- Workforce
 - Private: 82%
 - Gov't: 13%
 - Self-Employed, Non-Inc.: 5%
- Potential Ridership
 - Median Age at 38 years
 - 47% Male; 53% Female
 - 67% White; 27% Black; 3% Hispanic; 1.5% 2+ Races; 1.5% Other
 - 69% Democrat; 30% Republican; 1% Other

Service Types

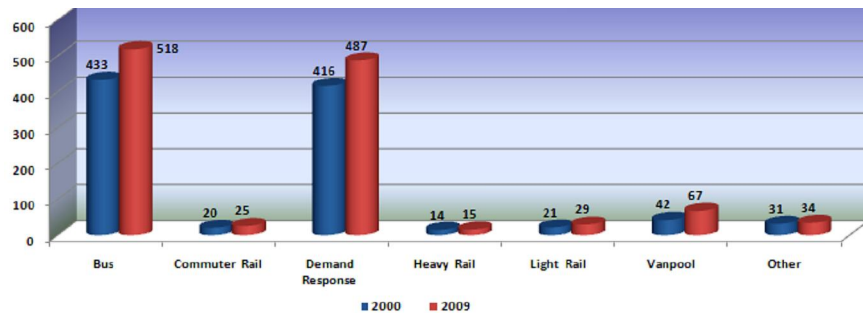
- Bus: 47
- Rapid: 3
- BRT: 1
- Park-N-Rides: 5
- Other: 10

National & Ohio Transit Profile

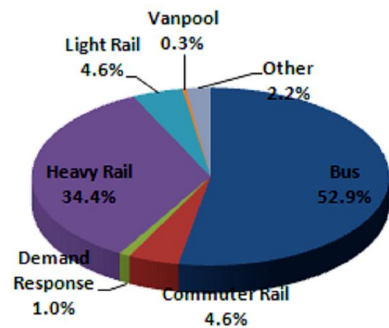
National Transit Trends

A Total of 719 Agencies reported data in the National Transit Database (NTD) in 2009.

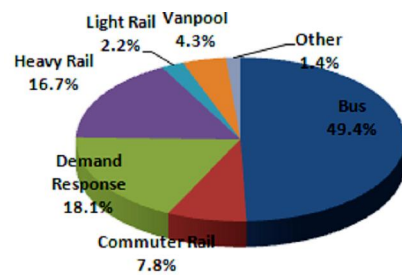
Number of Agencies reporting by Mode 2000 - 2009



Distribution of Unlinked passenger trips per mode 2009



Distribution of Vehicle Revenue Miles per Mode 2009



Ohio Transit Trends

24 Agencies (9 Vehicles and over) reported data in the National Transit Database in 2009

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	4,792,127	3,020,176	107
			DR	230,915	1,625,733	105
Canton (SARTA)	567	378,098	Bus	2,025,920	2,324,370	35
			DR	139,214	1,063,428	23
Cincinnati (SORTA)	262	845,303	Bus	22,886,445	10,445,144	324
			DR	234,507	1,809,465	48
Cleveland (GCRTA)	458	1,412,140	Bus	38,214,394	17,042,385	424
			HR	4,491,119	1,789,025	22
			LR	2,365,801	756,929	17
			DR	540,739	3,968,815	122
Columbus (COTA)	325	1,057,915	Bus	17,208,787	8,523,927	235
			DR	237,949	2,803,983	56
Dayton (GDRTA)	274	559,062	Bus	6,960,449	5,189,349	95
			DR	259,144	2,377,276	82
			TB	3,170,510	1,112,054	30
Lake County (Laketran)	295	227,511	Bus	533,433	769,967	24
			DR	282,819	2,072,347	77
Toledo (TARTA)	149	426,230	Bus	6,984,265	3,657,896	140
			DR	184,550	1,019,927	52
Youngstown (WRTA)	433	288,870	Bus	1,687,118	880,984	35
			DR	19,886	154,519	10

HR = Heavy Rail; LR = Light Rail; DR = Demand Response (Paratransit); TB = Trolley
2009 NTD

Greater Cleveland RTA System Map for 2010-2011



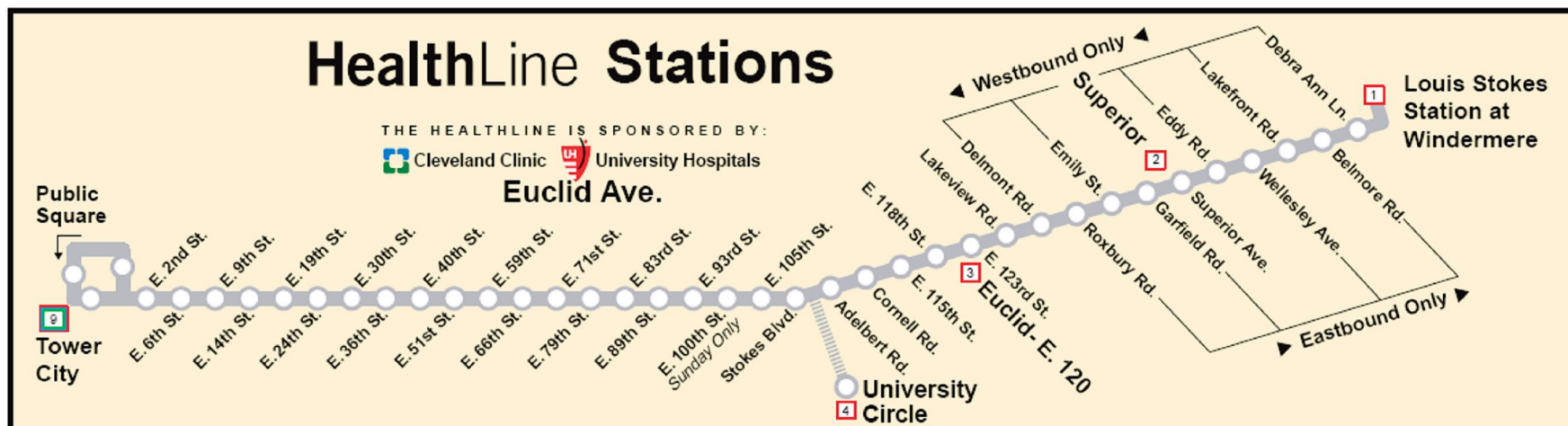
(Click on map to go to RTA Website and larger view of map)

Greater Cleveland RTA Rapid Transit System



(Click on map to go to RTA Rapid Transit System website with bus connections)

Greater Cleveland RTA Health Line



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2011 Fund Budgets

All Funds

Introduction	FB - 1
All Funds Balance Analysis	FB - 2
All Funds Revenue	FB - 3
All Funds Expenditures	FB - 4

General Fund

General Fund Balance Analysis	FB - 7
General Fund Revenue	FB - 8
Sales and Use Tax	FB - 8
Passenger Fares	FB - 10
Investment Income	FB - 10
Advertising & Concessions	FB - 11
Federal and State Operating Assistance	FB - 11
Other Revenue	FB - 12
General Fund Expenditures	FB - 13

Bond Retirement Fund	FB - 16
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Insurance Fund	FB - 18
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Supplemental Pension Fund	FB - 20
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Law Enforcement Fund	FB - 22
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Capital Improvement Fund	
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Fund Balance Analysis	FB - 24
Capital Improvement Fund Revenue	FB - 26

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 2011 and beyond.

Fund Budgets

All Funds

Introduction

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

The ending 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

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 have been reduced in upcoming years as counter measures.

Total Resources for 2008 increased by nearly \$34.2 million, primarily because of Federal grant funds associated with the Euclid Corridor Transportation Project (ECTP), a \$35 million debt issuance, and adjustments to the Authority's passenger fare structure. Correspondingly, expenditures increased in 2008 by over \$30.5 million, as the ECTP was finalized and capital projects from past years were completed.

In 2009, the All Funds balance decreased to \$41.5 million as a result of increasing efforts to reduce expenses due to decreased revenue. This is reflected in the revenue and expenditure figures and subsequent ending balance. Sales tax revenue, the largest funding source for both the General Fund and the All Funds, decreased by 11.0%, due to on-going economic recession in this area. This is by far the most dramatic decline in Sales Tax in the history of the Authority; the previous worse decline in a year was 1.6%.

A recovery in the revenue is expected; specifically Sales Tax receipts are projected to increase about \$7 million in 2010, which is due to managed health care being added to the tax base in late 2009.

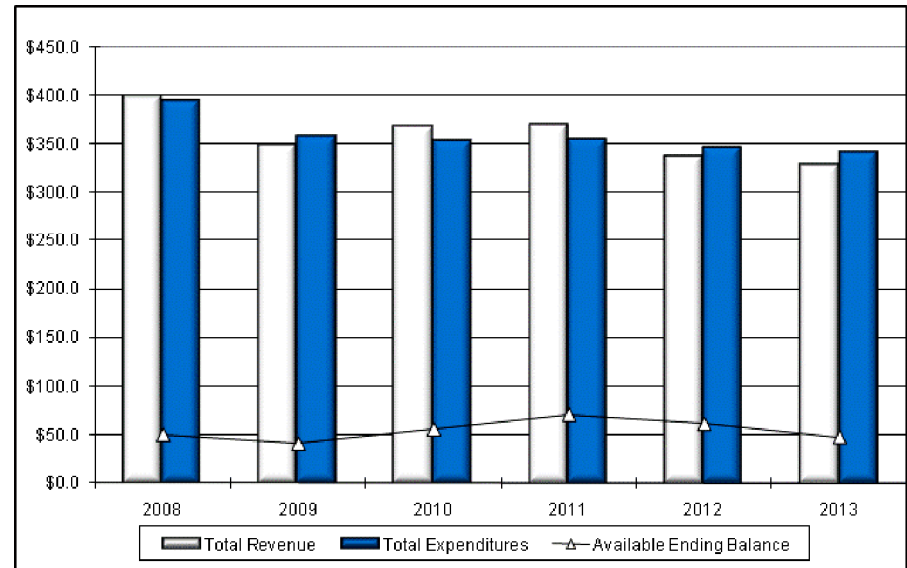


Figure FB-1: All Funds Balance Analysis

A 12% service reduction was instituted in April 2010 and Harvard Garage was closed in September 2010 to align operating expenses with the new level of revenue. Sales Tax receipts are projected to only increase 1.2% for 2011. Expenses will continue to be tightly monitored.

This trend identifies the challenge that lies ahead: to balance operating requirements versus the local commitment required to support capital improvements. As such, it questions the Authority's ability to maintain current service levels without additional revenue or additional service reductions.

Fund Budgets

All Funds

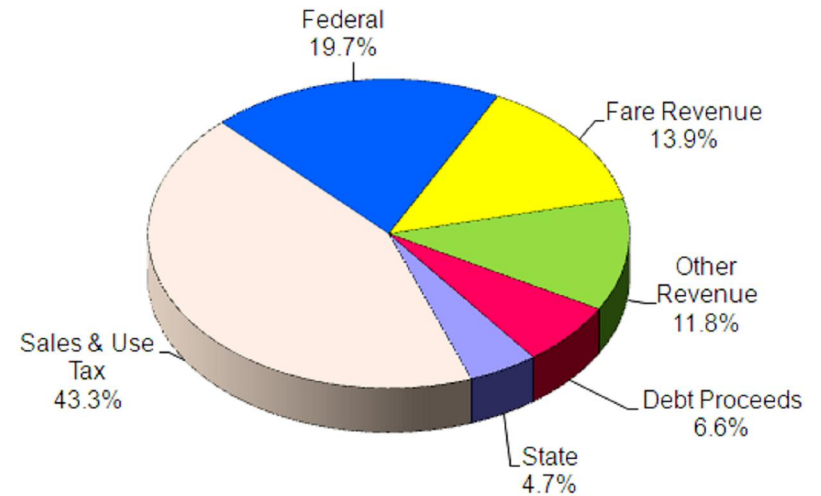
All Funds Revenue

In 2008, Sales & Use Tax and Passenger Fare Revenue represented just over 55.7%, or \$221.8 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.

In 2009, revenues dropped primarily due to the sharp drop in Sales Tax revenue. Sales & Use Tax combined with Passenger Fare Revenue, totaled 58.8% or \$204.4 million of total revenue. Intergovernmental revenue totaled 27.4% or \$95.3 million of total revenue.

2010 Sales & Use Tax revenue has been above projection since June and will be better than the original budget estimate or the revisions that have followed. This is due to the addition of managed health care to the tax base. Overall, Sales and Use Tax and Passenger Fare Revenues should equal 57.3% or \$210 million of total revenues. Federal and State Capital Assistance should total 30.1% or \$110.4 million of total revenue.

2011 Sales & Use Tax is estimated to increase by 1.2% and Passenger Fare Revenue is expected to increase by 1.4%, compared to 2010. Intergovernmental sources (Federal and State assistance) are projected to be 25% of total revenue. General Obligation Debt Proceeds will be \$25 million and expected to last three years. The capital program will require additional debt sales to support planned capital activities. Other revenue is budgeted at 10.5% or \$38.7 million of total revenue.



	2008 Actual	2009 Actual	2010 Estimate	2011 Budget
Fare Revenue	\$48.2	\$49.8	\$48.4	\$49.1
Sales & Use Tax	\$173.6	\$154.6	\$161.6	\$163.5
Federal	\$86.1	\$73.6	\$97.1	\$74.3
State	\$9.4	\$21.7	\$13.3	\$17.7
Other Revenue	\$44.8	\$48.1	\$46.4	\$38.7
Debt Proceeds	\$35.5	\$0.0	\$0.0	\$25.0
Capital Lease	\$0.0	\$0.0	\$0.0	\$0.0
Total Revenue	\$397.6	\$347.8	\$366.8	\$368.3

Figure FB-2: All Funds Revenue by Source (in millions)

Fund Budgets

All Funds

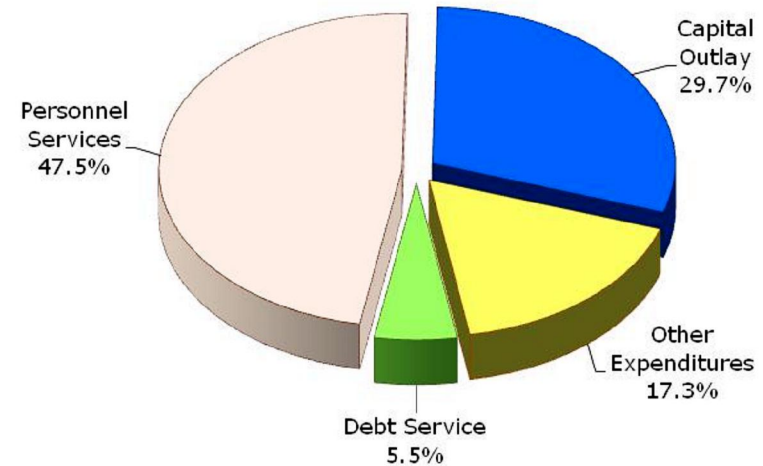
All Funds Expenditures

Total expenditures increased in 2008 by \$26.6 million, or 7.2%. Capital Outlays increased by \$19.1 million, or 16.8%, mainly as a result of the completion of construction on the HealthLine Project. In addition, Diesel Fuel expenditures increased by \$3.3 million while Personnel Services expenditures increased by \$0.8 million.

In 2009, total expenditures decreased by \$36.7 million, or 9.3%. Outlays for capital projects decreased by \$36.5 million as the capital program begins its return to more historical levels following the completion of the HealthLine.

In addition, the 2010 Personnel Services and Other expenditures should decrease by over \$11.1 million and \$3.8 million, respectively, due to a 12% service reduction in April and the closing of Harvard Garage in September, as well as a significant decrease in Diesel Fuel costs due to the fuel-hedging program. Capital Outlay increased slightly due to one-time Federal funding sources. Debt Service increased slightly at \$0.7 million, or 4%, with existing debt payments.

The 2011 Budget for Personnel Services includes no increases in personnel costs for current collective bargaining agreements. Increases are included for health care and the restoration of salaries for Non-Bargaining employees. Other expenditures costs will decrease slightly due to decreases in contracted service costs. Additionally, due to growing capital needs, Debt Service will increase in 2010 by \$0.9 million. This includes existing debt payments and a planned General Obligation debt sale of approximately \$25.0 million. Capital Outlays represent the second largest category at \$105.1 million, or 29.7% of the total.



	2008 Actual	2009 Actual	2010 Estimate	2011 Budget
Personnel Services	\$173.0	\$176.6	\$165.5	\$168.2
Other Expenditures	\$70.5	\$66.5	\$62.7	\$61.0
Capital Outlay	\$132.5	\$96.0	\$105.6	\$105.1
Debt Service	\$17.5	\$17.7	\$18.4	\$19.3
Total Expenditures	\$393.5	\$356.8	\$352.2	\$353.6

Figure FB-3: All Funds Expenditures by Type (in millions)

Fund Budgets

All Funds

All Funds Balance Analysis

	2007	2008	2009	2010	2011	2012	2013
	Actual	Actual	Actual	Estimate	Budget	Budget	Budget
Beginning Balance	45,516,377	46,438,563	50,530,896	41,541,232	56,059,094	70,854,158	61,415,012
Revenue							
Passenger Fares	43,467,204	48,173,971	49,757,083	48,401,904	49,127,933	50,110,492	51,112,702
Sales & Use Tax	171,661,508	173,568,817	154,586,220	161,586,577	163,525,616	166,796,128	170,132,051
Federal	74,319,702	86,109,609	73,648,082	97,125,910	74,279,088	70,699,040	63,981,780
State	10,778,700	9,370,685	21,725,202	13,300,881	17,740,795	12,215,795	7,426,795
Investment Income	2,453,602	3,086,144	611,211	490,804	648,443	781,841	857,063
Other Revenue	40,097,355	41,797,538	47,449,387	45,853,250	38,067,546	35,826,466	34,296,466
General Obligation Debt Proceeds	0	35,472,559	0	0	25,000,000	0	0
Capital Lease	25,000,000	0	0	0	0	0	0
Total Revenue	367,778,071	397,579,323	347,777,185	366,759,326	368,389,421	336,429,761	327,806,857
Total Resources	413,294,448	444,017,886	398,308,081	408,300,557	424,448,515	407,283,919	389,221,869
Expenditures							
Personnel Services	173,796,848	173,016,961	176,631,322	165,498,948	168,180,247	169,021,148	170,711,360
Diesel Fuel	12,112,507	19,272,336	17,357,364	8,260,480	10,972,500	11,191,950	11,415,789
Other Expenditures	51,276,616	51,230,086	49,083,497	54,461,795	50,034,332	50,299,191	50,442,864
Capital Outlay	113,391,482	132,464,854	95,982,032	105,642,519	105,117,783	93,949,040	87,059,040
Debt Service	16,278,432	17,502,753	17,712,634	18,377,721	19,289,495	21,407,578	21,426,778
Total Expenditures	366,855,885	393,486,990	356,766,849	352,241,463	353,594,357	345,868,907	341,055,830
Available Ending Balance	46,438,563	50,530,896	41,541,232	56,059,094	70,854,158	61,415,012	48,166,039

Fund Budgets

All Funds

2011 Proposed Budget Financial Indicators						
	2008 Actual	2009 Actual	2010 Estimate	2011 Budget	2012 Budget	2013 Budget
REVENUES						
Operating Ratio	21.5%	21.8%	23.4%	22.5%	22.8%	23.0%
Fare Subsidy (Net Cost) Per Passenger	\$3.23	\$3.70	\$3.66	\$3.81	\$3.74	\$3.70
Average Fare	\$0.83	\$1.00	\$1.09	\$1.08	\$1.08	\$1.08
EXPENDITURES						
Operating Reserve (Months)	0.4	0.1	0.5	0.5	0.3	0.0
Overhead Cost vs. Total Cost	12.2%	12.6%	14.1%	16.0%	16.0%	15.9%
Cost/Hour of Service	\$105.47	\$115.04	\$125.78	\$131.48	\$131.05	\$131.05
Growth per Year	5.3%	9.1%	9.3%	4.5%	-0.3%	0.0%
DEBT STRUCTURES						
Debt Service Coverage	1.32	1.14	1.43	1.49	1.22	0.97
CAPITAL OUTLAY						
Sales Tax Contribution to Capital	14.3%	18.0%	21.7%	19.1%	19.3%	18.8%
Capital Maintenance to Expansion	89.3%	95.6%	99.0%	96.9%	83.4%	88.5%

Fund Budgets

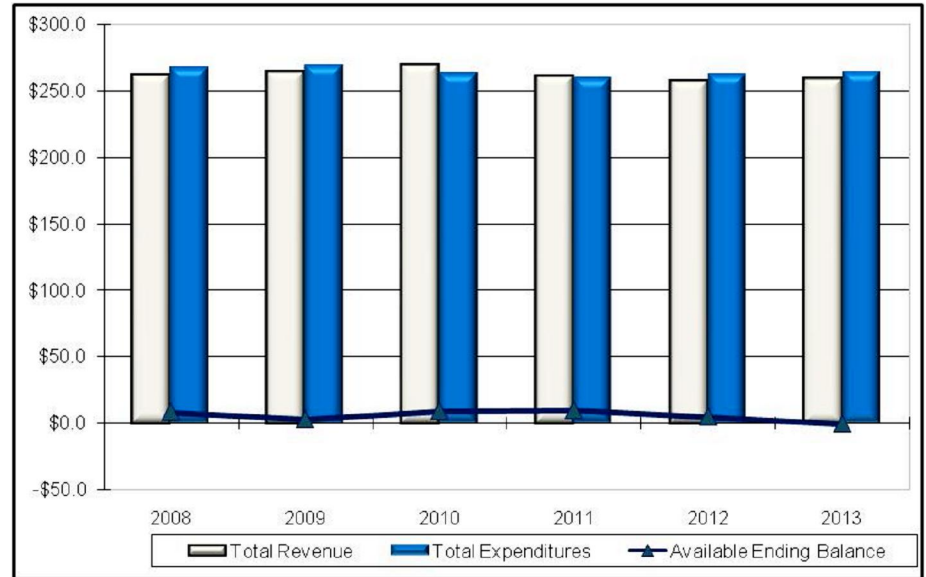
General Fund

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 stagnant sales tax growth, increasing personnel costs, and volatile fuel/utility costs had created a discouraging outlook through 2008.

From 2006 to 2008, 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 \$6.6 million with a resulting drawdown of the fund balance to \$8.4 million. In 2009, the General Fund balance dropped sharply to \$2.9 million due to the recession. 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.

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.



	2008 Actual	2009 Actual	2010 Estimate	2011 Budget
Beginning Balance	\$14.1	\$8.4	\$2.9	\$8.9
Total Revenue	\$262.1	\$264.5	\$270.0	\$261.3
Total Resources	\$276.2	\$272.9	\$272.9	\$270.2
Operating Expenses	\$240.0	\$238.5	\$217.6	\$225.9
Fund Transfers	\$27.8	\$31.5	\$46.4	\$34.6
Total Expenditures	\$267.8	\$270.0	\$264.0	\$260.5
Available Ending Balance	\$8.4	\$2.9	\$8.9	\$9.7

Figure FB-4: General Fund Balance Analysis (in millions)

Fund Budgets

General Fund

General Fund Balance Analysis, cont.

The 2008 and 2009 reserves of 0.4 and 0.1 months, respectively, did not meet the goal. The projected 2010 and budgeted 2011 reserves of 0.5 months each, will not meet the goal, but both represent improvements over recent years. The ending balance has been declining over the past few years, but the drawdown in 2008 and 2009 utilized the ending balance for its intended purpose, to support service levels. Sales tax revenue, the largest revenue source for the Authority, experienced unprecedented decline in 2009 and in 2010 recovered about 40% of the loss. This was due to the addition of managed health care to the tax base.

The projected reserve for 2011 is 0.5 months. The Authority will again control costs and aggressively execute the budget. In addition to this normal level of activity, the Authority has implemented TransitStat, 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. Our goal for 2011 is to maintain, if not increase, the 2010 estimated year-end balance at the end of 2011.

Maintaining or improving the reserve level of the General Fund this year will be extremely important for 2012 and 2013. Historically low sales tax revenue must be offset with low operating costs to overcome a projected negative fund balance for 2013. Hard decisions have been made. The 2010 end of year balance will be markedly improved. No service reduction was required in 2011. RTA must work to make 2012 and 2013 have positive balances and continue on the path to sustainability.

General Fund Revenue

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.

Sales and 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.

Fund Budgets

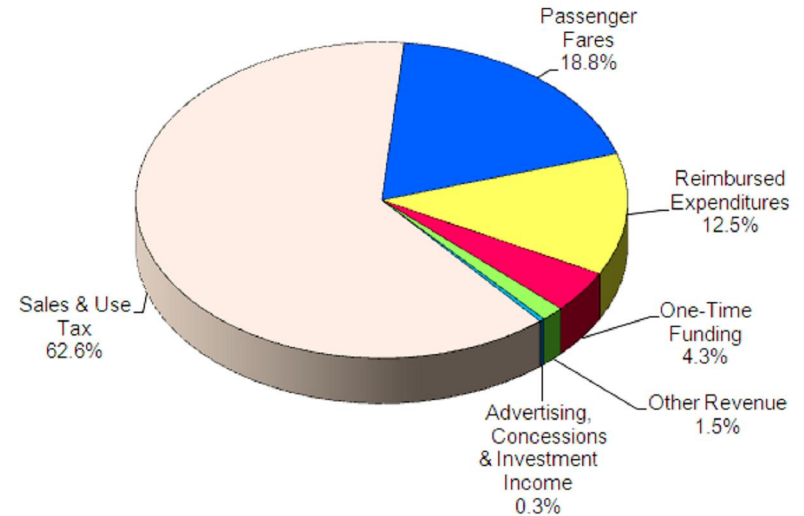
General Fund

Sales and Use Tax, cont.

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

In the past, even in slower economic growth periods, the sales tax has performed relatively well. Sales tax receipts in 1994 showed an 11.2% increase, decreasing to 7.6% in 1995 and to 3.2% in 1996. A more stable growth pattern was seen between 1997 and 2000 as the growth rate ranged between 4.8% and 6.3% during these years. Since 2001 though, the picture has been much different with minimal growth rates and some years of negative growth. The last solid increase of 5.3% occurred in 2004 and again in 2010 with projected growth of 4.5%. In both of those years the tax base was expanded and that change accounted for most of the growth. There was minimal growth in 2005 at 2.2%, a negative 0.2% growth in 2006, a 1.8% growth in 2007, and a 0.4% decline in 2008, and a staggering 11% decline in 2009.

The increases projected for 2011 reflects a 1.2% increase from 2010. The increase from managed health care receipts will become part of the base for 2011 as has happened in the past when a new base item was added.



	2008 Actual	2009 Actual	2010 Estimate	2011 Budget
Passenger Fares	\$48.2	\$49.8	\$48.4	\$49.1
Sales & Use Tax	\$173.6	\$154.6	\$161.6	\$163.5
Reimbursed Expenditures	\$35.6	\$33.5	\$38.5	\$32.6
Advertising, Concessions & Investment Income	\$1.6	\$1.4	\$1.0	\$0.9
One-time Funding	\$0.0	\$17.8	\$16.1	\$11.3
Other Revenue	\$2.6	\$7.4	\$4.4	\$3.9
Total Revenue	\$261.6	\$264.5	\$270.0	\$261.3

Figure FB-5: General Fund Revenue by Source (in millions)

Fund Budgets

General Fund

Passenger Fares

Passenger Fares are the second largest source of revenue to the General Fund, comprising 18.8% of the total 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. 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. In addition a service reduction was implemented. In 2009, the national recession affected North East Ohio with 11% unemployment and Passenger Fare revenue dropped 8.6% from budgeted levels. RTA adjusted service levels in 2010 and implemented a 12% service reduction in April and minor service changes throughout the remainder of the year.

In 2011, passenger fares of \$49.1 million represent an increase of \$0.7 million, or 1.4%, 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.

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 actual and 2010 projection show a significant reduction of 76.0% and 56.3%, respectively, as a result of lower balances and Federal Reserve actions lowering short-term rates. Investment income for 2011 is estimated at \$112,493, an increase of 30%. In the two out-years, a 30% increase is estimated for each year. However, interest earned on General Fund investments vary 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).

Fund Budgets

General Fund

Advertising & Concessions

Another source of income is the Authority's contract to place advertisements upon buses and trains. The current contract guarantees \$575,000 annually, a decrease due to recent service and bus fleet reductions. In addition, the Authority will receive \$175,000 (net) from the HealthLine naming rights deal. In combination with a small amount of concessions revenue, \$750,000 is expected in 2011. The entire category is projected to remain steady in 2012 and 2013.

Federal & State Operating Assistance

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 that was 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 has basically been eliminated, some flexibility has been given to the Authority to use capital grant awards to reimburse the Operating Budget for preventive maintenance expenditures within the Operating Budget. Since FY 2006 a total of \$141.2 million of capital funds have been used for this purpose. 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.

Fund Budgets

General Fund

Federal & State Op. Assistance, cont.

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

In 2007, \$2.2 million was awarded and received from the state for elderly and handicapped fare assistance. The 2008 award for elderly and handicapped fare assistance was reduced and delayed until 2009 when the combined amount received for the two years was \$2.76 million. In 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 an estimated \$619,000 with future years estimated at a similar amount. 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.

Other Revenue

Reimbursed Expenditures, Transfers and Other Revenue

The remaining revenue sources to the General Fund contribute \$3.9 million in 2011, representing 1.5% of total revenue. These remaining funding sources include Access to Jobs grants, grant reimbursements for RTA labor, materials and administration costs associated with capital projects, fuel tax refunds on diesel and gasoline purchases from the State of Ohio, and reimbursements for outlays associated with capitalized operating expenses.

Capitalized Operating Assistance (COA), the largest of the remaining revenue sources, is found in the category of Reimbursed Expenditures. Between 2003 and 2006, this source has reimbursed close to \$25 million per year in General Fund expenses. The amount was increased to \$27.7 million in 2007, due to a recategorization of bus and rail spare parts from a capital purchase to an inventory item in the General Fund. In 2008, 2009, and 2010, the Authority received \$35.6 million, \$33.5 million, and \$38.5 million, respectively for reimbursed expenditures.

In 2011, the Authority is expecting to receive \$32.6 million in reimbursed expenditures. In addition, the Authority will continue to focus on reimbursements to the General Fund for capital project labor expenditures. This source has increased from \$700,000 in 1991 to \$2.8 million in 1992 and has remained near \$4.7 million over the last several years. In 2011, reimbursed labor is projected to generate \$4.0 million.

Fund Budgets

General Fund

Other Revenue, cont.

The largest remaining capital project with reimbursable labor will be the Heavy Rail Vehicle (HRV) Overhaul. The reimbursed labor projection for 2011 remains near stable as the level of capital activities returns to normal.

The 2011 Budget projects \$2.03 million from the Federal Government related to the Access to Jobs Program. These funds will be used to reimburse expenses related to reverse commuter trips and the RTA vanpool services and are in part 100% ARRA funded. The amount is projected to hold at \$2.03 million in 2012 and 2013.

Other sources of revenue include fuel tax reimbursements of approximately \$1.0 million, 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.

General Fund Expenditures

As discussed in the Citizens Summary, 2010 operating expenditures are expected to be \$21 million less than 2009 and \$8.4 million under budget due to a 12% service reduction executed in April 2010 and the closing of Harvard Garage in September 2010. Another part of that savings is a significant reduction in personnel costs due to our selective hiring freeze and lower than budgeted health care costs. Fuel costs were also dramatically reduced due to the fuel-hedging program and electricity costs have been reduced with the reconciliation and continuous monitoring of all accounts. Claims will be under budget.

As a result of the service realignment and other efficiencies, a net decrease of 245 positions are included in the 2011 budget. The 2011 Budget funds 2,232 positions compared to 2,477 in 2010. The Department Budgets chapter provides the details of these General Fund expenditures and staffing levels by department.

Personnel estimates for 2011 include the projected increases in health care costs and the restoration of the 3% wage reduction for salaried non-bargaining personnel. The other operating expenditures reflect an increase to diesel fuel and modest inflation/growth factors for other categories, though adjustments are made based on projected costs and known contracts. Expenditure estimates for 2012 and 2013 include only minimal increases.

Fund Budgets

General Fund

General Fund Expenditures, cont.

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 2011 is slightly less than the budgeted amount for 2010.

Transfers to other funds within the Authority continue to place additional financial pressures on the General Fund. The transfer for bond retirement has grown from \$15.5 million in 2008 to a projected \$19.2 million in 2011 to cover increases in debt service payments and a debt issuance of \$25 million this year. This transfer will continue to grow in the future, increasing to \$21.3 million in 2012 and \$21.4 million in 2013 reflecting actual debt payments.

Transfers to support the capital program significantly increased in 2010 to meet the demands for local funding by the Authority’s capital program. Though work has been done to bring the Authority’s capital program in line with existing grant awards, the need for local match funds has increased. When combined with transfers for debt service payments, the total capital contribution exceeds the maximum 15% level prescribed by the Authority’s financial policies. In 2011, the capital contribution will require 19.1% of sales tax collections. In 2012 and 2013 the need will be 19.3% and 18.8% respectively. To maintain the proper balance in the Insurance and Pension Funds, transfers of \$3.25 million and \$100,000, respectively, are needed in 2011. In 2012 and 2013, the Insurance Fund transfer will be \$3.1 million and \$3.25 million. The Pension Fund is projected to need transfers of \$100,000 in both years.

AREAS OF EXPENDITURE GROWTH 2011 BUDGET		
2010 Projected Operating Expenditures		\$217,569,825
Compensation Issues		\$2,681,300 1.2%
Fringe Benefits	\$1,882,067	
Service Increase (Labor)	\$665,500	
Hourly & Salary Labor Increase	\$818,532	
Unemployment Compensation	(\$684,799)	
Fuel / Utilities		\$3,456,878 1.6%
Diesel Fuel	\$2,577,520	
Other Fuel / Utilities Adjustments (net)	\$744,858	
Service Increase (Fuel)	\$134,500	
Service Opportunities		\$1,931,348 0.9%
ADA Purchased Transportation	\$592,797	
Services	\$535,741	
Materials and Supplies	\$602,810	
Service Increase (Parts)	\$200,000	
Administrative/Procedural Changes		\$235,228 0.1%
Workers' Compensation	\$153,316	
Property Tax	(\$3,126)	
Other (Net)	\$85,038	
Expenditure Growth		\$8,304,754 3.8%
2011 Budgeted Operating Expenditures		\$225,874,579

Figure FB-6: Areas of Expenditure Growth – 2011 Budget

General Fund Balance Analysis

	2008	2009	2010	2011	2012	2013
	Actual	Actual	Estimate	Budget	Budget	Budget
Beginning Balance	14,047,468	8,401,085	2,880,104	8,871,812	9,650,747	4,865,879
Revenue						
Passenger Fares	48,173,971	49,757,083	48,401,904	49,127,933	50,110,492	51,112,702
Advertising & Concessions	1,591,538	1,197,713	892,570	750,000	750,000	750,000
Sales & Use Tax	173,568,817	154,586,220	161,586,577	163,525,616	166,796,128	170,132,051
Operating Assistance - ARRA Federal Grants	0	0	3,196,015	0	0	0
Short Term Notes	0	8,000,000	0	0	0	0
CMAQ Reimbursement for the Healthline	0	1,930,603	5,389,397	7,205,000	1,680,000	0
Operating Assistance - Paratransit Operations	0	0	4,320,000	3,109,000	3,109,000	3,109,000
Ohio Elderly Fare Assistance	0	2,756,762	619,000	650,000	650,000	650,000
State Funding Fuel Initiative	0	7,875,683	1,165,200	0	0	0
Operating Assistance - Trolley Operations	0	0	1,961,960	980,980	0	0
Access to Jobs Program	976,432	2,697,111	2,329,175	2,034,466	2,034,466	2,034,466
Investment Income	825,633	198,200	86,533	112,493	146,241	190,113
Other Revenue	1,391,890	2,053,241	1,492,334	1,200,000	1,000,000	1,000,000
Reimbursed Expenditures	35,597,279	33,461,105	38,500,000	32,561,100	31,500,000	30,000,000
Weekly Shopper Service	0	0	30,000	30,000	30,000	30,000
Total Revenue	262,125,560	264,513,721	269,970,665	261,286,588	257,806,327	259,008,332
Total Resources	276,173,028	272,914,806	272,850,769	270,158,400	267,457,074	263,874,211
Operating Expenditures						
Personnel Services	173,016,961	176,631,322	165,498,948	168,180,247	169,021,148	170,711,360
Diesel Fuel	19,272,336	17,357,364	8,260,480	10,972,500	11,191,950	11,415,789
Other Expenditures	47,662,814	44,548,954	43,810,397	46,721,832	46,955,441	47,002,397
Total Operating Expenditures	239,952,111	238,537,640	217,569,825	225,874,579	227,168,539	229,129,545
Short Term Notes Payment	0	0	8,048,493	0	0	0
Transfer to the Insurance Fund	2,900,000	3,520,000	3,203,000	3,250,000	3,100,000	3,250,000
Transfer to the Pension Fund	100,000	100,000	100,000	100,000	100,000	100,000
Transfers to Capital						
Bond Retirement Fund	14,753,950	17,327,062	17,353,787	19,181,632	21,302,402	21,375,801
Capital Improvement Fund	10,065,882	10,550,000	17,703,853	12,101,441	10,920,255	10,584,255
Total Transfers to Capital	24,819,832	27,877,062	35,057,640	31,283,073	32,222,656	31,960,056
Total Expenditures	267,771,943	270,034,702	263,978,958	260,507,652	262,591,196	264,439,601
Available Ending Balance	8,401,085	2,880,104	8,871,812	9,650,747	4,865,879	-565,390

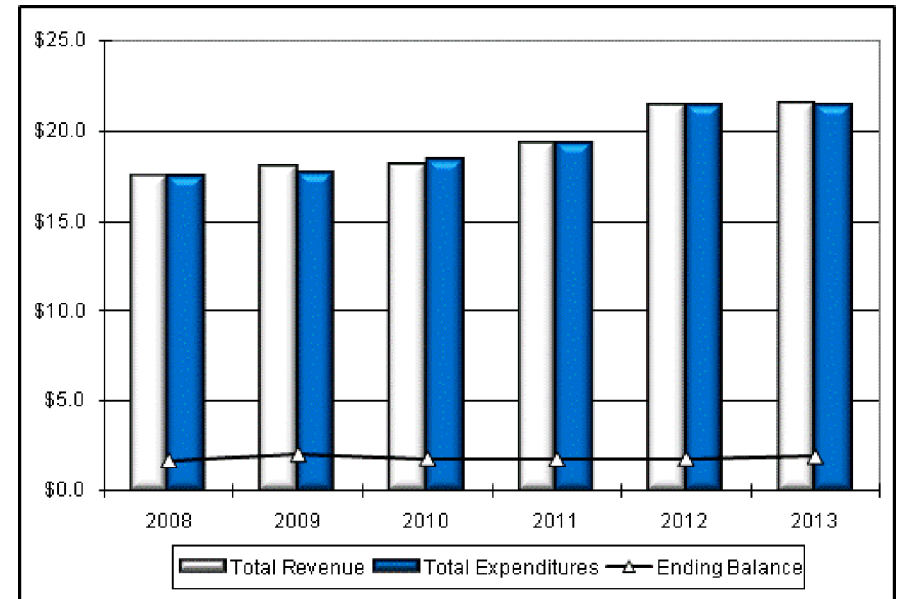
Fund Budgets

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 2010, the Authority has six General Obligation (G.O.) Bond Issues outstanding, totaling \$152.8 million and one State Infrastructure Bank (SIB) loan, totaling \$2.46 million. The policy of the Authority is to set aside resources transferred from the General Fund on a monthly basis to meet the current year's annual principal and semiannual interest payments. Under this system, the Bond Retirement Fund balance drops below one thousand dollars each December 1st.

In Figure FB-7, 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. Including \$25.0 million of additional debt planned in 2011, the Authority will retire \$11.8 million in principal and pay nearly \$7.47 million in interest on its current long-term debt and SIB loan.

Long-term debt for the Authority includes both debt and refunding debt sales from 1998 through 2008. These include a \$35.0 million issuance and \$27.4 million refunding issuance in 2008, a 2006 debt sale of \$38.5 million, \$67.2 million of debt issued in 2004, \$17.5 million of refunding debt issued from 2002, a \$20.9 million debt issued in 2001, a refunding debt issue of \$29 million and a debt issue of \$33 million both done in 1998. Also reflected in this fund is a 1998 SIB loan with an original amount of \$6.9 million. Required transfers from the General Fund to make these payments are reduced by interest earned in the Bond Retirement Fund. For the 2011 Budget, a transfer of \$19.2 million will be required from the General Fund to cover the current overall debt service of the Authority and the planned debt issuance of \$25.0 million by mid-2011.



	2008 Actual	2009 Actual	2010 Estimate	2011 Budget
Beginning Balance	\$1.7	\$1.7	\$2.1	\$1.8
Revenue	\$0.6	\$0.0	\$0.1	\$0.1
Fund Transfers	\$16.9	\$18.0	\$18.1	\$19.2
Total Revenue	\$17.5	\$18.0	\$18.2	\$19.3
Total Resources	\$19.2	\$19.8	\$20.2	\$21.1
Total Expenditures	\$17.5	\$17.7	\$18.4	\$19.3
Ending Balance	\$1.7	\$2.1	\$1.8	\$1.8

Figure FB-7: Bond Retirement Fund Balance Analysis (in millions)

Bond Retirement Fund Balance Analysis

	2007 Actual	2008 Actual	2009 Actual	2010 Estimate	2011 Budget	2012 Budget	2013 Budget
Beginning Balance	1,764,973	1,727,210	1,733,884	2,084,582	1,812,196	1,774,333	1,789,156
Revenue							
Transfer from General Fund	15,456,127	14,753,950	17,327,062	17,353,787	19,181,632	21,302,402	21,375,801
Transfer from RTA Development Fund	510,386	2,113,000	700,000	700,000	0	0	0
Investment Income	271,752	316,200	36,270	47,086	75,000	125,000	125,000
Other Revenue	2,404	326,277	0	4,462	0	0	0
Total Revenue	16,240,669	17,509,427	18,063,332	18,105,335	19,256,632	21,427,402	21,500,801
Total Resources	18,005,642	19,236,637	19,797,216	20,189,917	21,068,828	23,201,734	23,289,957
Expenditures							
Debt Service							
Principal	9,358,533	10,216,526	10,012,244	11,108,564	11,816,510	14,050,515	14,603,260
Interest	6,919,899	7,286,227	7,700,390	7,269,157	7,472,985	7,357,063	6,823,518
Other Expenditures	0	0	0	0	5,000	5,000	5,000
Total Expenditures	16,278,432	17,502,753	17,712,634	18,377,721	19,294,495	21,412,578	21,431,778
Ending Balance	1,727,210	1,733,884	2,084,582	1,812,196	1,774,333	1,789,156	1,858,179

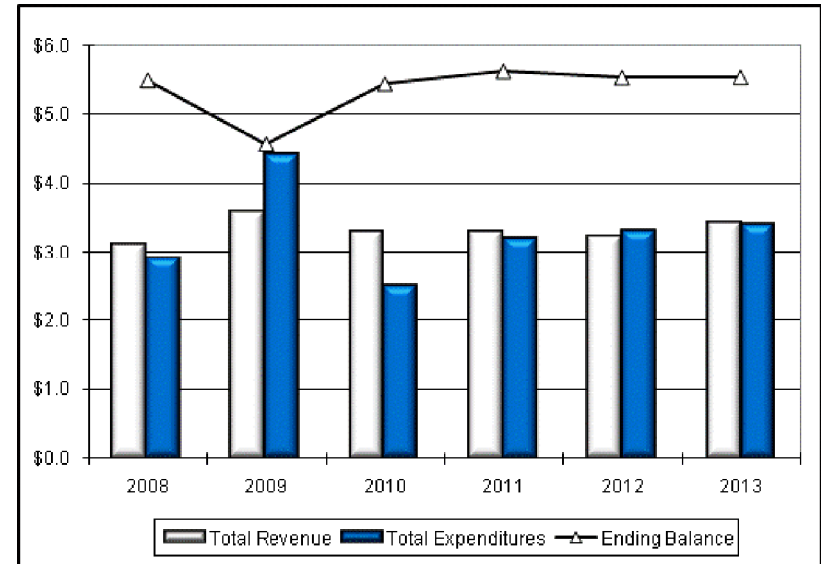
Fund Budgets

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. 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. The minimum balance in the Insurance Fund decreased from \$7.5 to \$5.0 million in 2005 and has remained until 2009. In 2009, it was necessary to allow the balance to fall to \$4.6 million for cash flow purposes. The fund balance was increased again to \$5.0 million in 2010 and will remain at that level from 2011 through 2013.

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, 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.

In 2010, a transfer from the General Fund of \$3.2 million was needed to increase the balance back to \$5.0 million. The 2011 budget will require a transfer of \$3.25 million to maintain this balance. In 2012 and 2013, transfers of \$3.1 million and \$3.25 million will be needed to maintain the required minimum balance.



	2008 Actual	2009 Actual	2010 Estimate	2011 Budget
Beginning Balance	\$5.3	\$5.4	\$4.6	\$5.4
Investment Income	\$0.2	\$0.1	\$0.1	\$0.1
Transfers	\$2.9	\$3.5	\$3.2	\$3.2
Total Revenue	\$3.1	\$3.6	\$3.3	\$3.3
Total Resources	\$8.4	\$9.0	\$7.9	\$8.8
Claims & Premium Outlay	\$2.9	\$4.4	\$2.5	\$3.2
Total Expenditures	\$2.9	\$4.4	\$2.5	\$3.2
Ending Balance	\$5.5	\$4.6	\$5.4	\$5.6

Figure FB-8: Insurance Fund Balance Analysis (in millions)

Insurance Fund Balance Analysis

	2007 Actual	2008 Actual	2009 Actual	2010 Estimate	2011 Budget	2012 Budget	2013 Budget
Beginning Balance	5,167,010	5,264,655	5,432,199	4,634,855	5,450,958	5,560,958	5,508,708
Revenue							
Investment Income	316,340	167,544	75,515	72,778	85,000	105,000	110,000
Transfer from General Fund	1,200,000	2,900,000	3,520,000	3,203,000	3,250,000	3,100,000	3,250,000
Total Revenue	1,516,340	3,067,544	3,595,515	3,275,778	3,335,000	3,205,000	3,360,000
Total Resources	6,683,350	8,332,199	9,027,714	7,910,633	8,785,958	8,765,958	8,868,708
Expenditures							
Claims and Premium Outlay	1,418,695	2,900,000	4,392,859	2,459,675	3,225,000	3,257,250	3,354,968
Total Expenditures	1,418,695	2,900,000	4,392,859	2,459,675	3,225,000	3,257,250	3,354,968
Ending Balance	5,264,655	5,432,199	4,634,855	5,450,958	5,560,958	5,508,708	5,513,740

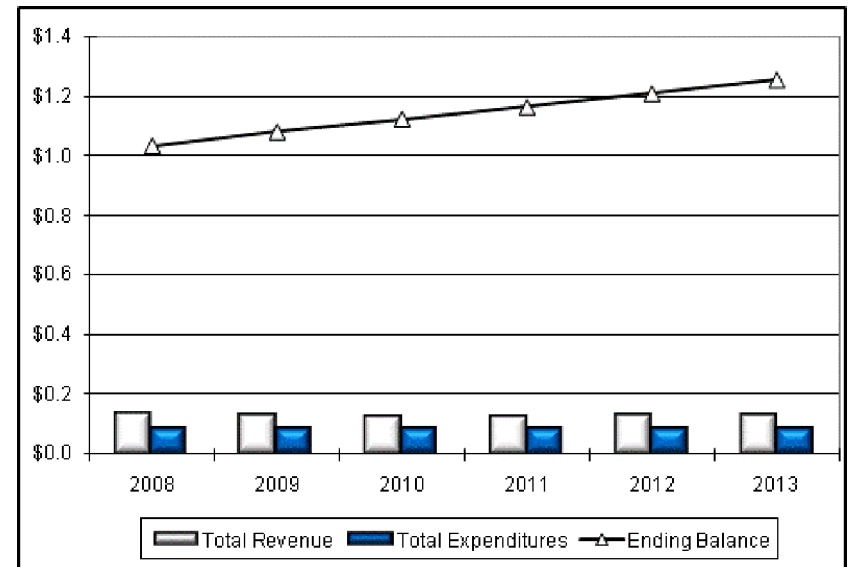
Fund Budgets

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.

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 2011, 2012, and 2013, 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 2011, payments will be approximately \$82,500, decreasing to \$81,500 in 2012 and \$80,500 in 2013. The ending balance in the fund is projected to be stable at nearly \$1.0 million over the next three years.



	2008 Actual	2009 Actual	2010 Estimate	2011 Budget
Beginning Balance	\$1.0	\$1.0	\$1.1	\$1.1
Total Revenue	\$0.1	\$0.1	\$0.1	\$0.1
Total Resources	\$1.1	\$1.2	\$1.2	\$1.2
Total Expenditures	\$0.1	\$0.1	\$0.1	\$0.1
Ending Balance	\$1.0	\$1.1	\$1.1	\$1.2

Figure FB-9: Supplemental Pension Fund Balance Analysis (in millions)

Supplemental Pension Fund Balance Analysis

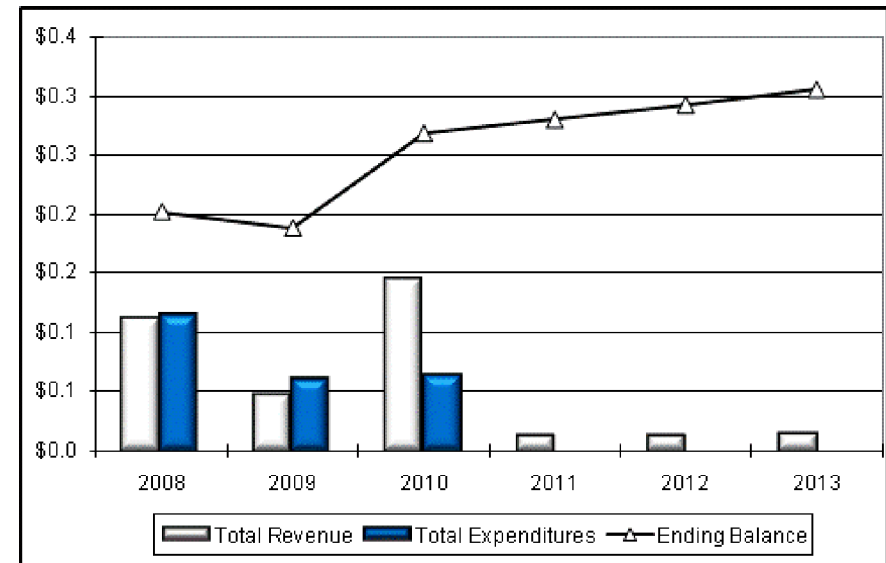
	2007	2008	2009	2010	2011	2012	2013
	Actual	Actual	Actual	Estimate	Budget	Budget	Budget
Beginning Balance	933,358	983,292	1,036,017	1,083,091	1,124,897	1,165,397	1,209,397
Revenue							
Investment Income	42,900	34,609	28,441	22,505	23,000	25,500	26,500
Transfer from General Fund	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Total Revenue	142,900	134,609	128,441	122,505	123,000	125,500	126,500
Total Resources	1,076,258	1,117,901	1,164,458	1,205,596	1,247,897	1,290,897	1,335,897
Expenditures							
Benefit Payments	92,966	81,884	81,366	80,699	82,500	81,500	80,500
Other Expenditures	0	0	0	0	0	0	0
Total Expenditures	92,966	81,884	81,366	80,699	82,500	81,500	80,500
Ending Balance	983,292	1,036,017	1,083,091	1,124,897	1,165,397	1,209,397	1,255,397

Fund Budgets

Law Enforcement Fund

In 1988, RTA became involved with the multi-jurisdictional Caribbean/Gang Task Force. RTA'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 to \$60,318 in 2009, and \$62,531 in 2010, depending upon the levels of revenue obtained through the Task Force. These expenditures funded security items, protective equipment, and technical training equipment. At present, no expenditures are assumed in 2011, 2012 or in 2013.



	2008 Actual	2009 Actual	2010 Estimate	2011 Budget
Beginning Balance	\$0.2	\$0.2	\$0.2	\$0.3
Total Revenue	\$0.1	\$0.0	\$0.1	\$0.0
Total Resources	\$0.3	\$0.2	\$0.3	\$0.3
Total Expenditures	\$0.1	\$0.1	\$0.1	\$0.0
Ending Balance	\$0.2	\$0.2	\$0.3	\$0.3

Figure FB-10: Law Enforcement Fund Balance Analysis (in millions)

Law Enforcement Fund Balance Analysis

	2007 Actual	2008 Actual	2009 Actual	2010 Estimate	2011 Budget	2012 Budget	2013 Budget
Beginning Balance	204,509	204,126	172,193	152,517	232,924	244,374	256,974
Revenue							
Law Enforcement Revenue	99,046	14,400	11,280	15,000	11,000	12,000	12,000
Investment Income	11,784	4,505	425	197	450	600	950
Other Revenue	0	61,991	28,937	127,741	0	0	
Total Revenue	110,830	80,896	40,642	142,938	11,450	12,600	12,950
Total Resources	315,339	285,022	212,835	295,455	244,374	256,974	269,924
Expenditures							
Capital & Related Items	111,213	112,829	60,318	62,531	0	0	0
Total Expenditures	111,213	112,829	60,318	62,531	0	0	0
Ending Balance	204,126	172,193	152,517	232,924	244,374	256,974	269,924

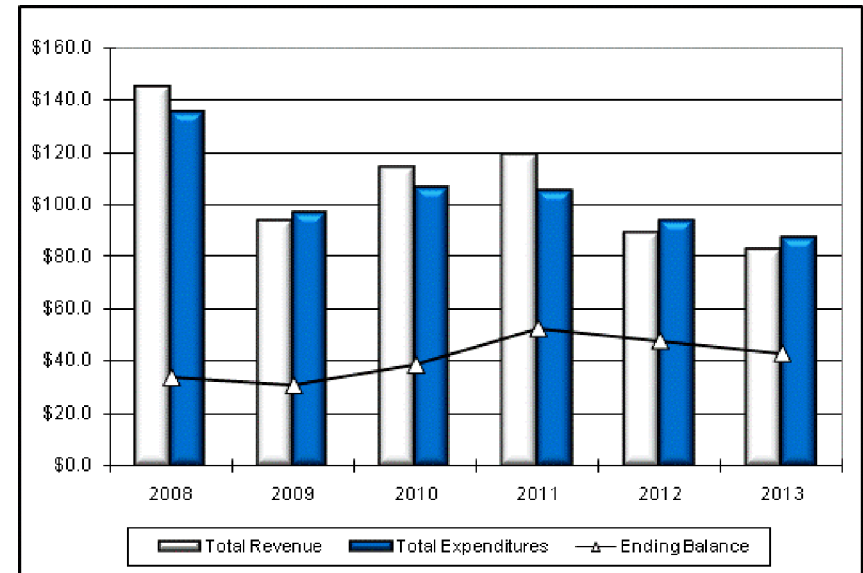
Fund Budgets

Capital Improvement Fund

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.

These projects are included in one of two funds: the RTA Development Fund which includes the majority of the larger projects, including rehabilitations, expansions and large equipment purchases, and the RTA Capital Fund, a smaller fund for more routine expenditures that support daily operational activities. Generally, projects in the RTA Development Fund are greater than \$150,000, have a useful life of greater than five years, and are predominantly, although not exclusively, supported through grants. Projects from the Authority's Long Range Plan are included in this area. Grant projects include those where grant funding already has been approved or will be submitted for approval in future years. The 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.



	2008 Actual	2009 Actual	2010 Estimate	2011 Budget
Beginning Balance	\$24.2	\$33.8	\$30.7	\$38.6
Total Revenue	\$144.6	\$93.6	\$114.2	\$119.0
Total Resources	\$168.8	\$127.4	\$144.9	\$157.6
Total Expenditures	\$135.1	\$96.7	\$106.3	\$105.1
Ending Balance	\$33.8	\$30.7	\$38.6	\$52.5

Figure FB-11: Capital Improvement Fund Balance Analysis (in millions)

Fund Budgets

Capital Improvement Fund

Capital Improvement Fund Balance Analysis, cont.

Detailed discussions of the fund balances in these funds are presented in the Capital Improvement Plan. Figure FB-11 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 increased in 2007 due to a \$25.0 million capital lease for revenue collection equipment and again in 2008 due to the infusion of funds from a \$35.0 million debt issuance. The balance declined in 2009, primarily due to the lateness of receipt of the Federal Capital Grants, and then increased in 2010 due to the timing of the grant awards that delayed project activities until FY 2011. The balance in 2011 is expected to increase due to the next planned debt issuance of the Authority, then decrease again in 2012 and 2013.

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 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 projects were drawn against, as part of a planned drawdown of the fund balance. Beginning in 2008, the capital budget process stressed the need to balance the 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 will likely require continued high levels of local financial support. In 2011, the Capital Budget request totals \$95.05 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, will be used to fulfill the Local Match requirement on grant funded projects as well as for 100% locally funded projects. The 2011 Contribution to Capital from the General Fund is budgeted at \$12.1 million and is expected to slightly decrease in 2012 to \$10.9 million and to \$10.6 million in 2013. Efforts continue relative to securing additional federal and state resources, tapping into the increased funding flexibility provided under the newly adopted Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU), and becoming more creative with the use of debt and other financing.

Fund Budgets

Capital Improvement Fund

Capital Improvement Fund Revenue

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, including funding from 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.

Transfers from General Fund revenue to the RTA Capital Fund have grown in recent years as demands from the on-going capital program increased the need for local funds. As the growth rate in revenue from the Sales & Use Tax stagnated and decreased, transfers have

risen \$6.8 million in 2007, to \$10.1 million in 2008, to \$10.6 million in 2009, and to an estimated \$17.7 million in 2010.

For the 2011 Budget Year, the Transfer from the General Fund will decrease to a planned \$12.1 million, to meet the needs of the capital program, but remains at a high level. This amount, when combined with an expected \$19.2 million transfer to the Bond Retirement Fund will produce a total contribution of Sales & Use Tax revenue to capital of 19.1%, exceeding the maximum goal of 15%.

In 2012 and 2013, contributions will again exceed the maximum goal at 19.3% and 18.8% respectively due to the cost of the Authority's long-range Capital Plan. The expected growth in the contribution to capital, as well as it remaining well above the maximum goal of 15.0, highlights the growing 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 decrease in revenue from the Sales & Use Tax.

Capital Improvement Fund Balance Analysis

	2007 Actual	2008 Actual	2009 Actual	2010 Estimate	2011 Budget	2012 Budget	2013 Budget
Beginning Balance	21,684,192	24,211,812	33,755,518	30,706,082	38,566,307	52,458,348	47,784,897
Revenue							
Transfer from General Fund	6,825,687	10,065,882	10,550,000	17,703,853	12,101,441	10,920,255	10,584,255
Investment Income	940,802	1,737,653	272,360	261,705	352,500	379,500	404,500
Federal Capital Grants	74,319,702	86,109,609	65,807,459	65,106,807	66,994,100	70,699,040	63,981,780
ARRA Federal Capital Grants	0	0	7,840,623	28,823,088	7,284,988	0	0
State Capital Grants	8,532,391	9,370,685	9,162,154	1,807,284	6,776,795	6,776,795	6,776,795
General Obligation Debt Proceeds	0	35,472,559	0	0	25,000,000	0	0
Capital Lease	25,000,000	0	0	0	0	0	0
Other Revenue	2,810,906	1,837,731	0	500,008	500,000	500,000	500,000
Total Revenue	118,429,488	144,594,119	93,632,596	114,202,744	119,009,823	89,275,589	82,247,330
Total Resources	140,113,680	168,805,931	127,388,114	144,908,826	157,576,130	141,733,937	130,032,227
Expenditures							
Capital Outlay	113,391,482	132,464,854	95,982,032	105,642,519	105,117,783	93,949,040	87,059,040
Other Expenditures	2,000,000	472,559	0	0	0	0	0
Transfer to Bond Retirement Fund	510,386	2,113,000	700,000	700,000	0	0	0
Total Expenditures	115,901,868	135,050,413	96,682,032	106,342,519	105,117,783	93,949,040	87,059,040
Available Ending Balance	24,211,812	33,755,518	30,706,082	38,566,307	52,458,348	47,784,897	42,973,188

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2011 Department Budgets

Authority-Wide Organizational Chart	DB - 3
Expenditures by Division	DB - 4
Staffing by Division	DB - 6
Department Budgets	
Operations Division	DB - 9
Finance & Administration Division	DB - 53
Engineering & Project Management Division	DB - 77
Legal Affairs Division	DB - 91
Human Resources Division	DB - 105
Executive Division	DB - 119

DEPARTMENT BUDGETS

What You Will Find In The Department Budget Section

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 2010 are highlighted, in addition to priorities for the upcoming 2011 Budget Year.

Historical expenditure information for the last three years is presented for each department within the division. Budget information appears for the current year, and estimates of future expenditures are provided for the next two years. A graph shows the distribution of expenditures among the departments within the division. Then, the Division Staffing summary is provided for the current year and two prior years.

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

POSITION TITLE JOB CLASS (# OF POSITIONS)
--

A solid box indicates that the position is budgeted in 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 reflects reporting of one position to another. A dotted line reflects reporting of one position to two or more other positions.

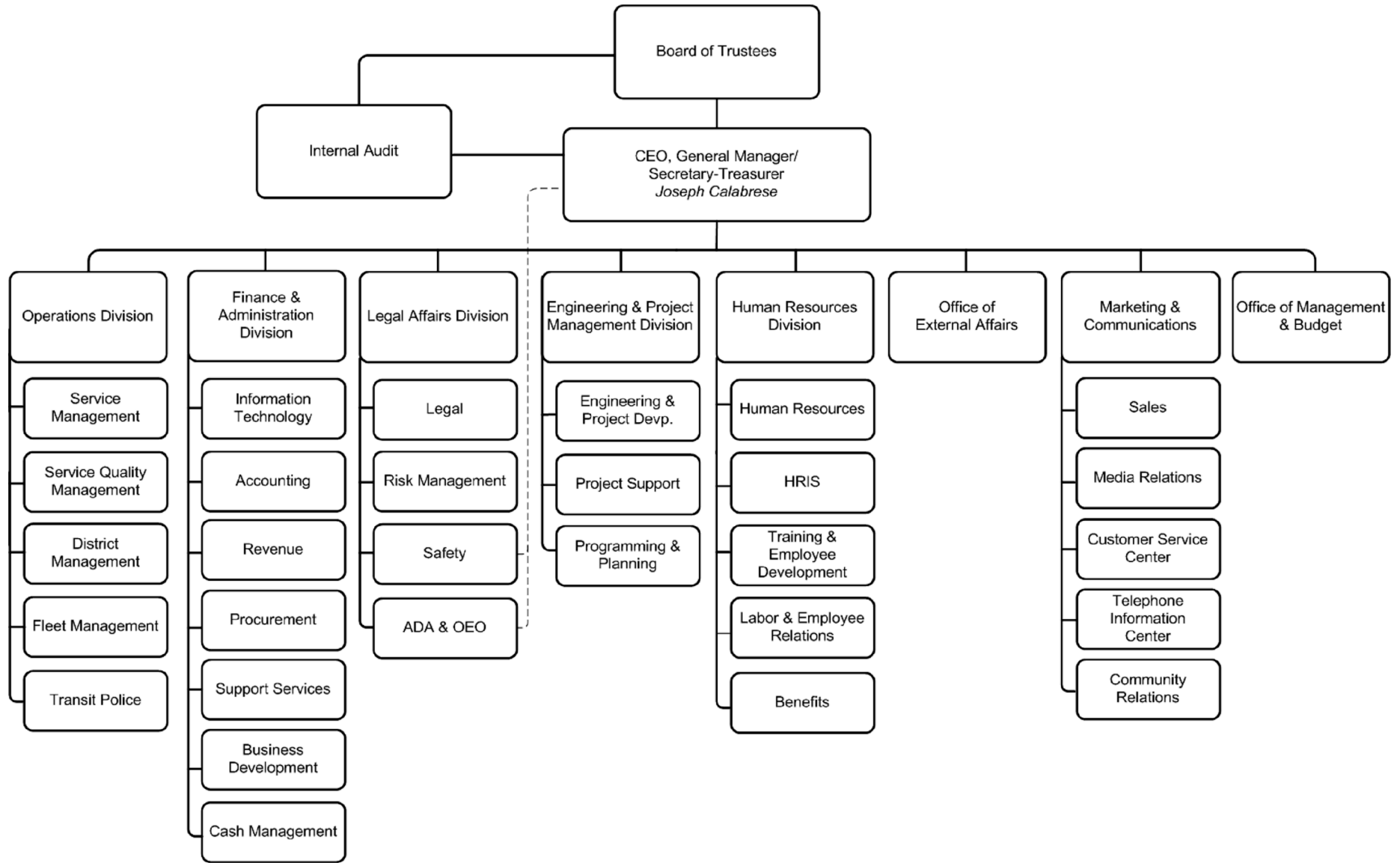
DEPARTMENT BUDGETS

What You Will Find In The Department Budget Section

The organizational charts and budgeted positions shown in the 2011 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 2011 Operating Budget represent the completion of the district management reorganization. During that implementation, a number of operational departments underwent name and/or structural changes or were combined with other departments. These types of changes may also have occurred as a result of re-engineering efforts. In addition to structural changes, a number of positions may have changed in scope, title, and/or function to reflect new responsibilities.

GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY



Organizational chart depicting company functions.

DEPARTMENT BUDGETS

General Fund Expenditures by Division

DIV: 1 - OPERATIONS							
DEPT #	DESCRIPTION	2008 Actual	2009 Actual	2010 Estimate	2011 Budget	2012 Budget	2013 Budget
31	PARATRANSIT DISTRICT	14,530,318.48	15,957,726.78	16,247,204.65	17,530,479.00	17,729,384.67	17,876,342.98
32	RAIL DISTRICT	33,371,509.21	33,071,348.74	31,092,143.46	33,093,514.00	32,980,439.69	33,251,864.45
34	TRANSIT POLICE	8,591,971.53	9,927,561.11	10,640,159.32	11,071,517.00	11,119,231.84	11,251,136.15
35	SERVICE MANAGEMENT	11,203,009.23	11,785,384.52	11,839,995.33	8,223,485.00	8,256,166.84	8,305,837.16
38	SERVICE QUALITY MANAGEMENT	5,108,110.71	5,867,512.51	5,698,436.37	5,862,630.00	5,890,618.15	5,952,499.95
39	FLEET MANAGEMENT	46,307,274.05	41,524,984.64	32,105,972.01	36,734,187.00	37,065,450.79	37,375,032.81
43	SATELLITES AND PASS THRU	246,439.49	231,509.94	275,000.00	280,500.00	280,500.00	280,500.00
46	HAYDEN DISTRICT	27,724,756.49	29,309,425.31	32,822,793.20	42,514,814.00	42,859,820.63	43,294,113.42
47	HARVARD DISTRICT	28,134,886.34	29,276,122.79	17,200,251.20	0.00	0.00	0.00
49	TRISKETT DISTRICT	29,545,582.78	27,500,388.36	24,246,313.49	29,820,725.00	30,058,582.93	30,361,408.82
DIVISION TOTALS		204,763,858.31	204,451,964.70	182,168,269.03	185,131,851.00	186,240,195.52	187,948,735.73

DIV: 2 - FINANCE AND ADMINISTRATION							
DEPT #	DESCRIPTION	2008 Actual	2009 Actual	2010 Estimate	2011 Budget	2012 Budget	2013 Budget
10	OFFICE OF BUSINESS DEVELOPMENT	430,505.67	393,147.14	324,871.96	373,472.00	374,008.86	376,387.95
60	ACCOUNTING	1,523,537.00	1,603,658.42	1,635,059.05	1,702,112.00	1,710,245.81	1,718,420.29
61	INFORMATION SYSTEMS	4,103,735.10	3,588,266.88	3,992,491.51	4,298,332.00	4,404,499.70	4,514,665.24
62	SUPPORT SERVICES	1,275,267.67	1,046,180.19	874,707.81	955,497.00	991,817.42	995,489.28
64	PROCUREMENT	1,890,396.76	1,654,540.48	1,559,334.98	1,654,960.00	1,659,809.80	1,670,222.90
65	REVENUE	2,266,683.03	2,346,067.05	2,140,877.34	2,202,251.00	2,262,049.01	2,275,713.00
DIVISION TOTALS		11,490,125.23	10,631,860.16	10,527,342.65	11,186,624.00	11,402,430.59	11,550,898.66

DIV: 3 - ENGINEERING & PROJECT MANAGEMENT							
DEPT #	DESCRIPTION	2008 Actual	2009 Actual	2010 Estimate	2011 Budget	2012 Budget	2013 Budget
09	EUCLID CORRIDOR TRANSP. PROJECT	940,584.64	307,199.90	0.00	0.00	0.00	0.00
55	PROJECT SUPPORT	0.00	321,541.25	552,070.88	534,351.00	536,853.26	537,629.37
57	PROGRAMMING & PLANNING	1,012,191.45	841,289.81	790,102.80	753,620.00	755,795.98	756,435.13
80	ENGINEERING & PROJECT DEVELOPMENT	1,649,024.64	1,345,565.48	1,258,346.56	1,402,575.00	1,404,592.88	1,406,620.84
DIVISION TOTALS		3,601,800.73	2,815,596.44	2,600,520.24	2,690,546.00	2,697,242.11	2,700,685.34

DEPARTMENT BUDGETS

General Fund Expenditures by Division

DIV: 4 - LEGAL AFFAIRS							
DEPT #	DESCRIPTION	2008 Actual	2009 Actual	2010 Estimate	2011 Budget	2012 Budget	2013 Budget
15	SAFETY	728,281.41	794,059.59	673,463.41	830,669.00	841,202.35	846,294.37
21	LEGAL	1,483,289.25	1,336,796.79	1,484,849.92	1,564,192.00	1,571,132.96	1,584,434.29
22	RISK MANAGEMENT	7,456,843.99	7,508,627.84	7,554,096.33	7,897,522.00	7,617,237.99	7,623,790.57
DIVISION TOTALS		9,668,414.65	9,639,484.22	9,712,409.66	10,292,383.00	10,029,573.29	10,054,519.23

DIV: 5 - HUMAN RESOURCES							
DEPT #	DESCRIPTION	2008 Actual	2009 Actual	2010 Estimate	2011 Budget	2012 Budget	2013 Budget
14	HUMAN RESOURCES	1,052,601.66	938,471.37	1,048,296.87	981,426.00	1,089,445.88	1,097,525.84
18	LABOR & EMPLOYEE RELATIONS	849,927.45	1,061,317.42	2,285,668.42	1,588,025.00	1,607,685.75	1,612,213.86
30	TRAINING & EMPLOYEE DEVELOPMENT	2,054,053.72	2,117,260.49	2,080,988.30	2,213,450.00	2,233,337.00	2,253,422.87
DIVISION TOTALS		3,956,582.83	4,117,049.28	5,414,953.59	4,782,901.00	4,930,468.63	4,963,162.57

DIV: 6 - EXECUTIVE							
DEPT #	DESCRIPTION	2008 Actual	2009 Actual	2010 Estimate	2011 Budget	2012 Budget	2013 Budget
12	EXECUTIVE	2,047,611.54	1,925,824.38	2,073,951.92	2,012,242.00	2,042,043.71	2,060,173.15
16	SECRETARY/TREAS. - BOARD OF TRUSTEES	291,047.73	276,546.92	339,682.37	380,893.00	381,082.97	382,603.39
19	INTERNAL AUDIT	588,892.84	613,141.61	639,560.42	665,946.00	672,860.73	679,129.34
53	MARKETING & COMMUNICATIONS	3,133,286.95	3,158,400.20	3,047,592.03	3,025,675.00	3,056,975.88	3,067,328.25
67	OFFICE OF MANAGEMENT & BUDGET	908,885.61	907,772.68	1,001,864.64	5,705,518.00	5,715,664.59	5,722,308.12
99	FUND TRANSFERS	27,819,832.00	31,497,161.50	46,409,133.00	34,633,073.00	35,422,657.00	35,310,056.00
DIVISION TOTALS		34,789,556.67	38,378,847.29	53,511,784.38	46,423,347.00	47,291,284.87	47,221,598.25

DEPARTMENT BUDGETS

Staffing by Division

	2008	2009	2010	2011	Variance 2011 - 2010
OPERATIONS					
PARATRANSIT DISTRICT	175	182	182	180	(2)
RAIL DISTRICT	415	385	383	362	(21)
TRANSIT POLICE	151	153	148	148	0
SERVICE MANAGEMENT	126	65	64	68	4
SERVICE QUALITY MANAGEMENT	0	67	67	67	0
FLEET MANAGEMENT	182	177	174	174	0
HAYDEN DISTRICT	425	417	411	579	168
HARVARD DISTRICT	458	447	441	0	(441)
TRISKETT DISTRICT	462	412	336	394	58
TOTALS	2,394	2,305	2,206	1,972	(234)
FINANCE & ADMINISTRATION					
OFFICE OF BUSINESS DEVELOPMENT	5	5	4	4	0
ACCOUNTING	23	22	22	22	0
INFORMATION TECHNOLOGY	24	23	23	23	0
SUPPORT SERVICES	10	8	8	7	(1)
PROCUREMENT	22	20	18	16	(2)
REVENUE	25	20	20	18	(2)
TOTALS	109	98	95	90	(5)
ENGINEERING & PROJECT MANAGEMENT					
EUCLID CORRIDOR TRANSPORTATION PROJECT	11	2	0	0	0
PROJECT SUPPORT	0	0	7	6	(1)
PROGRAMMING & PLANNING	6	6	4	4	0
ENGINEERING & PROJECT DEVELOPMENT	18	16	13	13	0
TOTALS	35	24	24	23	(1)

DEPARTMENT BUDGETS

Staffing by Division

	2008	2009	2010	2011	Variance 2011 - 2010
LEGAL AFFAIRS					
SAFETY	6	6	6	6	0
LEGAL	15	15	15	14	(1)
RISK MANAGEMENT	19	18	17	16	(1)
TOTALS	40	39	38	36	(2)
HUMAN RESOURCES					
HUMAN RESOURCES	10	13	15	12	(3)
LABOR & EMPLOYEE RELATIONS	6	5	6	5	(1)
TRAINING & EMPLOYEE DEVELOPMENT	25	23	24	25	1
TOTALS	41	41	45	42	(3)
EXECUTIVE					
EXECUTIVE	13	13	12	14	2
SECRETARY/TREASURER - BOARD OF TRUSTEES	11	11	11	11	0
INTERNAL AUDIT	7	7	7	7	0
MARKETING & COMMUNICATIONS	33	30	29	27	(2)
OFFICE OF MANAGEMENT & BUDGET	10	9	10	10	0
TOTALS	74	70	69	69	0
GRAND TOTAL	2,693	2,577	2,477	2,232	(245)

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2011 Department Budgets

Operations Division

Division Summary	DB - 9
Paratransit District	DB - 13
Rail District	DB - 17
Transit Police	DB - 23
Service Management	DB - 27
Service Quality Management	DB - 32
Fleet Management	DB - 36
Pass-Thrus	DB - 41
Hayden District	DB - 43
Harvard District	DB - 47
Triskett District	DB - 49

DIVISION SUMMARY

OPERATIONS DIVISION

Michael York, Deputy General Manager

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.

General Description

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.

2010 Achievements

- Continued to realize significant cost savings and productivity improvements through participation in TransitStat program.
- Implemented two new community based "shopper" services in Lakewood/Cleveland and West Park.
- Continued in-house rehabilitation of Heavy Rail Vehicles.
- Continued Proof-of-Payment (POP) fare collection and enforcement on Health Line and Red Line Rail service.
- Continued to aggressively encourage Paratransit customers to use the Trapeze Web Access for scheduling service.
- Participated in and supported the Authority's hosting of the successful 2010 APTA Bus Conference and Rodeo.
- Efforts to instill a Safety Culture orientation resulted in improvements in chargeable accidents and a reduction in on-the-job injuries.
- Implemented a major service reduction (12%) in April, and numerous schedule adjustments were made with the summer, fall and winter service changes.
- Restored service on Clark Ave. and E. 116th Street in December with the winter service change.
- Rerouted downtown bus routes in the vicinity of Cleveland State University to layover/stage at the new Stephanie Tubbs Jones Transit Center.
- Implemented the "Talking Bus" (Pedestrian Avoidance System) program.
- Implemented laptop computers with TransitMaster access in all Service Quality supervisory vehicles to enhance supervisor interaction with operators.
- Implemented a Commuter Alert program that allows commuters to receive e-mail and text notifications about delays and other service issues.
- Continued to focus on improving customer communications and service delivery.
- Continued Transit Police participation in the Northern Ohio Drug Task Force and the Joint Terrorism Task Force.
- Modified Transit Police's mutual aid agreement with the City of Cleveland to grant Transit Police additional law enforcement authority on Euclid Corridor sidewalks.

DIVISION SUMMARY

OPERATIONS DIVISION

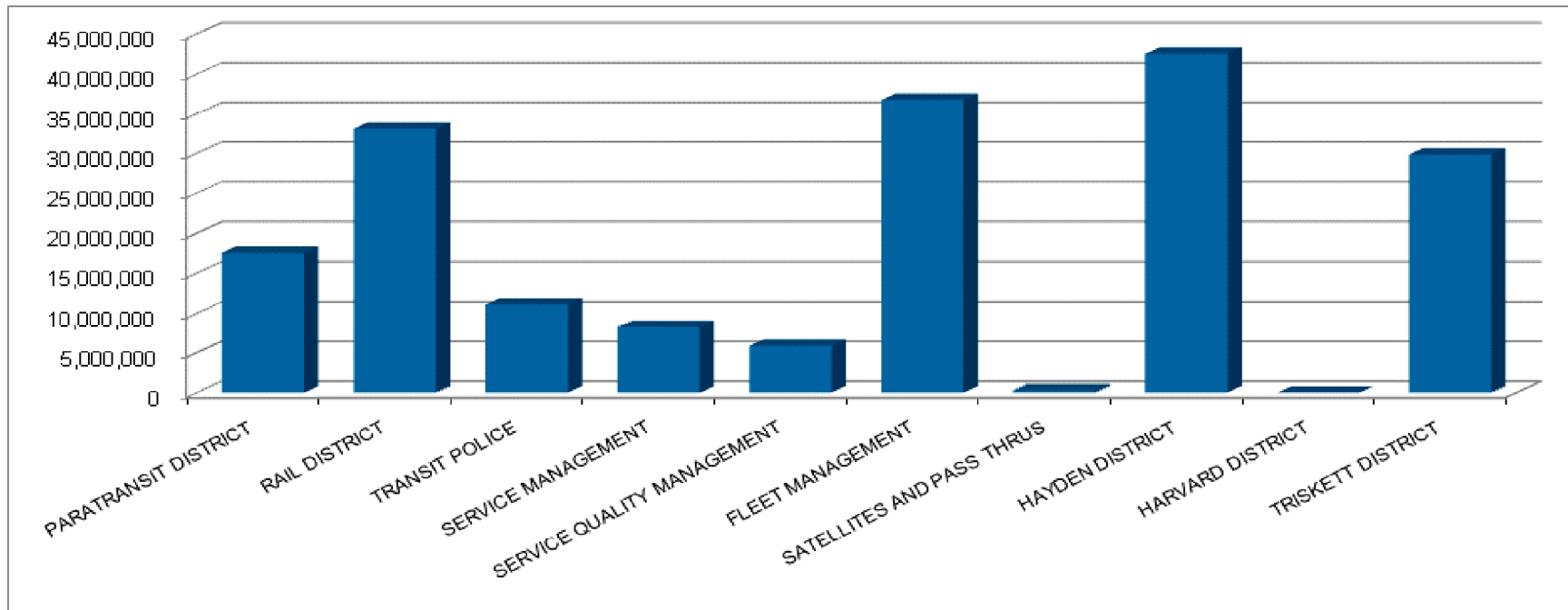
Michael York, Deputy General Manager

2011 Priorities

- Continue to improve the cost-effectiveness and efficiency of service delivery.
- Continue priority focus on improving customer communications and service delivery.
- Continue to aggressively support all safety initiatives to instill a safety culture throughout the Authority.
- Implement new services with \$2.2 million Next Generation grant funding.
- Implement Paratransit taxi service pilot with American Logistics Company.
- Begin implementation of the APTA 10-Hour Rest Guideline for bus, paratransit and rail operators (operators must have a minimum of 10 hours between work assignments within a 24 hour period).
- Acquire TransitMaster software to electronically provide real-time service information to customers.
- Utilize TransitMaster software to monitor schedule adherence on a real-time basis with immediate operator follow-up and correction.
- Upgrade CITME/Ultramain software.
- Continue to refine RTA's system security and emergency preparedness and operations plans.
- Continue to support and participate in the TransitStat program to reduce costs and improve the Authority's business practices and services.
- Continue Proof-of-Payment (POP) fare enforcement on Health Line and Heavy Rail (Red Line).
- Participate in contract negotiations with the ATU and FOP.
- Aggressively enforce energy conservation and sustainability initiatives.
- Continue the in-house rehabilitation of 40 Heavy Rail Vehicles (HRVs).
- Install doors with safety sensitive edges on 34 Light Rail Vehicles (LRVs).
- Continue efforts to reduce crime on RTA vehicles and at RTA facilities.
- Resolve Siemens radio contract issues.
- Implement the Youth Violation Fare process.
- Replace/upgrade operator dispatch system (MIDAS replacement).
- Continue establishment of standards/guidelines for measuring maintenance performance.
- Continue rail infrastructure rehabilitation.

2011 OPERATING BUDGET SUMMARY

Division 1 - Operations



DIV: 1 - OPERATIONS							
DEPT #	DESCRIPTION	2008 Actual	2009 Actual	2010 Estimate	2011 Budget	2012 Budget	2013 Budget
31	PARATRANSIT DISTRICT	14,530,318.48	15,957,726.78	16,247,204.65	17,530,479.00	17,729,384.67	17,876,342.98
32	RAIL DISTRICT	33,371,509.21	33,071,348.74	31,092,143.46	33,093,514.00	32,980,439.69	33,251,864.45
34	TRANSIT POLICE	8,591,971.53	9,927,561.11	10,640,159.32	11,071,517.00	11,119,231.84	11,251,136.15
35	SERVICE MANAGEMENT	11,203,009.23	11,785,384.52	11,839,995.33	8,223,485.00	8,256,166.84	8,305,837.16
38	SERVICE QUALITY MANAGEMENT	5,108,110.71	5,867,512.51	5,698,436.37	5,862,630.00	5,890,618.15	5,952,499.95
39	FLEET MANAGEMENT	46,307,274.05	41,524,984.64	32,105,972.01	36,734,187.00	37,065,450.79	37,375,032.81
43	SATELLITES AND PASS THRUS	246,439.49	231,509.94	275,000.00	280,500.00	280,500.00	280,500.00
46	HAYDEN DISTRICT	27,724,756.49	29,309,425.31	32,822,793.20	42,514,814.00	42,859,820.63	43,294,113.42
47	HARVARD DISTRICT	28,134,886.34	29,276,122.79	17,200,251.20	0.00	0.00	0.00
49	TRISKETT DISTRICT	29,545,582.78	27,500,388.36	24,246,313.49	29,820,725.00	30,058,582.93	30,361,408.82
DIVISION TOTALS		204,763,858.31	204,451,964.70	182,168,269.03	185,131,851.00	186,240,195.52	187,948,735.73

DIVISION STAFFING SUMMARY

	2008	2009	2010	2011	Variance 2011 - 2010
OPERATIONS					
PARATRANSIT DISTRICT	175	182	182	180	(2)
RAIL DISTRICT	415	385	383	363	(20)
TRANSIT POLICE	151	153	148	148	0
SERVICE MANAGEMENT	126	65	64	68	4
SERVICE QUALITY MANAGEMENT	0	67	67	67	0
FLEET MANAGEMENT	182	177	174	174	0
HAYDEN DISTRICT	425	417	411	576	165
HARVARD DISTRICT	458	447	441	0	(441)
TRISKETT DISTRICT	462	412	336	395	59
TOTALS	2,394	2,305	2,206	1,971	(235)

2011 OPERATING BUDGET SUMMARY

Department 31 – Paratransit District

MICHAEL HARGROVE, DISTRICT DIRECTOR

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.

OBJECT CLASS	DESCRIPTION	2008 Actual	2009 Actual	2010 Actual	2011 Budget
501100	BUS OPERATOR'S LABOR	4,458,600.92	4,979,235.40	5,050,452.95	5,096,000.00
501110	OVERTIME - BUS OPERATORS	639,051.32	428,929.79	540,638.96	475,000.00
501200	HOURLY EMPLOYEES PAYROLL	2,239,736.00	2,428,670.54	2,304,248.43	2,470,000.00
501210	OVERTIME - HOURLY EMPLOYEES	201,936.83	234,920.28	146,559.26	195,000.00
501300	LABOR - SALARIED EMPLOYEES	898,597.92	907,056.78	888,313.13	877,925.00
501310	OVERTIME - SALARIED EMPLOYEES	26,797.04	24,956.53	23,545.70	18,000.00
502000	FRINGE BENEFITS	2,793,137.91	3,171,642.72	3,607,192.00	3,771,208.00
502071	W. C. - INJURIES & DAMAGES	2,616.52	2,472.85	2,580.21	0.00
503111	SERVICES	73,182.28	81,245.55	175,913.64	186,800.00
504111	MATERIAL & SUPPLIES	258,309.06	198,905.03	75,607.74	410,000.00
508020	PURCHASED TRANSPORTATION - SUBURBAN	2,934,765.07	3,494,800.00	3,426,880.73	4,019,678.00
508027	PURCHASED TRANSPORTATION - TAXI	(2,000.00)	0.00	0.00	0.00
509111	MISCELLANEOUS EXPENSES	4,310.20	3,391.31	3,675.77	8,310.00
512111	LEASES & RENTALS	1,277.41	1,500.00	1,596.13	2,558.00
DEPT TOTAL		14,530,318.48	15,957,726.78	16,247,204.65	17,530,479.00

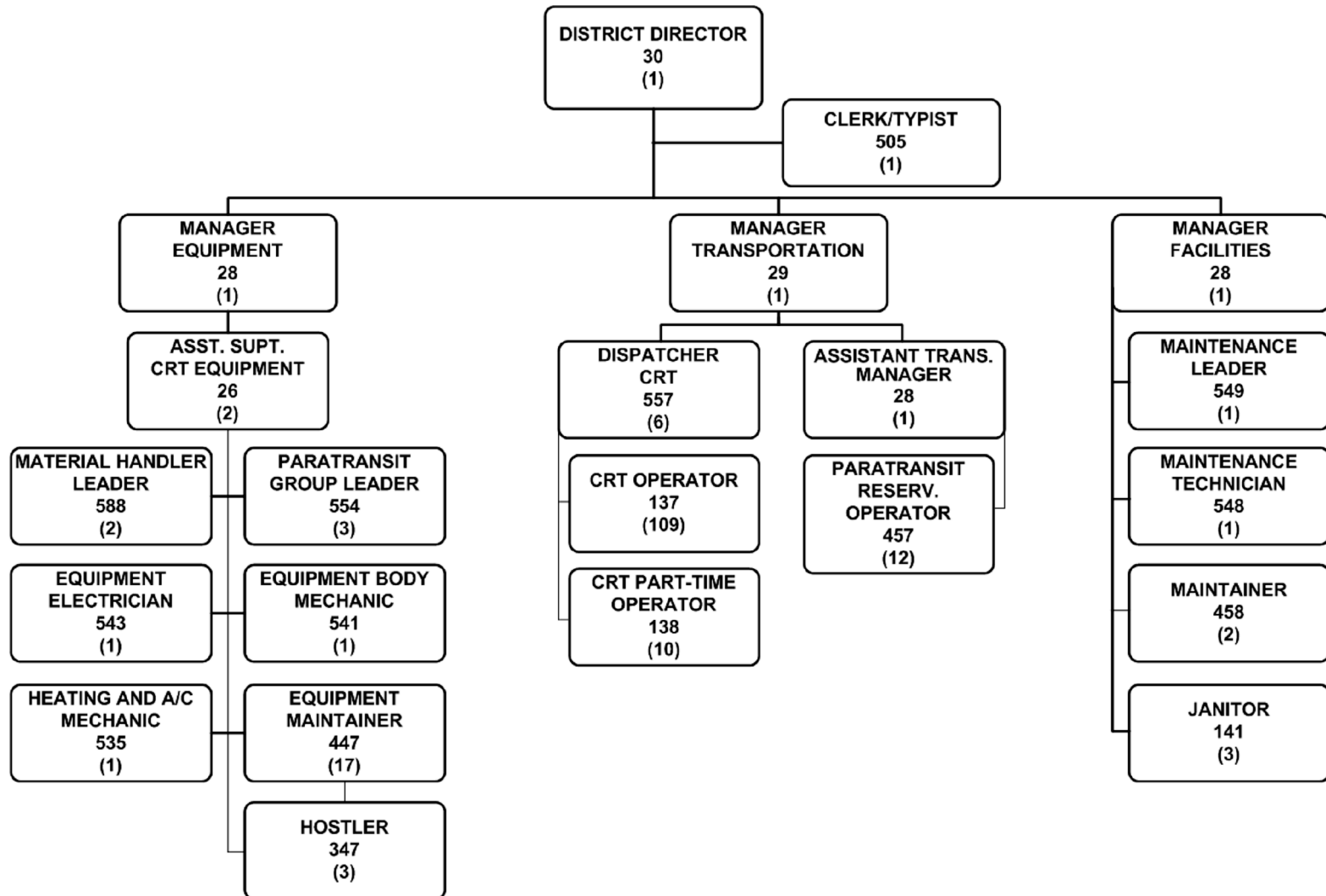
2011 BUDGET IMPLEMENTATION

Department 31 – Paratransit District

- Continue to implement the Paratransit Action plan to decrease customer wait times, decrease trip denials, and increase unlinked passenger trips per revenue hour.
- Meet FTA/ADA Paratransit service parameters for average wait times and trip denials.
- Support the participation in the new TransitStat project.
- Improve customer utilization of IVR and Web access for scheduling functions.
- Continue to provide support to Senior Transportation Connection (STC).

	2008 Actual	2009 Actual	2010 Estimate	2011 Budget
CALLS				
Calls Taken	206,557	215,000	218,000	220,000
Average Wait Time (minutes)	1:05	1:10	1:10	1:00
% Calls Abandoned	3.6%	2.5%	2.3%	2.0%
TRIPS				
Passenger Trips Completed	513,502	525,000	550,000	560,000
% Trip Denials	0.00%	0.00%	0.00%	0.00%
Cost per Revenue Mile	\$4.19	\$4.25	\$4.35	\$4.30
Unlinked Passenger Trip/Revenue Hour	2.01	2.00	2.05	2.00
Average # Revenue Vehicles inspected per month	39	40	41	40

STAFFING LEVEL COMPARISONS



STAFFING LEVEL COMPARISONS

DEPARTMENT: 31 - PARATRANSIT DISTRICT					
JOB CLASS	JOB TITLE	APPROVED 2008	APPROVED 2009	APPROVED 2010	Budgeted 2011
137	PARATRANSIT OPERATOR	109	109	109	109
138	PART-TIME PARATRANSIT OPERATOR	0	10	10	10
141	JANITOR	3	3	3	3
215	MAINTENANCE CLERK	1	0	0	0
347	HOSTLER	3	3	3	3
442	EQUIPMENT SERVICER	2	0	0	0
447	EQUIPMENT MAINTAINER	15	17	17	17
457	PARATRANSIT RESERVATIONS OPERATOR	14	14	14	12
458	MAINTAINER	2	2	2	2
505	STAFF ASSISTANT	1	1	1	1
535	HEATING / AIR CONDITIONING MECHANIC	1	1	1	1
541	EQUIPMENT BODY MECHANIC	1	1	1	1
543	EQUIPMENT ELECTRICIAN	1	1	1	1
548	MAINTENANCE TECHNICIAN	1	1	1	1
549	MAINTENANCE LEADER	1	1	1	1
554	PARATRANSIT GROUP LEADER	3	3	3	3
557	PARATRANSIT DISPATCHER	6	6	6	6
588	MATERIAL HANDLER LEADER	2	2	2	2
658	ROAD SUPERVISOR - PARATRANSIT	2	0	0	0
26	ASSISTANT SUPERINTENDENT - PARATRANSIT EQUIPMENT	2	2	2	2
28	ASSISTANT MANAGER - PARATRANSIT SCHEDULING	1	1	1	1
28	FACILITIES MANAGER	1	1	1	1
28	MANAGER - EQUIPMENT	1	1	1	1
29	MANAGER - TRANSPORTATION	1	1	1	1
30	DISTRICT DIRECTOR	1	1	1	1
DEPARTMENT TOTALS		175	182	182	180

2011 OPERATING BUDGET SUMMARY

Department 32 – Rail District

MELVIN CLARK, DIRECTOR

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.

OBJECT					
CLASS	DESCRIPTION	2008 Actual	2009 Actual	2010 Actual	2011 Budget
501100	RAIL OPERATORS' LABOR	5,205,042.56	4,794,393.06	3,802,406.08	3,860,000.00
501110	OVERTIME - RAIL OPERATORS	489,507.74	403,353.54	248,200.76	280,000.00
501200	HOURLY EMPLOYEES PAYROLL	9,709,115.56	9,674,534.72	9,588,865.10	11,164,000.00
501210	OVERTIME - HOURLY EMPLOYEES	799,074.48	1,324,123.65	1,298,806.61	650,000.00
501300	LABOR - SALARIED EMPLOYEES	2,758,900.04	2,556,089.48	2,249,367.31	2,440,000.00
501310	OVERTIME - SALARIED EMPLOYEES	95,376.40	81,152.29	85,319.85	75,000.00
502000	FRINGE BENEFITS	6,270,912.08	6,441,582.53	6,961,989.00	7,627,137.00
502071	W. C. - INJURIES & DAMAGES	6,791.07	3,593.41	1,579.45	0.00
503111	SERVICES	2,500,770.35	2,303,185.84	2,368,562.03	2,651,972.00
504111	MATERIAL & SUPPLIES	624,036.01	638,865.23	749,647.48	558,505.00
504090	TIRES & TUBES	1,997.00	(334.00)	4,562.00	3,000.00
505111	UTILITIES	434,651.98	292,340.34	381,925.73	387,000.00
505010	PROPULSION POWER	4,435,500.66	4,541,818.22	3,224,784.37	3,350,000.00
509111	MISCELLANEOUS EXPENSES	34,885.16	17,783.02	124,980.17	39,900.00
512111	LEASES & RENTALS	4,948.12	(1,132.59)	1,147.52	7,000.00
DEPT TOTAL		33,371,509.21	33,071,348.74	31,092,143.46	33,093,514.00

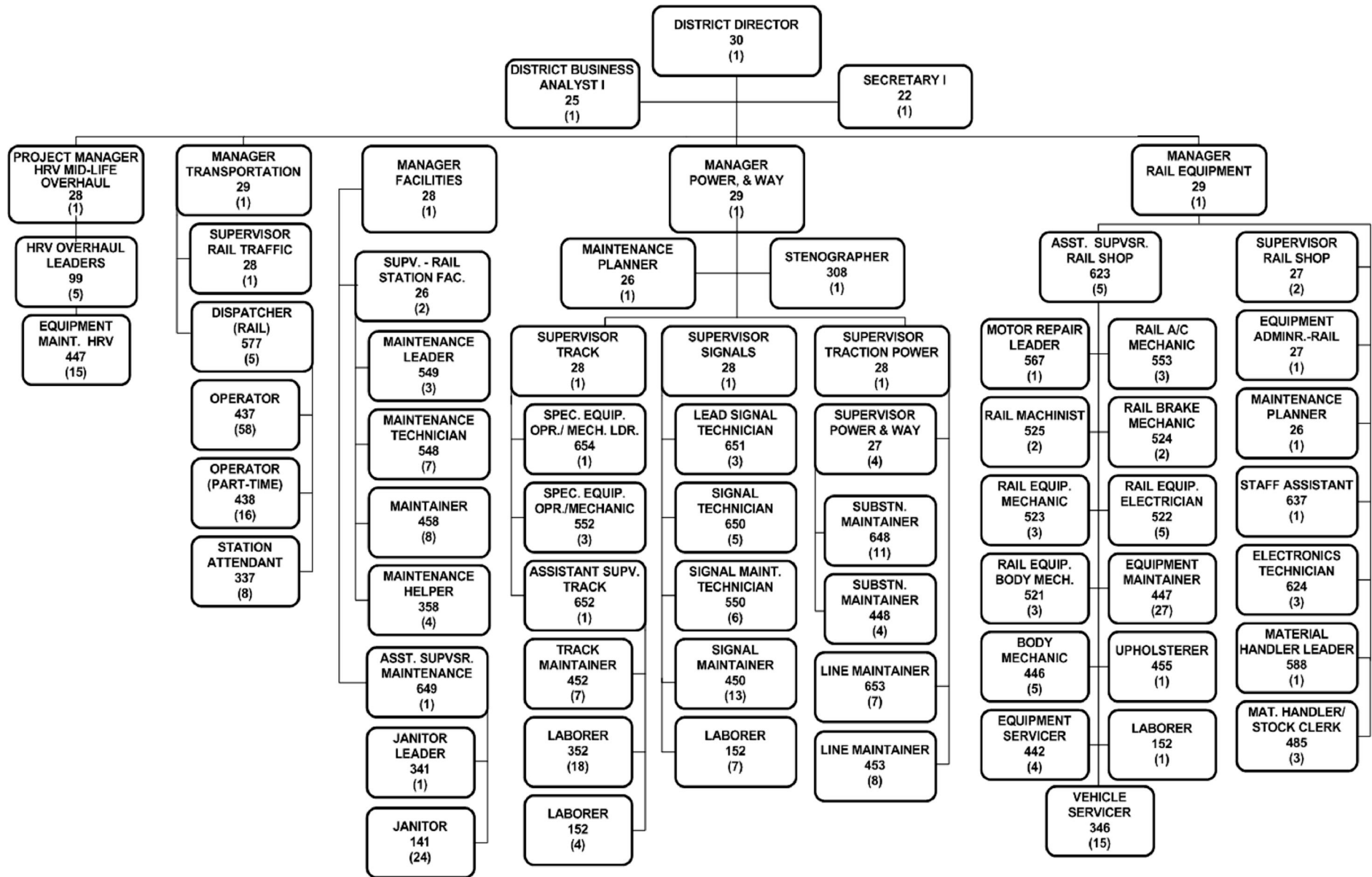
2011 BUDGET IMPLEMENTATION

Department 32 – Rail District

- Continue Heavy Rail Vehicle (HRV) rehabilitation project.
- Continue to manage and track overtime utilization.
- Standardize Rail District SOP format.
- Implement ADA bridge plate.
- Address rapid station horizontal & vertical ADA compliance.
- Issue Rail Operations Rule Book.
- Assess Rail District building and equipment needs, pursuing replacement roofs for the rail complex, upgrades to the wheel lathe, and repairs to the equipment lifts.
- Aggressively perform signal system maintenance during relay testing, junction box replacement & double bonding to mitigate track circuit failures, reduce service delays, & ensure safe system.
- Aggressively pursue training for all Rail disciplines, working with the Training Department, to meet regulatory guidelines & ensure safe workforce.
- Achieve Rail's set goal of 15,000 miles between service interruptions.
- Carry forward winterization plans for 2010; installing additional HRV snowplows and LRV ice cutters.
- Support 2011 Operations Division initiatives and projects as assigned.

	2008 Actual	2009 Actual	2010 Estimate	2011 Budget
Passenger Car Revenue Miles	2,446,350	2,293,032	2,222,011	2,270,500
% Deadhead miles	1.2%	1.2%	1.2%	1.2%
Cost per Passenger Trip	\$3.15	\$4.01	\$3.85	\$3.10
Average Passenger Trips per Revenue Hour	59.00	54.93	61.57	65.00
# Preventable Accidents per 100,000 miles	0.92	0.92	0.92	0.00
% Vehicles completed in LRV Overhaul	98%	100%	N/A	N/A
% Vehicles completed in HRV Overhaul	10%	10%	40%	90%
Miles Between Maintenance Inspections				
Light Rail Vehicles	3,500	3,500	3,500	3,000
Heavy Rail Vehicles – Single Cab	5,000	5,000	5,000	5,000
Heavy Rail Vehicles – Double Cab	6,300	6,000	6,000	6,000

STAFFING LEVEL COMPARISONS



STAFFING LEVEL COMPARISONS

DEPARTMENT: 32 - RAIL DISTRICT					
JOB CLASS	JOB TITLE	APPROVED 2008	APPROVED 2009	APPROVED 2010	Budgeted 2011
141	JANITOR	26	26	26	24
152	LABORER	12	12	12	12
203	CLERK / TYPIST	1	1	1	0
308	STENOGRAPHER	1	1	1	1
337	STATION ATTENDANT	32	8	8	8
341	JANITOR LEADER	3	3	3	1
346	VEHICLE SERVICER	15	15	15	15
352	LABORER	18	18	18	18
358	MAINTENANCE HELPER	4	4	4	4
401	SECRETARY	1	0	0	0
437	OPERATOR	83	74	74	58
438	OPERATOR (PART-TIME)	7	16	16	16
442	EQUIPMENT SERVICER	16	15	5	5
442	EQUIPMENT SERVICER -HRV	15	15	0	0
446	BODY MECHANIC	4	4	4	4
447	EQUIPMENT MAINTAINER	17	17	42	42
448	SUBSTATION MAINTAINER	3	3	3	4
450	SIGNAL MAINTAINER	6	8	13	13
452	TRACK MAINTAINER	7	7	7	7
453	LINE MAINTAINER	7	7	7	8
455	UPHOLSTERER	1	1	1	1
458	MAINTAINER	8	8	8	8
485	MATERIAL HANDLER / STOCK CLERK	3	3	3	3
521	RAIL EQUIPMENT BODY MECHANIC	4	4	4	3
522	RAIL EQUIPMENT ELECTRICIAN	5	5	5	5
523	RAIL EQUIPMENT MECHANIC	3	3	3	3
524	RAIL BRAKE MECHANIC	2	2	2	2
525	RAIL MACHINIST	1	2	2	2
548	MAINTENANCE TECHNICIAN	7	7	7	7

STAFFING LEVEL COMPARISONS

DEPARTMENT: 32 - RAIL DISTRICT (CONTINUED)					
JOB CLASS	JOB TITLE	APPROVED 2008	APPROVED 2009	APPROVED 2010	Budgeted 2011
549	MAINTENANCE LEADER	3	3	3	3
550	SIGNAL MAINTENANCE TECHNICIAN	10	8	6	6
552	SPECIAL EQUIPMENT OPERATOR / MECHANIC	2	2	3	3
553	RAIL AIR CONDITIONING MECHANIC	3	3	3	3
567	MOTOR REPAIR LEADER	1	1	1	1
577	DISPATCHER	5	5	5	5
588	MATERIAL HANDLER LEADER	1	1	1	1
623	ASSISTANT SUPERVISOR - RAIL SHOP	5	5	5	5
624	ELECTRONICS TECHNICIAN	3	3	3	3
637	STAFF ASSISTANT	1	1	1	1
648	SUBSTATION MAINTAINER	11	11	11	11
649	ASSISTANT SUPERVISOR - MAINTENANCE	1	1	1	1
650	SIGNAL TECHNICIAN	8	8	5	5
651	LEAD SIGNAL TECHNICIAN	3	3	3	3
652	ASSISTANT SUPERVISOR - TRACK	1	1	1	1
653	LINE MAINTAINER	9	9	8	7
654	SPECIAL EQUIPMENT OPERATOR / MECHANIC LEADER	1	1	1	1
698	LEAD SUBSTATION MAINTAINER	1	1	1	1
22	SECRETARY I	1	1	1	1
25	LRV RESIDENT INSPECTORS (PART-TIME)	1	1	0	0
25	DISTRICT BUSINESS ANALYST	0	1	1	1
26	LOAD DISPATCHER	4	0	0	0
26	MAINTENANCE PLANNER	2	2	2	2
26	SUPERVISOR - JANITORIAL SERVICES	1	0	0	0
26	SUPERVISOR - RAIL STATION FACILITIES	2	2	2	2
27	EQUIPMENT ADMINISTRATOR - RAIL	1	1	1	1
27	SUPERVISOR - POWER & WAY	4	4	4	4
27	SUPERVISOR - RAIL SHOP	2	2	2	2
28	MANAGER - FACILITIES	1	0	0	1

STAFFING LEVEL COMPARISONS

DEPARTMENT: 32 - RAIL DISTRICT (CONTINUED)					
JOB CLASS	JOB TITLE	APPROVED 2008	APPROVED 2009	APPROVED 2010	Budgeted 2011
28	PROJECT MANAGER - LRV MID-LIFE OVERHAUL	1	1	0	0
28	PROJECT MANAGER - HRV MID-LIFE OVERHAUL	1	1	1	1
28	SUPERVISOR - SIGNALS	1	1	1	1
28	SUPERVISOR - TRACTION POWER	1	1	1	1
28	SUPERVISOR - RAIL TRAFFIC	1	1	1	1
28	SUPERVISOR - TRACK	1	1	0	1
28	SUPERVISOR - TRACK & STRUCTURES	0	0	1	0
29	MANAGER - TRANSPORTATION	1	1	1	1
29	MANAGER - RAIL EQUIPMENT	1	1	1	1
29	MANAGER - POWER, SIGNALS, COMM. & WAY	1	1	1	1
30	DISTRICT DIRECTOR	1	1	1	1
99	HRV - PROJECT SUPERVISORS	5	5	5	5
DEPARTMENT TOTALS		415	385	383	363

2011 OPERATING BUDGET SUMMARY

Department 34 – Transit Police

JOHN P. JOYCE, DIRECTOR OF SECURITY / CHIEF

The mission of the GCRTA Transit Police is to provide a safe and orderly environment within the transit system, promote the confidence of the riding public and employees, and enhance the use of the entire system.

OBJECT CLASS	DESCRIPTION	2008 Actual	2009 Actual	2010 Actual	2011 Budget
501200	HOURLY EMPLOYEES PAYROLL	5,167,712.19	6,182,463.40	6,403,137.23	6,500,000.00
501210	OVERTIME - HOURLY EMPLOYEES	220,724.68	241,667.65	284,508.20	200,000.00
501300	LABOR - SALARIED EMPLOYEES	660,249.99	554,790.11	525,937.63	667,000.00
501310	OVERTIME - SALARIED EMPLOYEES	835.08	250.10	0.00	1,500.00
502000	FRINGE BENEFITS	2,113,161.61	2,527,097.87	2,904,689.00	3,042,967.00
503111	SERVICES	334,810.43	338,198.32	396,364.24	490,950.00
504111	MATERIAL & SUPPLIES	30,913.24	55,119.14	79,260.96	81,900.00
506111	CASUALTY & LIABILITY COSTS	4,620.00	6,400.00	7,080.00	7,000.00
509111	MISCELLANEOUS EXPENSES	35,194.31	23,077.52	31,396.06	47,600.00
512111	LEASES & RENTALS	23,750.00	(1,503.00)	7,786.00	32,600.00
DEPT TOTAL		8,591,971.53	9,927,561.11	10,640,159.32	11,071,517.00

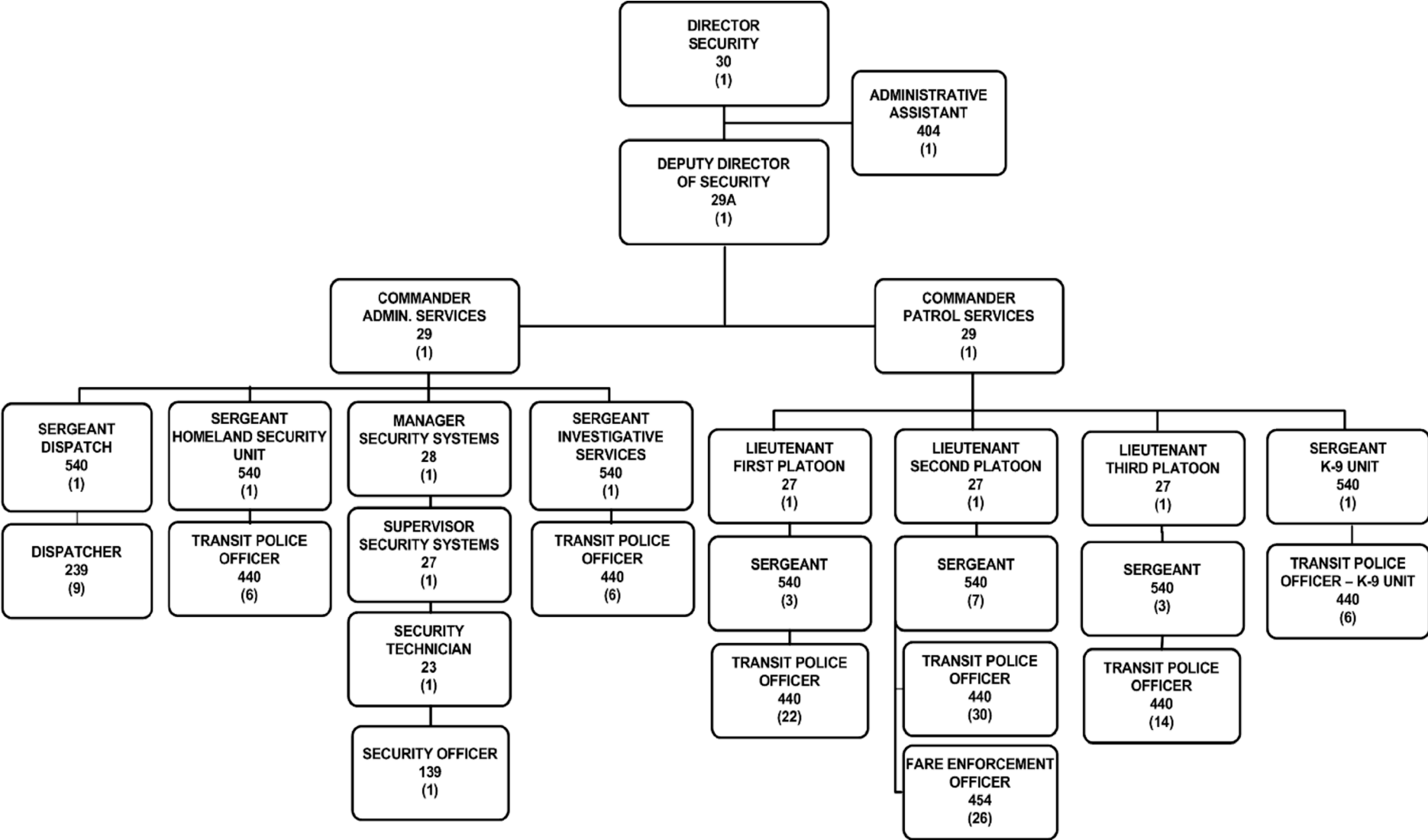
2011 BUDGET IMPLEMENTATION

Department 34 – Transit Police

- Establish fare enforcement payment/collection procedures and resource requirements, and TMV/revenue security.
- Continue providing Transit Police traffic and parking enforcement on the HealthLine, Transit Zone Bus-Only lanes, rail crossings, and all other facilities
- Address serious crimes (drugs, terrorism, and gang violence) through participation in multi-agency task forces.
- Continue to train officers on counter-terrorism initiatives.
- Improve detection of Improvised Explosive Devices (IEDs) and chemical, biological, radiological, and nuclear (CBRN) incidents through canine teams and technical capabilities
- Continue to refine RTA's System Security and Emergency Preparedness and Operations Plans as appropriate.
- Continue facility security upgrades and aggressively pursue all available Federal and State funding for security initiatives.
- Continue to conduct Threat and Vulnerability Analysis (TVA) for all GCRTA properties with assistance from U.S. Department of Homeland Security, Office for Domestic Preparedness
- Administer the 2007, 2008, and 2009 Transit Security Grants for training and counter-terrorism needs within the Greater Cleveland region.
- Comply with all TSA/FTA regulations.
- 2011 Operations Division Initiatives / Projects supported as assigned.

	2008 Actual	2009 Actual	2010 Estimate	2011 Budget
Arrests for Quality of Life Enforcement Issues	548	431	2,500	2,500
Passenger Facilities Patrolled	58	118	118	118

STAFFING LEVEL COMPARISONS



STAFFING LEVEL COMPARISONS

DEPARTMENT: 34 - TRANSIT POLICE					
JOB CLASS	JOB TITLE	APPROVED 2008	APPROVED 2009	APPROVED 2010	Budgeted 2011
139	SECURITY OFFICER	1	1	1	1
239	DISPATCHER - TRANSIT POLICE	9	9	9	9
404	ADMINISTRATIVE ASSISTANT	1	1	1	1
440	TRANSIT POLICE OFFICER	89	89	84	84
454	PART-TIME FARE ENFORCEMENT OFFICER	29	26	26	26
540	TRANSIT POLICE SERGEANT	12	17	17	17
23	SECURITY TECHNICIAN	1	1	1	1
27	SUPERVISOR - SECURITY SYSTEMS	1	1	1	1
27	TRANSIT POLICE LIEUTENANT	3	3	3	3
28	SECURITY SYSTEMS MANAGER	1	1	1	1
29	COMMANDER - TRANSIT POLICE	2	2	2	2
29	DEPUTY DIRECTOR OF SECURITY / POLICE	1	1	1	1
30	DIRECTOR - SECURITY / CHIEF OF POLICE	1	1	1	1
DEPARTMENT TOTALS		151	153	148	148

2011 OPERATING BUDGET SUMMARY

Department 35 – Service Management

ALAN ERENRICH, DIRECTOR

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.

OBJECT CLASS	DESCRIPTION	2008 Actual	2009 Actual	2010 Actual	2011 Budget
501200	HOURLY EMPLOYEES PAYROLL	1,303,665.00	1,509,480.73	1,508,993.99	1,782,000.00
501210	OVERTIME - HOURLY EMPLOYEES	36,625.85	37,038.58	53,196.39	55,000.00
501300	LABOR - SALARIED EMPLOYEES	1,484,701.05	1,551,058.16	1,523,341.77	1,566,000.00
501310	OVERTIME - SALARIED EMPLOYEES	3,426.85	5,342.32	3,105.69	2,500.00
502000	FRINGE BENEFITS	1,061,870.71	1,148,094.63	1,240,374.00	1,406,368.00
503111	SERVICES	712,558.83	961,761.03	1,389,915.92	1,368,747.00
504111	MATERIAL & SUPPLIES	131,404.79	181,277.11	322,698.77	380,100.00
505111	UTILITIES	5,483,725.68	5,524,013.89	4,647,958.11	511,170.00
508024	PURCHASED TRANSP. - WORK ACCESS	960,000.00	860,000.00	1,140,000.00	1,140,000.00
509111	MISCELLANEOUS EXPENSES	25,030.47	7,318.07	10,010.69	11,100.00
512111	LEASES & RENTALS	0.00	0.00	400.00	500.00
DEPT TOTAL		11,203,009.23	11,785,384.52	11,839,995.33	8,223,485.00

In 2011, the majority of the Utilities budget was transferred to Department 67, Office of Management and Budget

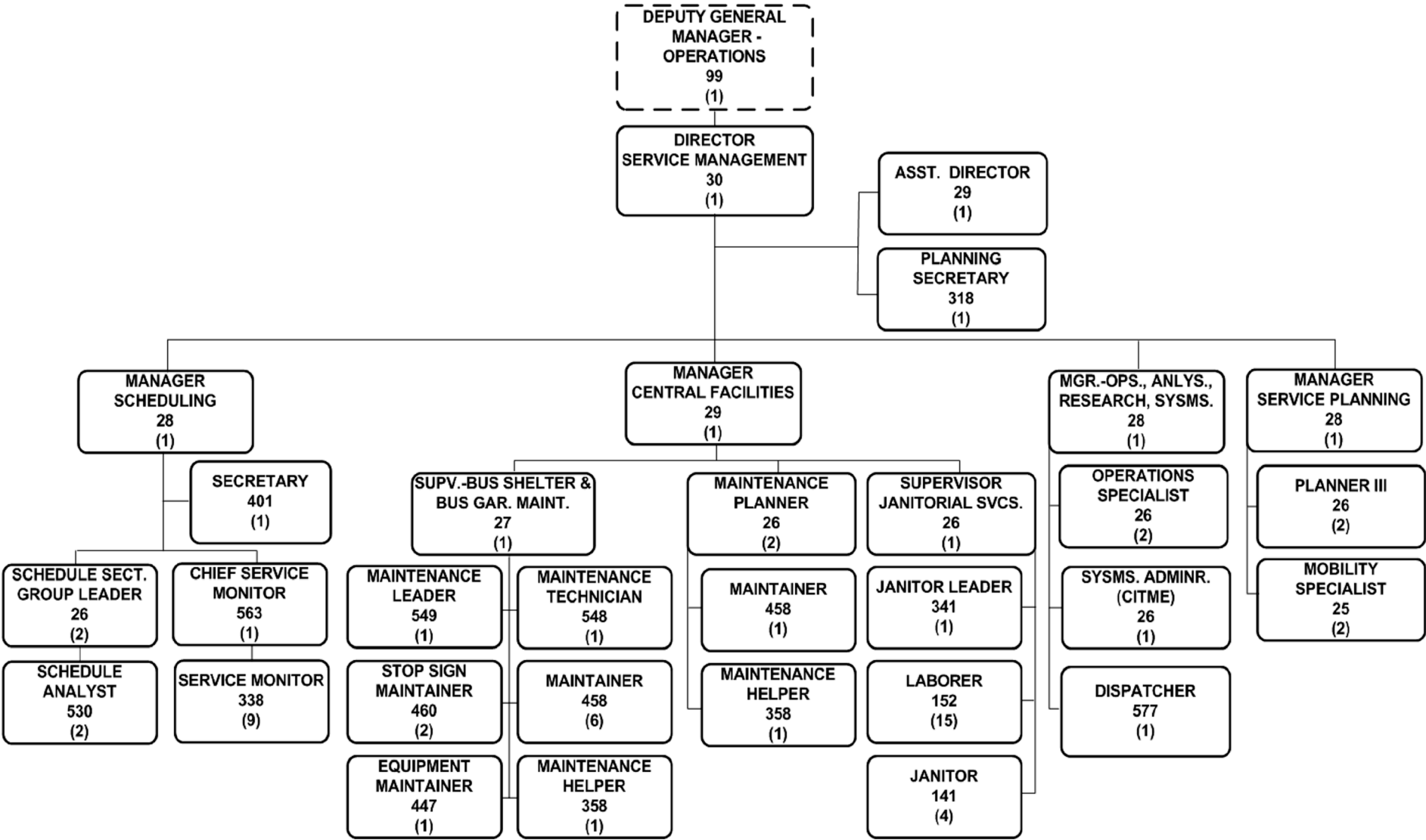
2011 BUDGET IMPLEMENTATION

Department 35 – Service Management

- Develop and implement the annual Service Management Plan.
- Upgrade CITME/Ultramain software.
- Replace operator dispatch system (MIDAS replacement).
- Acquire TransitMaster software to electronically provide real-time service information to customers.
- Utilize TransitMaster software to monitor schedule adherence on a real-time basis.
- Continue to improve the cost effectiveness and efficiency of service delivery.
- Continue the bus stop signage program and replacement of damaged passenger shelters.
- Resolve Siemens radio contract issues.
- Monitor vehicle service miles and hours on a regular basis.
- Continue to focus on customer communications and quality of service delivery.
- Manage absenteeism.
- Identify and implement workflow efficiency.
- Improve operating efficiencies and aggressively enforce energy conservation and sustainability initiatives.
- Support employee training and development programs.
- Support safety initiatives & efforts to instill a safety culture throughout the Authority.
- Continue to make improvements in equipment and facilities preventative maintenance schedules.
- Continue operation of the HealthLine & perform routine maintenance of stations, properties & shelters on the Euclid Corridor.

	Vehicle Hours		Vehicle Miles	
	2010	2011	2010	2011
RTA Bus	1,346,548	1,205,100	16,854,877	14,982,400
Paratransit	304,645	316,755	4,619,305	4,822,573

STAFFING LEVEL COMPARISONS



STAFFING LEVEL COMPARISONS

DEPARTMENT: 35 - SERVICE MANAGEMENT					
JOB CLASS	JOB TITLE	APPROVED 2008	APPROVED 2009	APPROVED 2010	Budgeted 2011
141	JANITOR	4	4	4	4
152	LABORER	12	13	13	15
301	ADMINISTRATIVE ASSISTANT	1	0	0	0
318	PLANNING SECRETARY	1	1	1	1
338	SERVICE MONITOR	8	9	9	9
341	JANITOR LEADER	0	1	1	1
358	MAINTENANCE HELPER	2	2	2	2
401	SECRETARY	1	1	1	1
447	EQUIPMENT MAINTAINER	1	1	1	1
458	MAINTAINER	5	5	5	7
460	STOP SIGN MAINTAINER	2	2	2	2
485	MATERIAL HANDLER / STOCK CLERK	1	1	1	0
530	SCHEDULE ANALYST	3	2	2	2
548	MAINTENANCE TECHNICIAN	1	1	1	1
549	MAINTENANCE LEADER	1	1	1	1
563	CHIEF SERVICE MONITOR	1	1	1	1
574	SUPERVISOR I - SERVICE QUALITY	8	0	0	0
576	SUPERVISOR - SERVICE QUALITY (RAIL)	11	0	0	0
577	DISPATCHER	11	0	0	1
634	SUPERVISOR II - SERVICE QUALITY	19	0	0	0
635	SUPERVISOR - TOWER CONTROL	8	0	0	0
25	PLANNER II	1	0	0	0
25	MOBILITY SPECIALIST	2	2	2	2
26	SCHEDULE SECTION GROUP LEADER	2	2	2	2
26	SYSTEMS ADMINISTRATOR (CITME)	1	1	1	1
26	OPERATIONS SPECIALIST	2	2	2	2
26	SUPERVISOR - JANITORIAL SERVICES	1	1	1	1
26	PLANNER III	1	2	2	2

STAFFING LEVEL COMPARISONS

DEPARTMENT: 35 - SERVICE MANAGEMENT (CONTINUED)					
JOB CLASS	JOB TITLE	APPROVED 2008	APPROVED 2009	APPROVED 2010	Budgeted 2011
26	MAINTENANCE PLANNER	2	2	2	2
26	SENIOR STAFF ASSISTANT - OPERATIONS	1	0	0	0
27	SUPERVISOR - BUS SHELTER & BUS GARAGE MAINTENANCE	1	1	1	1
27	SERVICE QUALITY COORDINATOR	10	0	0	0
27	PLANNING TEAM LEADER	1	0	0	0
27	PLANNING LEADER - ASST TO THE DIRECTOR	0	1	0	0
28	MANAGER - OPERATIONS, ANALYSIS, RESEARCH & SYSTEMS	1	1	1	1
28	ASSISTANT MANAGER - SERVICE QUALITY	5	0	0	0
28	MANAGER - SCHEDULING	1	1	1	1
28	MANAGER - SERVICE PLANNING	1	1	1	1
29	MANAGER - CENTRAL FACILITIES	1	1	1	1
29	ASSISTANT DIRECTOR, SERVICE MANAGEMENT	1	1	1	1
30	DIRECTOR - SERVICE MANAGEMENT	1	1	1	1
DEPARTMENT TOTALS		137	65	64	68

2011 OPERATING BUDGET SUMMARY

Department 38 – Service Quality Management

FLOUN’SAY CAVER, DIRECTOR

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.

OBJECT CLASS	DESCRIPTION	2008 Actual	2009 Actual	2010 Actual	2011 Budget
501200	HOURLY EMPLOYEES PAYROLL	0.80	0.00	0.00	
501210	OVERTIME - HOURLY EMPLOYEES	0.00	0.00	0.00	0.00
501300	LABOR - SALARIED EMPLOYEES	3,646,643.12	4,067,876.25	3,878,181.86	3,890,000.00
501310	OVERTIME - SALARIED EMPLOYEES	302,483.45	259,971.26	182,494.74	245,000.00
502000	FRINGE BENEFITS	1,153,975.20	1,535,004.75	1,633,359.00	1,707,630.00
503111	SERVICES	0.00	0.00	0.00	4,000.00
504111	MATERIAL & SUPPLIES	2,826.48	2,528.45	1,950.77	3,500.00
509111	MISCELLANEOUS EXPENSES	2,181.66	2,131.80	2,450.00	12,500.00
512111	LEASES & RENTALS	0.00	0.00	0.00	0.00
		5,108,110.71	5,867,512.51	5,698,436.37	5,862,630.00
BY DEPARTMENT					

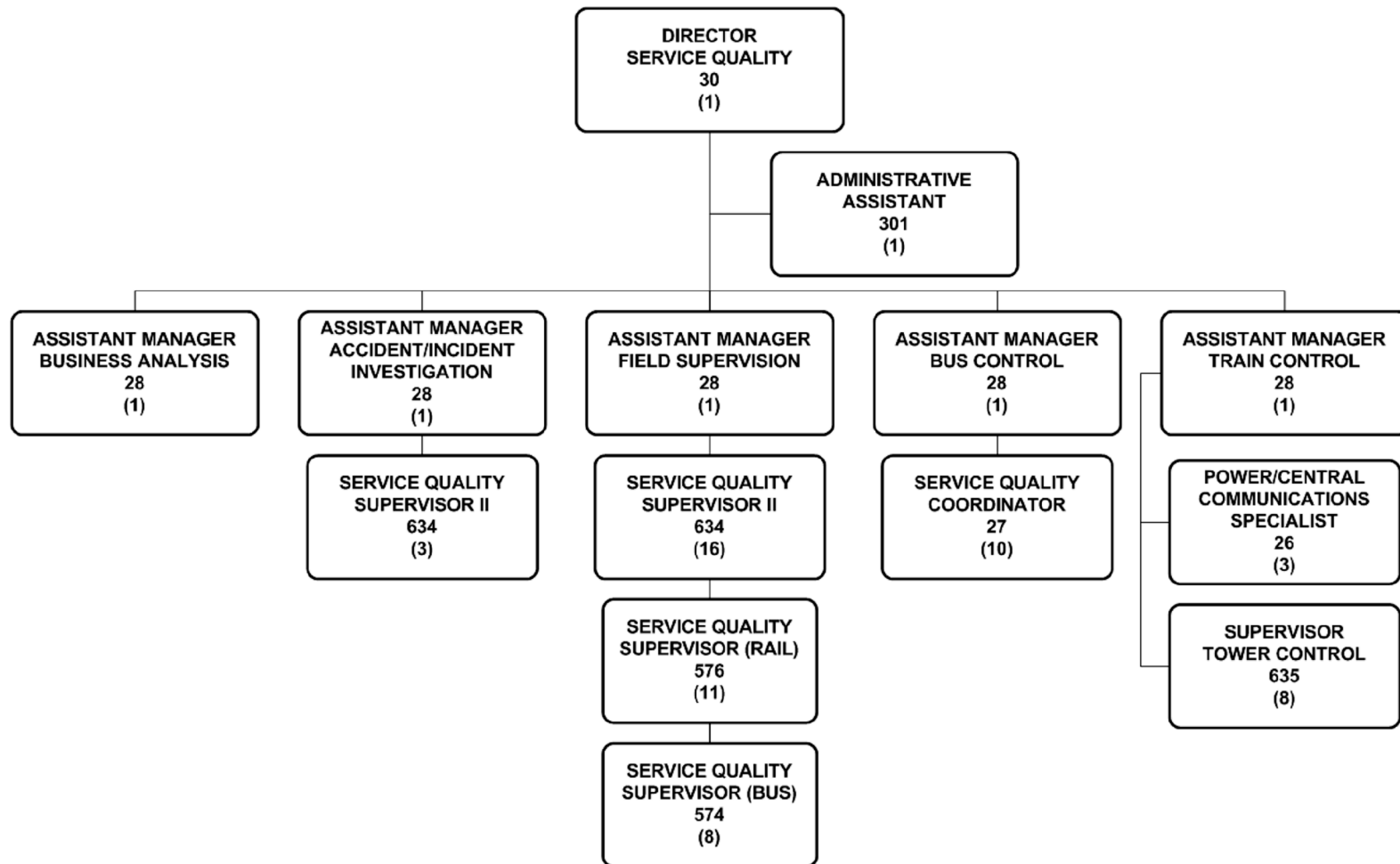
2011 BUDGET IMPLEMENTATION

Department 38 – Service Quality Management

- Continue to pursue operating efficiencies towards reducing costs and/or increasing effectiveness.
- Continue efforts to reach the goal of 80% on-time service delivery system-wide.
- Work with the supervisory teams assigned to mini-transit centers at Stokes-Windemere, University Circle and Stephanie Tubbs Jones 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.
- Continue efforts to control/reduce overtime.
- Provide all staff with additional training opportunities, with an emphasis on 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 evaluating a new 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 creates an indirect method for managers to set work priorities in response to the dynamics of a changing work environment.
- Continue monitoring, evaluating and building consistency in the 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 near future.

	2008 Actual	2009 Actual	2010 Estimate	2011 Budget
On-Time Service (system-wide)	74%	73%	76%	80%
Overtime per pay	\$10,790	\$9,273	\$6,398	\$8,000
Absence Rate	*	2.96%	4.00%	4.00%
High Accident Route Contacts	N/A	N/A	5,672	5,800
Safety Rule of the Month Contacts (per month)	N/A	3,400	3,962	4,000
Pull-Out Checks	113	9	83	100
* Indicates that Service Quality was a part of the Service Management Department				

STAFFING LEVEL COMPARISONS



STAFFING LEVEL COMPARISONS

DEPARTMENT 38 - SERVICE QUALITY MANAGEMENT					
JOB CLASS	JOB TITLE	APPROVED 2008	APPROVED 2009	APPROVED 2010	Budgeted 2011
301	ADMINISTRATIVE ASSISTANT	0	1	1	1
574	SUPERVISOR I - SERVICE QUALITY	0	8	8	8
576	SUPERVISOR - RAIL SERVICE QUALITY	0	7	7	7
634	SUPERVISOR II - SERVICE QUALITY	0	19	19	19
635	SUPERVISOR - TOWER CONTROL	0	12	12	12
658	PARATRANSIT ROAD SUPERVISOR	0	1	1	1
26	POWER/CENTRAL COMMUNICATION SPECIALIST	0	3	3	3
27	SERVICE QUALITY COORDINATOR	0	10	10	10
28	ASSISTANT MANAGER - SERVICE QUALITY	0	5	5	5
29	DIRECTOR - SERVICE QUALITY	0	1	1	1
DEPARTMENT TOTALS		0	67	67	67

2011 OPERATING BUDGET SUMMARY

Department 39 – Fleet Management

RONALD BARON, DIRECTOR

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.

OBJECT CLASS	DESCRIPTION	2008 Actual	2009 Actual	2010 Actual	2011 Budget
501200	HOURLY EMPLOYEES PAYROLL	5,913,658.94	6,213,420.28	5,943,630.91	6,502,000.00
501210	OVERTIME - HOURLY EMPLOYEES	361,611.93	216,432.17	193,682.36	200,000.00
501300	LABOR - SALARIED EMPLOYEES	2,452,608.85	2,291,117.61	2,290,361.26	2,540,000.00
501310	OVERTIME - SALARIED EMPLOYEES	15,336.18	6,286.49	693.85	7,000.00
502000	FRINGE BENEFITS	2,924,950.36	3,156,250.79	3,388,199.00	3,819,557.00
502071	W. C. - INJURIES & DAMAGES	751.00	733.64	1,183.72	0.00
503111	SERVICES	595,466.67	452,661.12	597,585.70	731,759.00
201009	MATERIALS & SUPPLIES - INVENTORY	10,405,663.92	8,483,452.56	8,308,460.23	8,600,000.00
504111	MATERIAL & SUPPLIES	200,960.84	169,817.66	271,735.21	277,550.00
504020	DIESEL FUEL	19,272,335.60	17,357,363.98	8,260,480.00	10,972,500.00
504021	COMPRESSED NATURAL GAS	739,061.99	154,553.13	(17,336.17)	3,000.00
504031	GASOLINE	430,540.77	330,853.87	362,827.30	352,000.00
504090	TIRES & TUBES	1,244,000.00	1,109,508.15	1,175,538.13	1,335,200.00
507000	FEDERAL UNDERGROUND FUEL TANK TAX	0.00	(5.50)	0.00	0.00
507050	STATE FUEL TAX	1,717,096.59	1,566,096.51	1,305,303.69	1,364,421.00
509111	MISCELLANEOUS EXPENSES	33,230.41	16,442.18	22,626.82	27,700.00
512111	LEASES & RENTALS	0.00	0.00	1,000.00	1,500.00
	DEPT TOTAL	46,307,274.05	41,524,984.64	32,105,972.01	36,734,187.00
	DEPT. TOTAL NET INVENTORY	35,901,610.13	33,041,532.08	23,797,511.78	28,134,187.00

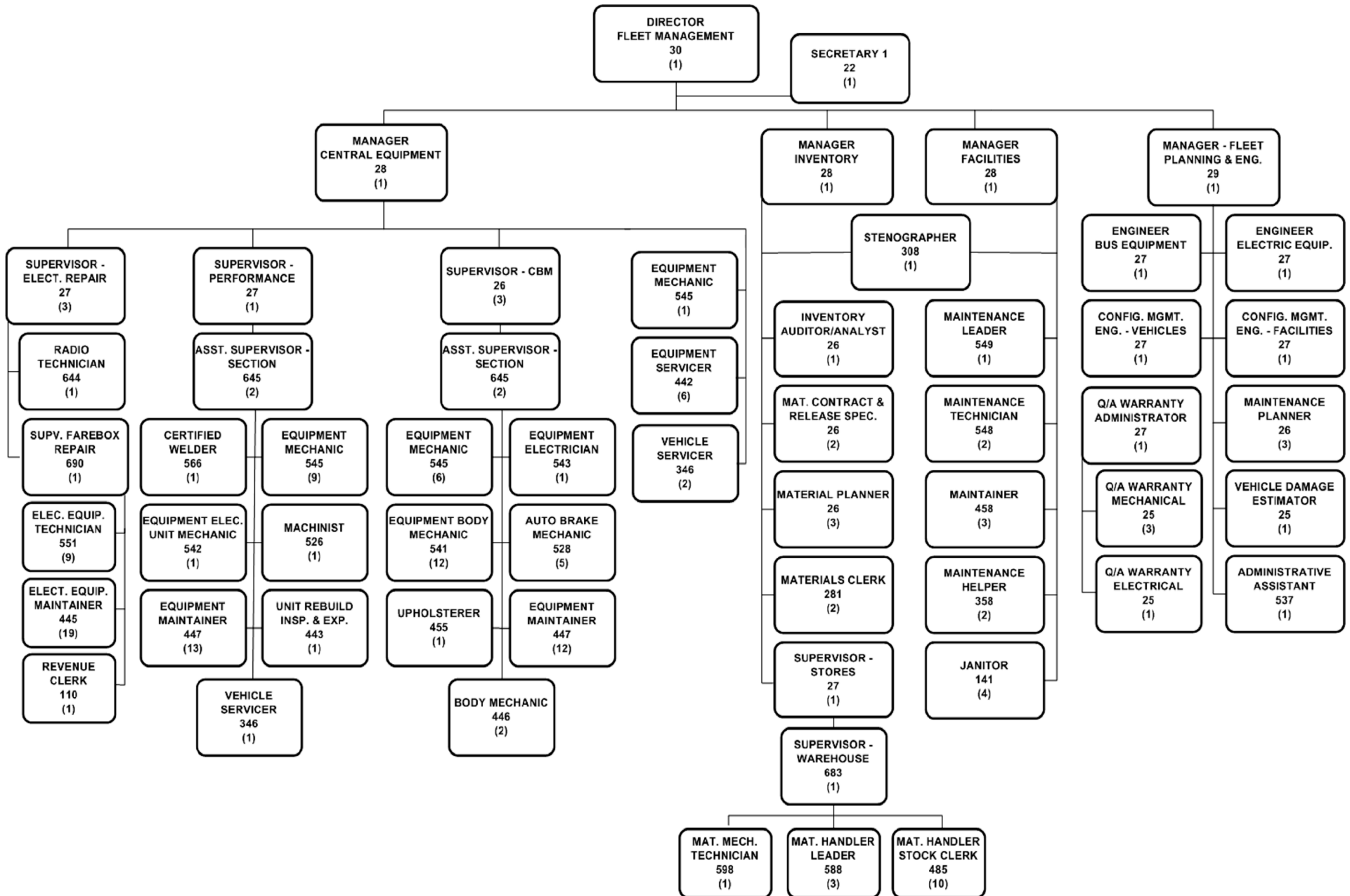
2011 BUDGET IMPLEMENTATION

Department 39 – Fleet Management

- 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 the use of data analysis, improved 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.
- Maintain parts inventory at Central Rail, Central Bus Maintenance Facility, Hayden, and Triskett Districts.
- Manage the production of new buses 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.

	2008 Actual	2009 Actual	2010 Estimate	2011 Budget
Vehicle Availability - % of Active Fleet	82%	82%	82%	82%
Heavy Maintenance Overhauls Completed	90	71	46	50
Miles Between Preventive Maintenance Inspections	3,000	3,000	3,000	3,000
Problem Identification Corrective Action (PICA) completed	89	81	52	60
Q/A First Article Inspections	21	77	6	5
Warranty Dollars Recovered	\$1,013,432	\$1,725,000	\$1,400,000	\$750,000
Facilities Maintenance on-time PM performance	N/A	N/A	N/A	90%
On-the-Job Injury Rate	12.3	9.66	9.46	12.0
Inventory Service Level	N/A	N/A	93.3%	92.0%

STAFFING LEVEL COMPARISONS



STAFFING LEVEL COMPARISONS

DEPARTMENT: 39 - FLEET MANAGEMENT					
JOB CLASS	JOB TITLE	APPROVED 2008	APPROVED 2009	APPROVED 2010	Budgeted 2011
110	REVENUE CLERK	1	1	1	1
141	JANITOR	6	6	6	4
215	MAINTENANCE CLERK	2	0	0	0
281	MATERIALS CLERK	2	2	2	2
308	STENOGRAPHER	1	1	1	1
346	VEHICLE SERVICER	3	3	3	3
347	HOSTLER	1	1	0	0
358	MAINTENANCE HELPER	2	2	2	2
442	EQUIPMENT SERVICER	7	8	6	6
443	UNIT REBUILD INSPECTOR & EXPEDITOR	1	1	1	1
445	ELECTRONIC EQUIPMENT MAINTAINER	14	19	19	19
446	BODY MECHANIC	6	2	2	2
447	EQUIPMENT MAINTAINER	25	25	25	25
455	UPHOLSTERER	1	1	1	1
458	MAINTAINER	3	3	3	3
485	MATERIAL HANDLER / STOCK CLERK	10	10	10	10
526	MACHINIST	1	1	1	1
528	AUTOMOTIVE BRAKE MECHANIC	6	5	5	5
537	ADMINISTRATIVE ASSISTANT	1	1	1	1
541	EQUIPMENT BODY MECHANIC	11	11	12	12
542	EQUIPMENT ELECTRICIAN UNIT MECHANIC	2	1	1	1
543	EQUIPMENT ELECTRICIAN	2	2	1	1
545	EQUIPMENT MECHANIC	16	16	16	16
548	MAINTENANCE TECHNICIAN	2	2	2	2
549	MAINTENANCE LEADER	1	1	1	1
551	ELECTRONIC EQUIPMENT TECHNICIAN	9	9	9	9
566	CERTIFIED WELDER	1	1	1	1
588	MATERIAL HANDLER LEADER	3	3	3	3

STAFFING LEVEL COMPARISONS

DEPARTMENT: 39 - FLEET MANAGEMENT (CONTINUED)					
JOB CLASS	JOB TITLE	APPROVED 2008	APPROVED 2009	APPROVED 2010	Budgeted 2011
598	MATERIAL MECHANIC TECHNICIAN	1	1	1	1
638	COACH INSPECTOR	1	0	0	0
644	RADIO TECHNICIAN	1	1	1	1
645	ASSISTANT SECTION SUPERVISOR	4	4	4	4
683	SUPERVISOR - WAREHOUSE	1	1	1	1
690	SUPERVISOR - FAREBOX REPAIR	1	1	1	1
22	SECRETARY I	1	1	1	1
25	QUALITY ASSURANCE / WARRANTY - ELECTRICAL	1	1	1	1
25	QUALITY ASSURANCE / WARRANTY - MECHANICAL	3	3	3	3
25	VEHICLE DAMAGE ESTIMATOR	1	1	1	1
26	INVENTORY AUDITOR / ANALYST	1	1	1	1
26	SUPERVISOR - INVENTORY CONTROL	1	0	0	0
26	MAINTENANCE PLANNER	3	3	3	3
26	SUPERVISOR - CENTRAL BUS MAINTENANCE	3	3	3	3
26	MATERIAL PLANNER	3	3	3	3
26	MATERIAL CONTRACT & RELEASE SPECIALIST	2	2	2	2
27	SUPERVISOR - ELECTRONIC REPAIR	1	1	1	3
27	SUPERVISOR - PERFORMANCE	1	1	1	1
27	ENGINEER - BUS EQUIPMENT	1	1	1	1
27	ENGINEER - ELECTRICAL EQUIPMENT	1	1	1	1
27	ENGINEER - MECHANICAL	1	0	0	0
27	QUALITY ASSURANCE / WARRANTY ADMINISTRATOR	1	1	1	1
27	SUPERVISOR - STORES	1	1	1	1
27	CONFIGURATION MANAGEMENT ENGINEER - FACILITIES	1	1	1	1
27	CONFIGURATION MANAGEMENT ENGINEER - VEHICLES	1	1	1	1
28	MANAGER - CENTRAL EQUIPMENT	1	1	1	1
28	MANAGER - FACILITIES	1	1	1	1
28	MANAGER - INVENTORY	1	1	1	1
29	MANAGER - FLEET PLANNING & ENGINEERING	1	1	1	1
30	DIRECTOR - FLEET MANAGEMENT	1	1	1	1
DEPARTMENT TOTALS		182	177	174	174

2011 OPERATING BUDGET SUMMARY

Department 43 – Pass Thrus

MICHAEL YORK
DEPUTY GENERAL MANAGER – OPERATIONS

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

OBJECT CLASS	DESCRIPTION	2008 Actual	2009 Actual	2010 Actual	2011 Budget
503111	SERVICES	(3,560.51)	(280.48)	0.00	0.00
508014	PURCHASED TRANSP. - MAPLE HTS.	0.00	0.00	0.00	0.00
508015	PURCHASED TRANSP. - N. OLMSTED	0.00	0.00	0.00	0.00
509100	BRUNSWICK OPERATING ASSISTANCE	250,000.00	231,790.42	275,000.00	280,500.00
	DEPT TOTAL	246,439.49	231,509.94	275,000.00	280,500.00

2011 BUDGET IMPLEMENTATION

Department 43 – Pass Thrus

- 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.
- In March 2005, the operations of the North Olmsted Municipal Bus Line (NOMBL) and the Maple Heights Transit System were merged within GCRTA bus operations.

2011 OPERATING BUDGET SUMMARY

Department 46 – Hayden District

KEVIN VEST, DISTRICT DIRECTOR

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.

OBJECT CLASS	DESCRIPTION	2008 Actual	2009 Actual	2010 Actual	2011 Budget
501100	BUS OPERATORS' LABOR	14,915,389.20	15,355,489.05	16,986,010.80	22,456,650.00
501110	OVERTIME - BUS OPERATORS	1,111,730.45	1,427,577.86	1,315,271.79	1,480,000.00
501200	HOURLY EMPLOYEES PAYROLL	3,569,240.39	3,764,542.22	4,093,597.14	4,969,000.00
501210	OVERTIME - HOURLY EMPLOYEES	119,729.33	72,918.89	77,130.82	100,000.00
501300	LABOR - SALARIED EMPLOYEES	878,472.42	965,673.26	872,921.63	977,000.00
501310	OVERTIME - SALARIED EMPLOYEES	73,445.15	27,758.21	41,129.73	50,000.00
502000	FRINGE BENEFITS	6,976,671.64	7,617,536.99	9,375,521.00	12,402,574.00
502071	W. C. - INJURIES & DAMAGES	7,530.10	5,409.83	4,557.23	0.00
503111	SERVICES	18,009.57	24,359.97	17,969.13	30,285.00
504111	MATERIAL & SUPPLIES	53,493.52	46,464.82	34,410.69	41,605.00
509111	MISCELLANEOUS EXPENSES	1,044.72	1,694.21	2,910.79	5,800.00
512111	LEASES & RENTALS	0.00	0.00	1,362.45	1,900.00
DEPT TOTAL		27,724,756.49	29,309,425.31	32,822,793.20	42,514,814.00

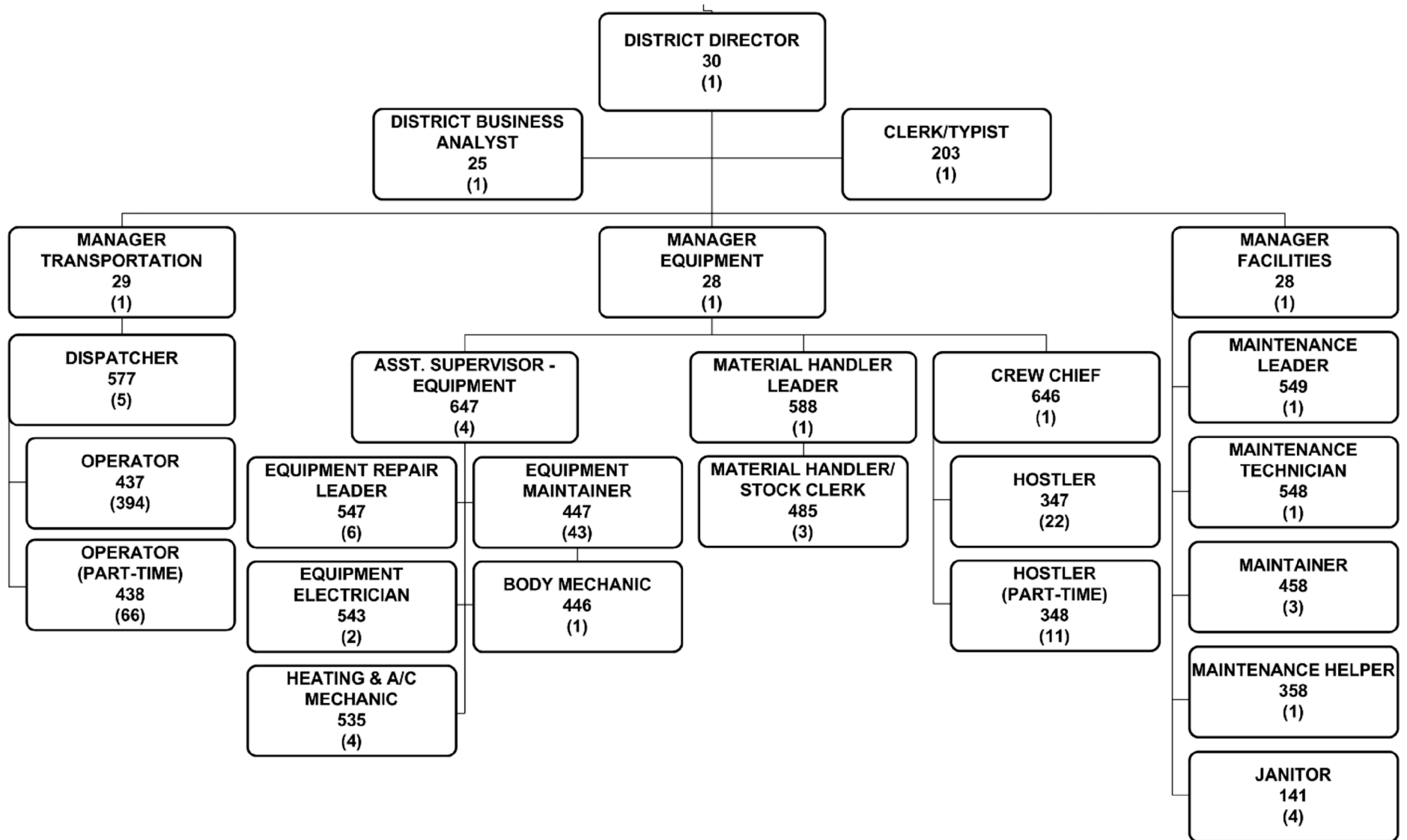
2011 BUDGET IMPLEMENTATION

Department 46 – Hayden District

- Continue to aggressively support all safety programs designed to reduce collisions and passenger accidents.
- Maximize revenue collection efforts through operator training, preventative maintenance procedures, and improving collection procedures.
- Increase and maintain ridership through creative approaches and improving customer service.
- Support the HealthLine.
- Support 2011 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.

	2008 Actual	2009 Actual	2010 Estimate	2011 Budget
Vehicle Miles	6,717,510	6,405,306	6,931,498	8,571,500
Preventable Collisions per 100,000 miles	0.3	1.01	0.78	0.74
Collision Accidents per 100,000 miles	3.31	3.91	3.29	3.0
Miles Between Service Interruptions	7,378	4,073	5,068	5,321
Absence Rate	9.0%	6.63%	7.49%	7.12%

STAFFING LEVEL COMPARISONS



STAFFING LEVEL COMPARISONS

DEPARTMENT: 46 - HAYDEN DISTRICT					
JOB CLASS	JOB TITLE	APPROVED 2008	APPROVED 2009	APPROVED 2010	Budgeted 2011
141	JANITOR	4	4	4	4
203	CLERK/TYPIST	1	1	1	0
347	HOSTLER	18	17	15	22
348	HOSTLER (PART-TIME)	6	6	6	11
358	MAINTENANCE HELPER	1	1	1	1
437	OPERATOR	296	282	280	394
438	OPERATOR (PART-TIME)	29	38	38	66
442	EQUIPMENT SERVICER	5	5	0	0
446	BODY MECHANIC	1	1	1	1
447	EQUIPMENT MAINTAINER	26	26	29	41
458	MAINTAINER	3	3	3	3
485	MATERIAL HANDLER / STOCK CLERK	3	3	3	3
535	HEATING / AIR CONDITIONING MECHANIC	4	4	4	4
543	EQUIPMENT ELECTRICIAN	1	1	2	2
547	EQUIPMENT REPAIR LEADER	9	7	6	6
548	MAINTENANCE TECHNICIAN	2	1	1	1
549	MAINTENANCE LEADER	1	1	1	1
577	DISPATCHER	5	5	5	5
588	MATERIAL HANDLER LEADER	1	1	1	1
646	CREW CHIEF	1	1	1	1
647	ASSISTANT SUPERVISOR - EQUIPMENT	4	4	4	4
25	DISTRICT BUSINESS ANALYST	0	1	1	1
28	MANAGER - FACILITIES	1	1	1	1
28	MANAGER - EQUIPMENT	1	1	1	1
29	MANAGER - TRANSPORTATION	1	1	1	1
30	DISTRICT DIRECTOR	1	1	1	1
DEPARTMENT TOTALS		425	417	411	576

2011 OPERATING BUDGET SUMMARY

Department 47 – Harvard District

MICHAEL YORK
DEPUTY GENERAL MANAGER, OPERATIONS

In September 2010, the Harvard District was closed and the responsibilities of this Department were re-assigned to Hayden and Triskett.

OBJECT CLASS	DESCRIPTION	2008 Actual	2009 Actual	2010 Actual	2011 Budget
501100	BUS OPERATORS' LABOR	15,174,719.91	15,657,307.62	8,633,803.14	0.00
501110	OVERTIME - BUS OPERATORS	1,053,444.44	991,698.53	519,515.55	0.00
501200	HOURLY EMPLOYEES PAYROLL	3,620,251.33	3,821,098.08	2,353,754.69	0.00
501210	OVERTIME - HOURLY EMPLOYEES	118,425.95	46,236.19	38,284.16	0.00
501300	LABOR - SALARIED EMPLOYEES	863,540.95	924,590.73	600,045.67	0.00
501310	OVERTIME - SALARIED EMPLOYEES	62,876.02	50,989.00	20,723.13	0.00
502000	FRINGE BENEFITS	7,102,756.31	7,689,759.70	4,981,635.00	0.00
502071	W. C. - INJURIES & DAMAGES	13,140.41	10,229.30	6,534.15	0.00
503111	SERVICES	83,414.05	49,662.98	28,380.43	0.00
504111	MATERIAL & SUPPLIES	43,032.02	32,913.46	16,725.64	0.00
509111	MISCELLANEOUS EXPENSES	748.61	1,637.20	849.64	0.00
512111	LEASES & RENTALS	(1,463.66)	0.00	0.00	0.00
DEPT TOTAL		28,134,886.34	29,276,122.79	17,200,251.20	0.00

STAFFING LEVEL COMPARISONS

DEPARTMENT: 47 - HARVARD DISTRICT					
JOB CLASS	JOB TITLE	APPROVED 2008	APPROVED 2009	APPROVED 2010	Budgeted 2011
141	JANITOR	4	4	4	0
203	CLERK / TYPIST	1	1	1	0
347	HOSTLER	18	16	16	0
348	HOSTLER (PART-TIME)	8	8	8	0
358	MAINTENANCE HELPER	1	1	1	0
437	OPERATOR	330	308	305	0
438	OPERATOR (PART-TIME)	24	39	39	0
442	EQUIPMENT SERVICER	9	6	0	0
446	BODY MECHANIC	1	1	1	0
447	EQUIPMENT MAINTAINER	25	26	31	0
458	MAINTAINER	3	3	3	0
485	MATERIAL HANDLER / STOCK CLERK	3	3	2	0
535	HEATING / AIR CONDITIONING MECHANIC	4	4	4	0
543	EQUIPMENT ELECTRICIAN	1	1	1	0
547	EQUIPMENT REPAIR LEADER	8	7	7	0
548	MAINTENANCE TECHNICIAN	2	2	2	0
549	MAINTENANCE LEADER	1	1	1	0
577	DISPATCHER	5	5	5	0
588	MATERIAL HANDLER LEADER	1	1	1	0
646	CREW CHIEF	1	1	1	0
647	ASSISTANT SUPERVISOR - EQUIPMENT	4	5	4	0
28	MANAGER - FACILITIES	1	1	1	0
28	MANAGER - EQUIPMENT	1	1	1	0
29	MANAGER - TRANSPORTATION	1	1	1	0
30	DISTRICT DIRECTOR	1	1	1	0
DEPARTMENT TOTALS		458	447	441	0

2011 OPERATING BUDGET SUMMARY

Department 49 – Triskett District

WILLIAM ELTRICH, DISTRICT DIRECTOR

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

OBJECT CLASS	DESCRIPTION	2008 Actual	2009 Actual	2010 Actual	2011 Budget
501100	BUS OPERATORS' LABOR	16,095,532.29	14,555,610.74	12,048,854.64	14,890,850.00
501110	OVERTIME - BUS OPERATORS	1,008,753.27	1,018,306.60	648,296.35	933,000.00
501200	HOURLY EMPLOYEES PAYROLL	3,821,311.89	3,446,185.99	3,359,663.46	4,078,000.00
501210	OVERTIME - HOURLY EMPLOYEES	141,874.07	267,709.57	177,999.92	140,000.00
501300	LABOR - SALARIED EMPLOYEES	921,159.48	989,079.84	951,519.43	943,000.00
501310	OVERTIME - SALARIED EMPLOYEES	26,523.56	29,769.30	37,853.89	60,000.00
502000	FRINGE BENEFITS	7,456,451.48	7,131,209.26	6,922,716.00	8,690,885.00
502071	W. C. - INJURIES & DAMAGES	10,090.97	4,738.71	3,149.13	0.00
503111	SERVICES	24,834.62	17,658.89	55,057.95	30,485.00
504111	MATERIAL & SUPPLIES	37,318.52	38,418.35	39,572.02	45,905.00
509111	MISCELLANEOUS EXPENSES	1,732.63	1,501.25	930.70	7,900.00
512111	LEASES & RENTALS	0.00	199.86	700.00	700.00
DEPT TOTAL		29,545,582.78	27,500,388.36	24,246,313.49	29,820,725.00

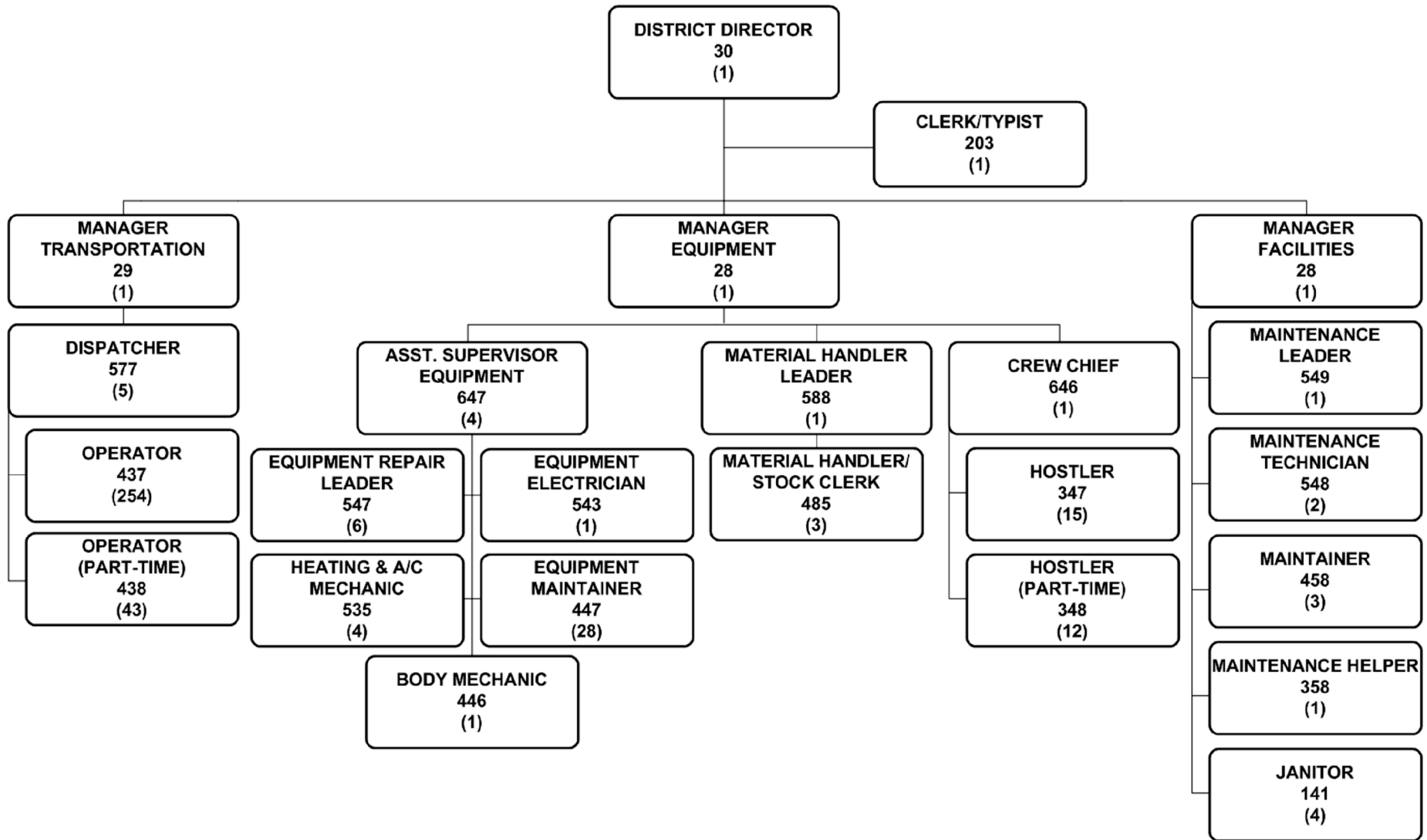
2011 BUDGET IMPLEMENTATION

Department 49 – Triskett District

- Continue to aggressively support all safety programs to reduce collisions and passenger accidents by coordinating with the Safety Department and tracking the number and type of accidents on a monthly basis.
- Support participation in TransitStat project by reporting on the TransitStat 'Score Card' on a monthly basis.
- Continue to utilize and maximize CITME maintenance program by reporting preventative maintenance compliance data on a monthly basis.
- Continue to aggressively support revenue vehicle cleanliness by maintaining or exceeding the standard set on detail cleaning on a monthly basis.
- Maximize revenue collection efforts by coordinating information with the Revenue Department in tracking the percentage of coaches vaulted and probed on a monthly basis.
- Support the Authority's system of security, emergency preparedness, and operational plan by participating in the annual emergency drill exercise and attending NIMS courses.
- Reduce the absenteeism rate at the district through creative approaches and by tracking the absenteeism rate on a monthly basis.
- Support Operations Division initiatives and projects as assigned.

	2008 Actual	2009 Actual	2010 Estimate	2011 Budget
Vehicle Miles	8,503,901	5,752,557	5,334,220	6,144,000
Preventable Collisions per 100,000 miles	0.82	0.66	0.65	0.93
Collision Accidents per 100,000 miles	2.57	1.93	2.46	3.0
Miles Between Service Interruptions	6,655	6,865	7,309	8,500
Absence Rate	5.36%	5.78%	8.38%	4.5%

STAFFING LEVEL COMPARISONS



STAFFING LEVEL COMPARISONS

DEPARTMENT: 49 - TRISKETT DISTRICT					
JOB CLASS	JOB TITLE	APPROVED 2008	APPROVED 2009	APPROVED 2010	Budgeted 2011
141	JANITOR	4	4	4	4
188	COMMUNITY CIRCULATOR OPERATOR	81	58	0	0
189	COMMUNITY CIRCULATOR OPERATOR (PART-TIME)	11	10	0	0
203	CLERK/TYPIST	1	1	1	1
347	HOSTLER	15	13	12	15
348	HOSTLER (PART-TIME)	8	8	6	12
358	MAINTENANCE HELPER	1	1	1	1
437	OPERATOR	254	229	227	254
438	OPERATOR - PART-TIME	18	27	27	43
446	BODY MECHANIC	1	1	1	1
447	EQUIPMENT MAINTAINER	32	25	22	28
458	MAINTAINER	3	3	3	3
485	MATERIAL HANDLER / STOCK CLERK	3	3	3	3
535	HEATING / AIR CONDITIONING MECHANIC	4	4	4	4
543	EQUIPMENT ELECTRICIAN	1	1	1	1
547	EQUIPMENT REPAIR LEADER	7	6	6	6
548	MAINTENANCE TECHNICIAN	2	2	2	2
549	MAINTENANCE LEADER	1	1	1	1
577	DISPATCHER	5	5	5	5
588	MATERIAL HANDLER LEADER	1	1	1	1
646	CREW CHIEF	1	1	1	1
647	ASSISTANT SUPERVISOR - EQUIPMENT	4	4	4	4
28	MANAGER - FACILITIES	1	1	1	1
28	MANAGER - EQUIPMENT	1	1	1	1
29	MANAGER - TRANSPORTATION	1	1	1	1
30	DISTRICT DIRECTOR	1	1	1	1
DEPARTMENT TOTALS		462	412	336	394

2011 Department Budgets

Finance & Administration Division

Division Summary	DB - 53
Office of Business Development	DB - 56
Accounting	DB - 59
Information Technology	DB - 63
Support Services	DB - 67
Procurement	DB - 70
Revenue	DB - 73

DIVISION SUMMARY

FINANCE & ADMINISTRATION

Loretta Kirk, Deputy General Manager

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.

General Description

The Finance and Administration Division is responsible for the Authority's financial management and critical support functions. Performs financial management functions, accounting, financial reporting, cash management, debt management and passenger fare collection and processing. Performs critical support functions, 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.

2010 Achievements

- Supported development of short and long-range Information Technology (IT) Strategic plans and updated IT policies and procedures
- Completed upgrade and replacement of distributed network and client server applications
- Monitored and improved procurement acquisition process to reduce procurement turnaround time
- Progressed on implementation of new Fare Collection system
- Completed implementation of proof-of-payment fare collection on Heavy Rail and BRT systems
- Continued improvements and enhancements to Disadvantaged Business Enterprise (DBE) programs
- Continued assisting departments in reducing the Authority's overall administration costs
- Continued assistance with Energy Risk Management program

DIVISION SUMMARY

FINANCE & ADMINISTRATION

Loretta Kirk, Deputy General Manager

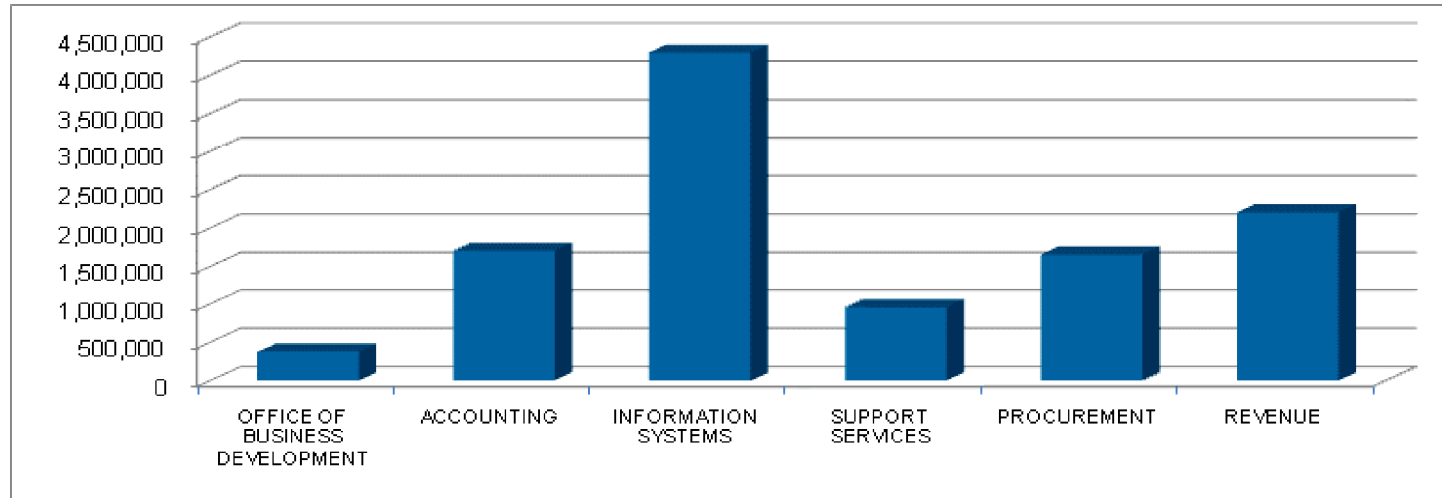
2011 Priorities

- Continue to 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 Information Technology (IT) Strategic plans and updated 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
- Prepare Comprehensive Annual Financial Report (CAFR), conforming to the requirements outlines by the Government Finance Officers Association (GFOA)
- Complete implementation of new Fare Collection system
- Maintain and improve cash handling processes, fare collection security, and vaulting process
- Administer the Authority's Disadvantaged Business Enterprise (DBE) program to include certification of firms as a DBE 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
- Oversee Records Management function for the Authority
- Assist with Energy Risk Management program
- Administer 2011 Capital Grant Application process
- Sell General Obligation (GO) Bonds to finance capital improvement projects
- Implement upgrade to Oracle computer systems
- Implement Finance & Administration Division Sustainability plan
- Implement process improvements

2011 OPERATING BUDGET SUMMARY

Division 2 – Finance & Administration

Total Budgets by Department



Total

DIV: 2 - FINANCE AND ADMINISTRATION		2008 Actual	2009 Actual	2010 Estimate	2011 Budget	2012 Budget	2013 Budget
DEPT #	DESCRIPTION						
10	OFFICE OF BUSINESS DEVELOPMENT	430,505.67	393,147.14	324,871.96	373,472.00	374,008.86	376,387.95
60	ACCOUNTING	1,523,537.00	1,603,658.42	1,635,059.05	1,702,112.00	1,710,245.81	1,718,420.29
61	INFORMATION SYSTEMS	4,103,735.10	3,588,266.88	3,992,491.51	4,298,332.00	4,404,499.70	4,514,665.24
62	SUPPORT SERVICES	1,275,267.67	1,046,180.19	874,707.81	955,497.00	991,817.42	995,489.28
64	PROCUREMENT	1,890,396.76	1,654,540.48	1,559,334.98	1,654,960.00	1,659,809.80	1,670,222.90
65	REVENUE	2,266,683.03	2,346,067.05	2,140,877.34	2,202,251.00	2,262,049.01	2,275,713.00
DIVISION TOTALS		11,490,125.23	10,631,860.16	10,527,342.65	11,186,624.00	11,402,430.59	11,550,898.66

Staffing by Department

		2008	2009	2010	2011	Variance 2011 - 2010
FINANCE & ADMINISTRATION						
	OFFICE OF BUSINESS DEVELOPMENT	5	5	4	4	0
	ACCOUNTING	23	22	22	22	0
	INFORMATION TECHNOLOGY	24	23	23	23	0
	SUPPORT SERVICES	10	8	8	7	(1)
	PROCUREMENT	22	20	18	17	(1)
	REVENUE	25	20	20	18	(2)
TOTALS		109	98	95	91	(4)

2011 OPERATING BUDGET SUMMARY

Department 10 – Office of Business Development

STEVEN SIMS, DIRECTOR

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 and within the community at-large.

OBJECT		2008 Actual	2009 Actual	2010 Actual	2011 Budget
CLASS	DESCRIPTION				
501300	LABOR - SALARIED EMPLOYEES	320,356.30	286,323.41	260,060.11	260,000.00
501310	OVERTIME - SALARIED EMPLOYEES	0.00	0.00	0.00	0.00
502000	FRINGE BENEFITS	104,360.30	102,919.08	60,914.69	107,372.00
503111	SERVICES	0.00	0.00	0.00	0.00
503020	ADVERTISING FEES	221.40	557.35	505.49	1,100.00
504111	MATERIAL & SUPPLIES	542.40	15.00	442.27	500.00
509111	MISCELLANEOUS EXPENSES	5,025.27	3,332.30	2,949.40	4,500.00
	DEPT TOTAL	430,505.67	393,147.14	324,871.96	373,472.00

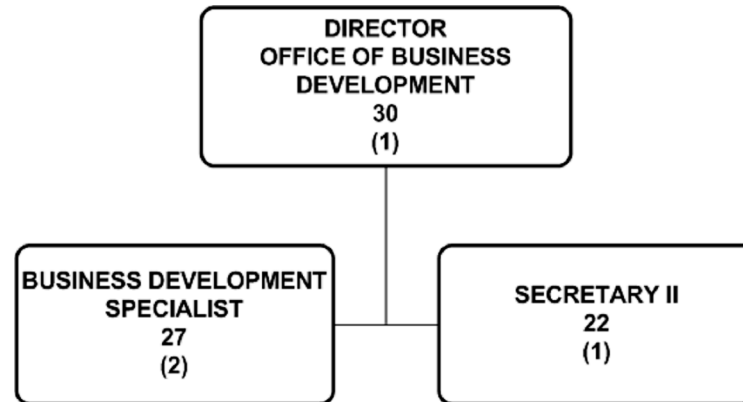
2011 BUDGET IMPLEMENTATION

Department 10 – Office of Business Development

- Administer the Authority’s Disadvantaged Business (DBE) Program to include certification of firms as a DBE contractor, establishing DBE 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.
- Work to 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.

	2008 Actual	2009 Actual	2010 Estimate	2011 Budget
Conduct on site construction compliance reviews	32	16	16	16
Host contract informational sessions for DBE and prime contractors regarding RTA procurements	2	2	2	2
Sponsor and support business focused workshops and training sessions for women and minority business owners	3	4	4	4
Conduct DBE certification workshops	2	2	2	2

STAFFING LEVEL COMPARISONS



DEPARTMENT: 10 - OFFICE OF BUSINESS DEVELOPMENT					
JOB CLASS	JOB TITLE	APPROVED 2008	APPROVED 2009	APPROVED 2010	Budgeted 2011
22	SECRETARY II	1	1	1	1
27	BUSINESS DEVELOPMENT SPECIALIST	3	3	2	2
30	DIRECTOR - OFFICE OF BUSINESS DEVELOPMENT	1	1	1	1
DEPARTMENT TOTALS		5	5	4	4

2011 OPERATING BUDGET SUMMARY

Department 60 - Accounting

GLENN HENDRIX, DIRECTOR

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.

OBJECT CLASS	DESCRIPTION	2008 Actual	2009 Actual	2010 Actual	2011 Budget
501300	LABOR - SALARIED EMPLOYEES	1,100,004.78	1,159,215.64	1,126,455.73	1,144,000.00
501310	OVERTIME - SALARIED EMPLOYEES	38,567.17	18,071.29	19,745.22	25,000.00
502000	FRINGE BENEFITS	344,299.90	390,480.96	460,781.00	482,762.00
503111	SERVICES	24,993.23	11,694.69	7,139.79	25,250.00
503049	TEMPORARY HELP	0.00	0.00	0.00	0.00
504111	MATERIAL & SUPPLIES	10,225.23	16,435.87	14,885.12	16,900.00
509111	MISCELLANEOUS EXPENSES	5,446.69	7,759.97	6,052.19	8,200.00
	DEPT TOTAL	1,523,537.00	1,603,658.42	1,635,059.05	1,702,112.00

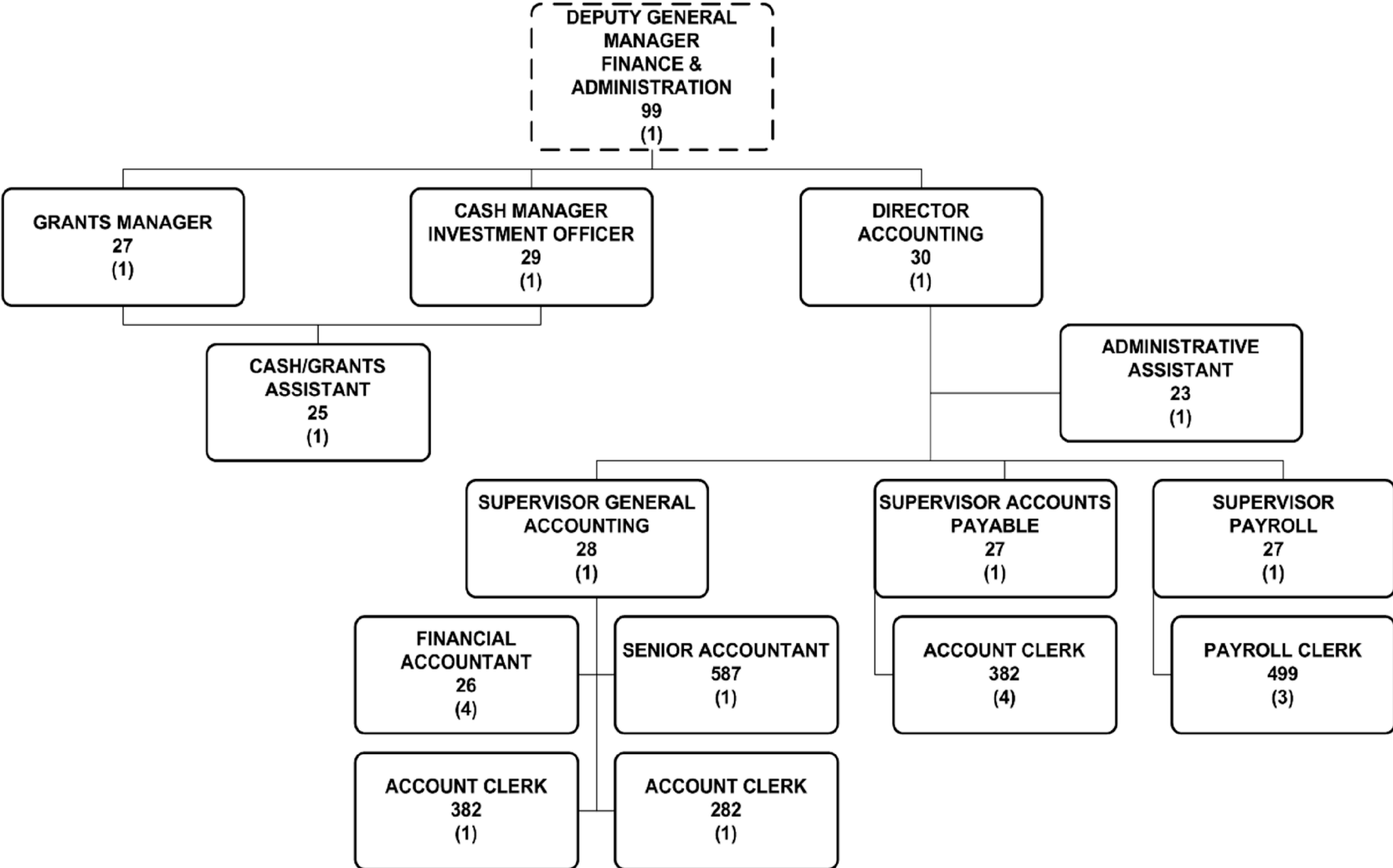
2011 BUDGET IMPLEMENTATION

Department 60 - Accounting

- Reduce time required to process payments to vendors and employees by revising the payments process and streamlining procedures.
- Prepare Comprehensive Annual Financial Report, conforming to the requirements outlined by the Government Finance Officers Association.
- Improve department performance to eliminate audit citations and expedite workflow.

	2008 Actual	2009 Actual	2010 Estimate	2011 Budget
Number Of Days To Process Cash Disbursement Reports	1	1	1	1
Number Of Days To Complete Month-End Closings	5	5	5	5
Average Days To Process Invoices	5	5	5	5

STAFFING LEVEL COMPARISONS



STAFFING LEVEL COMPARISONS

DEPARTMENT: 60 - ACCOUNTING					
JOB CLASS	JOB TITLE	APPROVED 2008	APPROVED 2009	APPROVED 2010	Budgeted 2011
282	ACCOUNT CLERK	1	1	1	1
301	ADMINISTRATIVE ASSISTANT	1	1	1	0
382	ACCOUNT CLERK	5	5	5	5
499	PAYROLL CLERK	3	3	3	3
587	SENIOR ACCOUNTANT	1	1	1	1
23	ADMINISTRATIVE ASSISTANT	1	1	1	1
25	CASH / GRANTS ASSISTANT	0	0	0	1
26	PAYROLL ADMINISTRATOR	1	0	0	0
26	FINANCIAL ACCOUNTANT	4	4	4	4
27	SUPERVISOR - ACCOUNTS PAYABLE	1	1	1	1
27	SUPERVISOR - PAYROLL	1	1	1	1
27	GRANTS MANAGER	1	1	1	1
28	SUPERVISOR - GENERAL ACCOUNTING	1	1	1	1
29	CASH MANAGER / INVESTMENT OFFICER	1	1	1	1
30	DIRECTOR - ACCOUNTING	1	1	1	1
DEPARTMENT TOTALS		23	22	22	22

2011 OPERATING BUDGET SUMMARY

Department 61 – Information Technology

HAMID MANTEGHI, DIRECTOR

The mission of the Information Technology Department is to deliver reliable Information Technology 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.

OBJECT CLASS	DESCRIPTION	2008 Actual	2009 Actual	2010 Actual	2011 Budget
501300	LABOR - SALARIED EMPLOYEES	1,386,616.18	1,366,862.00	1,388,916.91	1,436,000.00
501310	OVERTIME - SALARIED EMPLOYEES	450.00	808.53	1,635.22	2,700.00
502000	FRINGE BENEFITS	456,209.73	493,906.22	559,370.00	594,139.00
503111	SERVICES	1,231,516.11	1,251,814.12	1,416,793.83	1,546,803.00
504111	MATERIAL & SUPPLIES	29,657.31	22,253.11	3,869.90	111,000.00
505111	UTILITIES	498,395.70	449,914.05	546,269.65	549,000.00
509111	MISCELLANEOUS EXPENSES	498,395.70	2,708.85	3,748.00	7,750.00
512111	LEASES & RENTALS	2,494.37	0.00	71,888.00	50,940.00
DEPT TOTAL		4,103,735.10	3,588,266.88	3,992,491.51	4,298,332.00

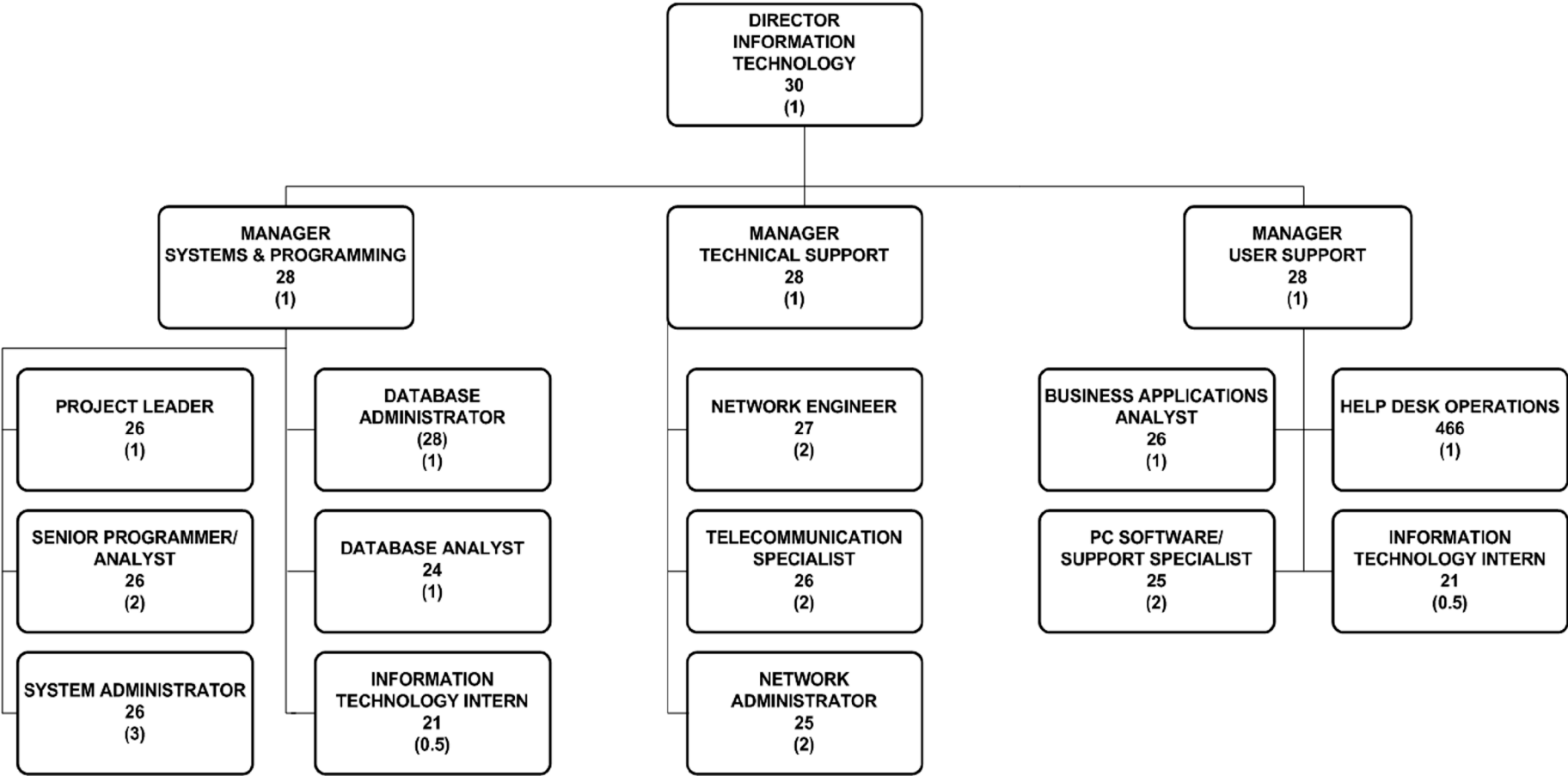
2011 BUDGET IMPLEMENTATION

Department 61 – Information Technology

- 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 Information Technology (IT) Strategic Plans and update IT Policies and Procedures.
- Support daily operations and office automations.
- Provide Help Desk support and users technical training.

	2008 Actual	2009 Actual	2010 Estimate	2011 Budget
<u>IT Projects (Percent Of Project Completed)</u>				
Kronos Upgrade	20%	100%	100%	100%
Fare Collection (Infrastructure)	90%	100%	70%	100%
ECTP Infrastructure	90%	100%	100%	100%
Oracle Products Implementation	90%	95%	98%	100%
Oracle Version Upgrade R12	-	0%	5%	100%
Operator Time & Attendance Replacement	-	0%	5%	30%
Communication Infrastructure Enhancement	-	0%	10%	100%
Data Center Renovation	60%	85%	90%	100%
Trapeze Product Upgrade	50%	75%	85%	100%
<u>User Support</u>				
Printers Supported	200	250	250	240
Users Supported	1,250	1,225	1,200	1200
RTA Locations Supported	18	18	18	17
Personal Computers	1,000	1,000	970	930
Telephone/Voice Mail Boxes	1,900	1,850	700	670
911 Call Box	220	279	285	290

STAFFING LEVEL COMPARISONS



STAFFING LEVEL COMPARISONS

DEPARTMENT: 61 - INFORMATION TECHNOLOGY					
JOB CLASS	JOB TITLE	APPROVED 2008	APPROVED 2009	APPROVED 2010	Budgeted 2011
X	INFORMATION TECHNOLOGY INTERN	0	0	0	1
466	HELP DESK OPERATOR	1	1	1	1
596	COORDINATOR - USER SUPPORT	1	0	0	0
24	DATABASE ANALYST	1	1	1	1
25	NETWORK ADMINISTRATOR	4	2	2	2
25	PC SOFTWARE/SUPPORT SPECIALIST	2	2	2	2
26	TELECOMMUNICATION SPECIALIST	2	2	2	2
26	BUSINESS APPLICATIONS ANALYST	1	1	1	1
26	SYSTEM ADMINISTRATOR	2	2	3	3
26	SENIOR PROGRAMMER / ANALYST	2	2	2	2
26	SUPERVISOR - HARDWARE OPERATIONS	1	1	1	0
26	PROJECT LEADER	2	2	1	1
27	NETWORK ENGINEER	0	2	2	2
28	MANAGER - USER SUPPORT	1	1	1	1
28	MANAGER - TECHNICAL SUPPORT	1	1	1	1
28	DATABASE ADMINISTRATOR	1	1	1	1
28	MANAGER - SYSTEMS AND PROGRAMMING	1	1	1	1
30	DIRECTOR - INFORMATION SYSTEMS	1	1	1	1
DEPARTMENT TOTALS		24	23	23	23

2011 OPERATING BUDGET SUMMARY

Department 62 – Support Services

EDDINE F. DALTON, MANAGER

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

OBJECT					
CLASS	DESCRIPTION	2008 Actual	2009 Actual	2010 Actual	2011 Budget
501200	HOURLY EMPLOYEES PAYROLL	47,933.20	49,742.31	49,878.07	52,000.00
501210	OVERTIME - HOURLY EMPLOYEES	321.61	657.94	362.82	750.00
501300	LABOR - SALARIED EMPLOYEES	465,532.79	388,731.72	276,108.75	313,000.00
501310	OVERTIME - SALARIED EMPLOYEES	6,300.06	3,171.08	7,135.73	3,000.00
502000	FRINGE BENEFITS	169,627.37	161,009.10	134,096.00	152,283.00
503111	SERVICES	79,634.35	69,888.34	72,358.06	80,514.00
504111	MATERIAL & SUPPLIES	92,931.13	65,806.03	88,722.09	88,300.00
504051	POSTAGE EXPENSE	120,559.78	52,489.56	87,084.84	95,000.00
504052	DUPLICATING MATERIAL & SUPPLIES	119,020.65	113,859.21	117,014.29	120,000.00
509111	MISCELLANEOUS EXPENSES	1,579.08	2,395.48	1,640.00	2,650.00
512111	LEASES & RENTALS	171,827.65	138,429.42	40,307.16	48,000.00
DEPT TOTAL		1,275,267.67	1,046,180.19	874,707.81	955,497.00

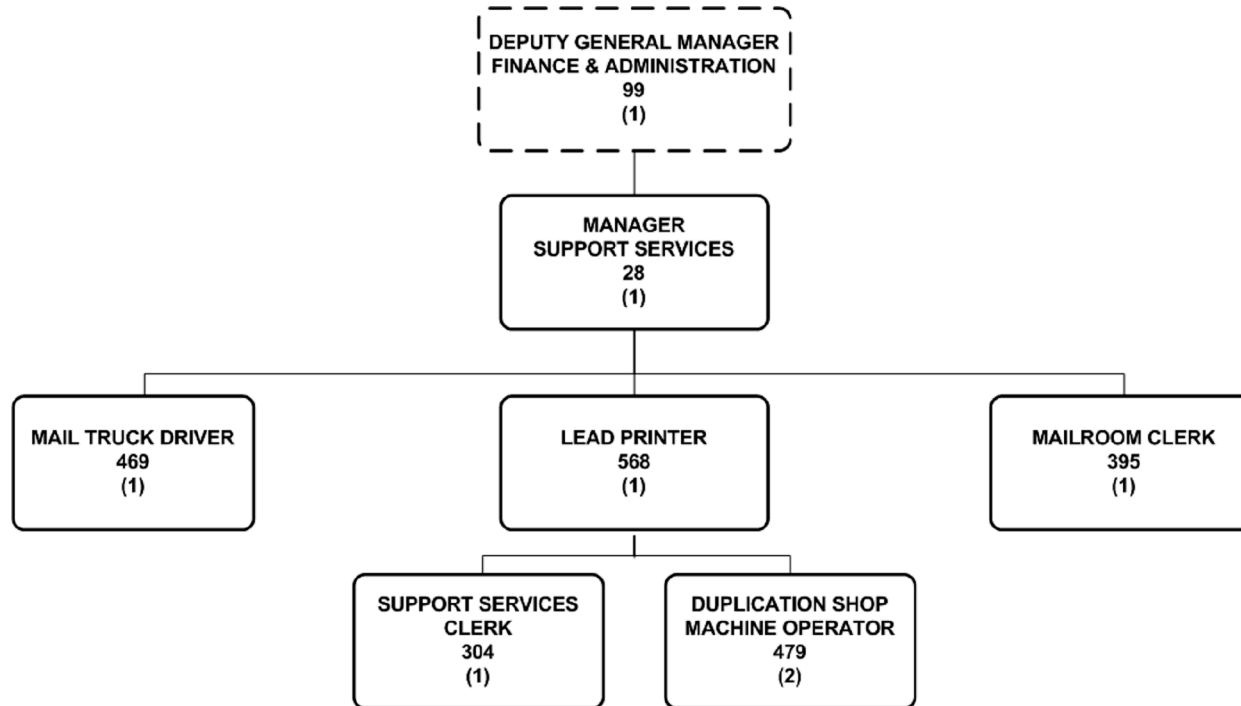
2011 BUDGET IMPLEMENTATION

Department 62 – Support Services

- Offset printing at the Print Shop.
- High-tech duplicating.
- Mail Management.
- Mail and supplies distribution to our facilities.
- Commercial delivery service.
- Provide and operate audio-visual equipment for Board Room meetings.
- Manage recycling.
- Provide cost-effective paper usage and postage techniques.
- Manage copying and printing equipment leases.
- Manage vending machines.
- Manage Records Management Program.
- Manage office supplies.
- Manage office design and furniture.

	2008 Actual	2009 Actual	2010 Estimate	2011 Budget
Print & Distribute Timetables	10,000,000	10,000,000	10,000,000	10,000,000
Duplicate Copies	12,000,000	11,500,000	11,500,000	11,500,000

STAFFING LEVEL COMPARISONS



DEPARTMENT: 62 - SUPPORT SERVICES					
JOB CLASS	JOB TITLE	APPROVED 2008	APPROVED 2009	APPROVED 2010	Budgeted 2011
304	SUPPORT SERVICES CLERK	1	1	1	1
395	MAILROOM CLERK	1	1	1	1
469	MAIL TRUCK DRIVER	1	1	1	1
479	DUPLICATION SHOP MACHINE OPERATOR	2	2	2	2
496	SENIOR MAIL CLERK / WORK UNIFORM COORDINATOR	1	0	0	0
568	LEAD PRINTER	1	1	1	1
569	PRODUCTION COORDINATOR	1	1	1	0
27	MANAGER - RECORDS	1	0	0	0
28	MANAGER - BUILDING SUPPORT SERVICES	1	1	1	1
DEPARTMENT TOTALS		10	8	8	7

2011 OPERATING BUDGET SUMMARY

Department 64 – Procurement

FRANK POLIVKA, DIRECTOR

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 effectively administer all purchases and service contracts.

OBJECT CLASS	DESCRIPTION	2008 Actual	2009 Actual	2010 Actual	2011 Budget
501300	LABOR - SALARIED EMPLOYEES	1,394,179.75	1,190,507.19	1,093,091.42	1,138,000.00
501310	OVERTIME - SALARIED EMPLOYEES	0.00	0.00	0.00	0.00
502000	FRINGE BENEFITS	455,967.50	436,664.24	439,760.00	469,960.00
503111	SERVICES	3,950.00	4,345.00	5,569.99	5,700.00
503020	ADVERTISING FEES	8,904.26	11,483.33	14,877.37	22,500.00
503049	TEMPORARY HELP	0.00	0.00	0.00	0.00
504111	MATERIAL & SUPPLIES	7,428.07	5,102.39	3,807.00	5,400.00
509111	MISCELLANEOUS EXPENSES	19,967.18	6,438.33	2,229.20	13,400.00
DEPT TOTAL		1,890,396.76	1,654,540.48	1,559,334.98	1,654,960.00

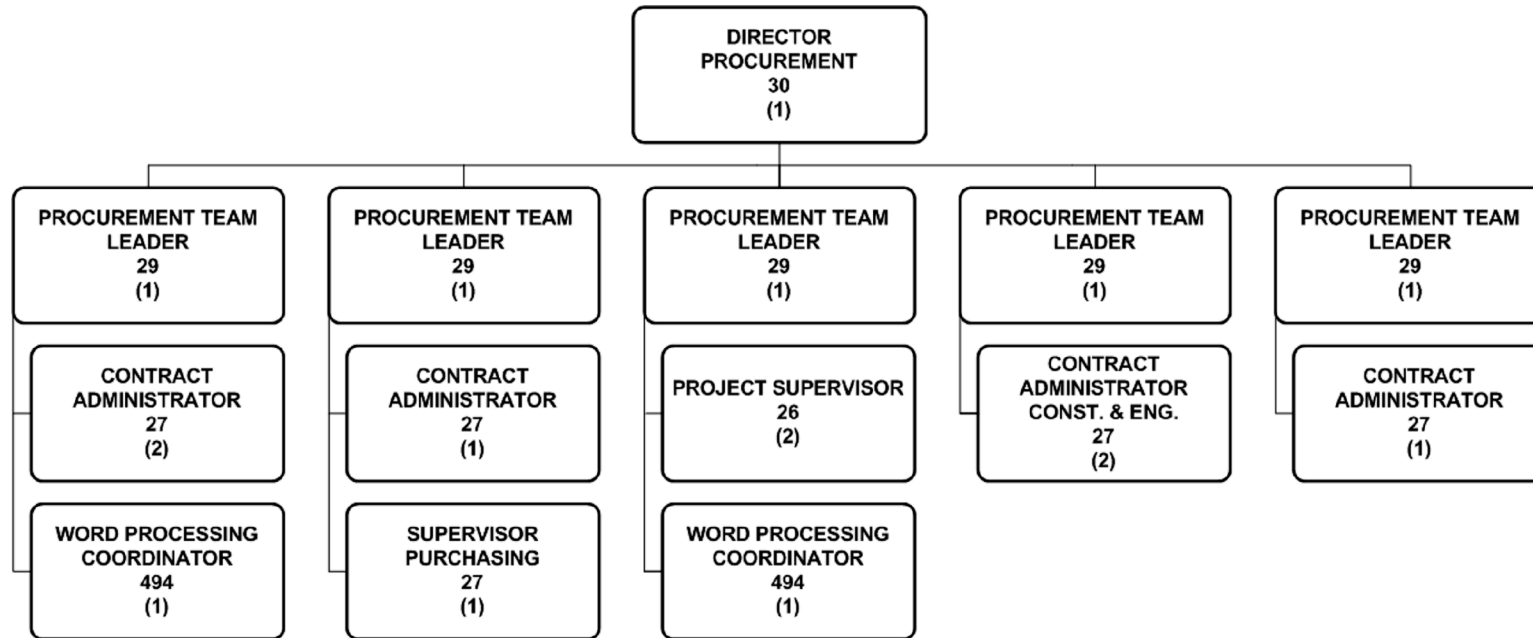
2011 BUDGET IMPLEMENTATION

Department 64 – Procurement

- 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.

	2008 Actual	2009 Actual	2010 Estimate	2011 Budget
Number Of Work Days To Complete Purchases Under 100K—this category was 25K prior 2009	3	10	10	10
Number Of Work Days To Complete Bids Over 100K	60	60	60	60
Number Of Work Days To Process Proposals Over 100K	90	90	90	90

STAFFING LEVEL COMPARISONS



DEPARTMENT: 64 - PROCUREMENT					
JOB CLASS	JOB TITLE	APPROVED 2008	APPROVED 2009	APPROVED 2010	Budgeted 2011
281	MATERIALS CLERK	1	1	1	1
494	WORD PROCESSING COORDINATOR	3	3	2	1
688	PROCUREMENT SPECIALIST	1	1	0	0
26	ASSISTANT CONTRACT ADMINISTRATOR	1	0	0	0
26	PRODUCTS AND SERVICES SPECIFICATION WRITER	1	0	0	0
26	PROJECT SUPERVISOR	2	2	2	2
27	SUPERVISOR - PURCHASING	1	1	1	1
27	CONTRACT ADMINISTRATOR	4	4	4	4
27	CONTRACT ADMIN. - CONSTRUCTION & ENGINEERING	2	2	2	2
29	PROCUREMENT TEAM LEADER	5	5	5	5
30	DIRECTOR - PROCUREMENT	1	1	1	1
DEPARTMENT TOTALS		22	20	18	17

2011 OPERATING BUDGET SUMMARY

Department 65 – Revenue

SCOTT UHAS, DIRECTOR

The mission of the Revenue Department is to maximize, collect, and safeguard passenger revenues from fareboxes, retail outlets, and automated fare collection machines. Other responsibilities include administering sales of farecards and passes, generating ridership reports, oversight of all vending equipment, and the review and integration of new fare policies and collection techniques as they are adopted.

OBJECT CLASS	DESCRIPTION	2008 Actual	2009 Actual	2010 Actual	2011 Budget
501300	LABOR - SALARIED EMPLOYEES	996,061.62	1,020,058.05	931,981.06	952,000.00
501310	OVERTIME - SALARIED EMPLOYEES	44,594.99	45,885.38	43,866.46	35,000.00
502000	FRINGE BENEFITS	339,734.05	384,452.29	392,108.00	407,601.00
503111	SERVICES	596,574.09	608,611.21	490,150.07	497,000.00
504111	MATERIAL & SUPPLIES	285,238.02	284,608.32	280,221.05	307,900.00
509111	MISCELLANEOUS EXPENSES	4,480.26	2,451.80	2,550.70	2,750.00
DEPT TOTAL		2,266,683.03	2,346,067.05	2,140,877.34	2,202,251.00

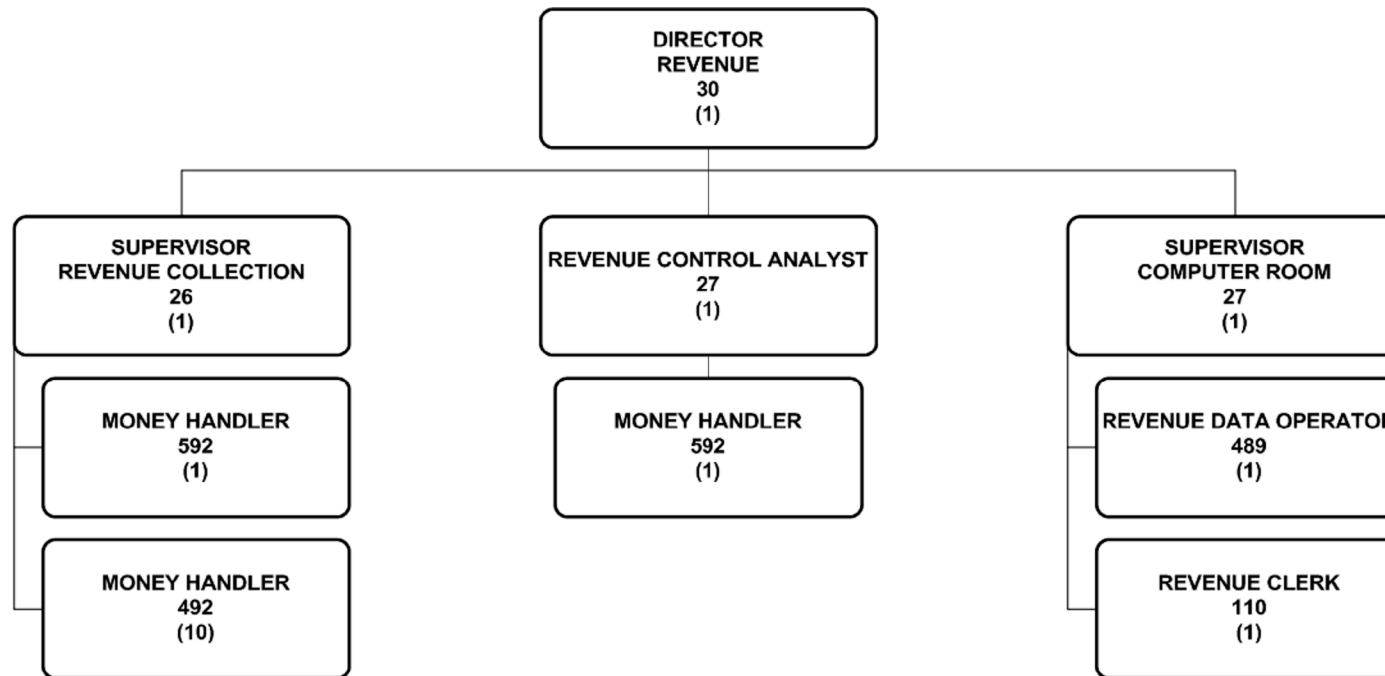
2011 BUDGET IMPLEMENTATION

Department 65 – Revenue

- Continue working with the vendor to successfully implement and improve the proof of payment system in place on both the Red Line and the Health Line.
- Work towards the implementation of smart card use for payment of fares system wide.
- Ensure that farecards and passes are available for distribution to outlets and the general public.
- Improve ridership reporting using the Transit Stat process and the new APC system.
- Maintain and improve cash handling processes, fare collection equipment security and the vaulting process.
- Direct implementation of fare policies and continue to seek ways to improve public education.

	2008 Actual	2009 Actual	2010 Estimate	2011 Budget
Number of Ticket and Pass Outlets	210	240	260	250
Percentage Increase in Total Revenue	5.0%	8%	9%	<2%>
Average Number of Passes Sold Monthly				
Monthly Passes	10,500	11,000	11,500	10,000
Seven Day Passes	56,500	38,000	40,000	35,000
Average Number of Farecards Sold Monthly	230,000	240,000	245,000	240,000
Average Monthly On-line Fare Sales in Dollars	24,000	27,000	32,000	30,000
Farebox Revenue Sources by Percentage				
Cash On Board				
• Single Fare	18%	16%	18%	14%
• Day Passes	30%	32%	26%	29%
Farecards	12%	13%	20%	18%
Passes (Weekly and Monthly combined)	40%	39%	36%	39%

STAFFING LEVEL COMPARISONS



DEPARTMENT: 65 - REVENUE		APPROVED 2008	APPROVED 2009	APPROVED 2010	Budgeted 2011
JOB CLASS	JOB TITLE				
110	REVENUE CLERK	2	1	1	1
290	ASSISTANT MONEY HANDLER	2	0	0	0
489	REVENUE DATA OPERATOR	1	1	1	1
492	MONEY HANDLER	14	12	12	10
592	MONEY HANDLER	2	2	2	2
26	SUPERVISOR - REVENUE COLLECTION	1	1	1	1
27	REVENUE CONTROL ANALYST	1	1	1	1
27	SUPERVISOR - COMPUTER ROOM	1	1	1	1
30	DIRECTOR - REVENUE COLLECTION	1	1	1	1
DEPARTMENT TOTALS		25	20	20	18

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2011 Department Budgets

Engineering & Project Management Division

Division Summary	DB - 77
Euclid Corridor Transportation Project	DB - 80
Project Support	DB - 81
Programming & Planning	DB - 84
Engineering & Project Development	DB - 87

DIVISION SUMMARY

Engineering & Project Management

Michael Schipper, Deputy General Manager

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.

General Description

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

2010 Achievements

- Completed construction of the Stephanie Tubbs Jones East Side Transit Center.
 - Completed design and construction of four at-grade rail crossing upgrades on the Light Rail System (Phase 1 of 3).
 - Completed the designs of the Woodhill and Lee/Van Aken Station ADA Rehabilitations.
 - Completed the design and construction of the Light Rail Trunk Line Bridge Deck Replacements.
 - Completed the Demolition of the Rockefeller Bridge Demolition.
 - Completed the design of the Red Line S-Curve rehabilitation.
 - Continued the design of the University Circle, East 120th/Mayfield, and Brookpark Stations and Airport Tunnel.
 - Continued construction of the East 55th Street and Puritas Rapid Station ADA Rehabilitations and the Paratransit Rehabilitation project.
 - Continued the Strategic Planning Study for the Authority.
 - Complete the designs and construction of the Lakewood and Detroit-Shoreway Transit Waiting Environment Projects.
- Managed the delivery of the \$45.75 million ARRA program and the \$2.32 million TIGGER grant.
 - Awarded \$10.50 million competitive TIGER II grant for construction of University Circle Station.
 - Awarded \$4.25 million competitive Bus State of Good Repair grant for equipment and repairs to three bus garages.
 - Awarded two \$0.60 million Transit Enhancement grants from NOACA for University Circle and Clifton Blvd projects.
 - Recommended for \$7.10 million of TRAC funding for the Clifton Boulevard Project.

DIVISION SUMMARY

Engineering & Project Management

Michael Schipper, Deputy General Manager

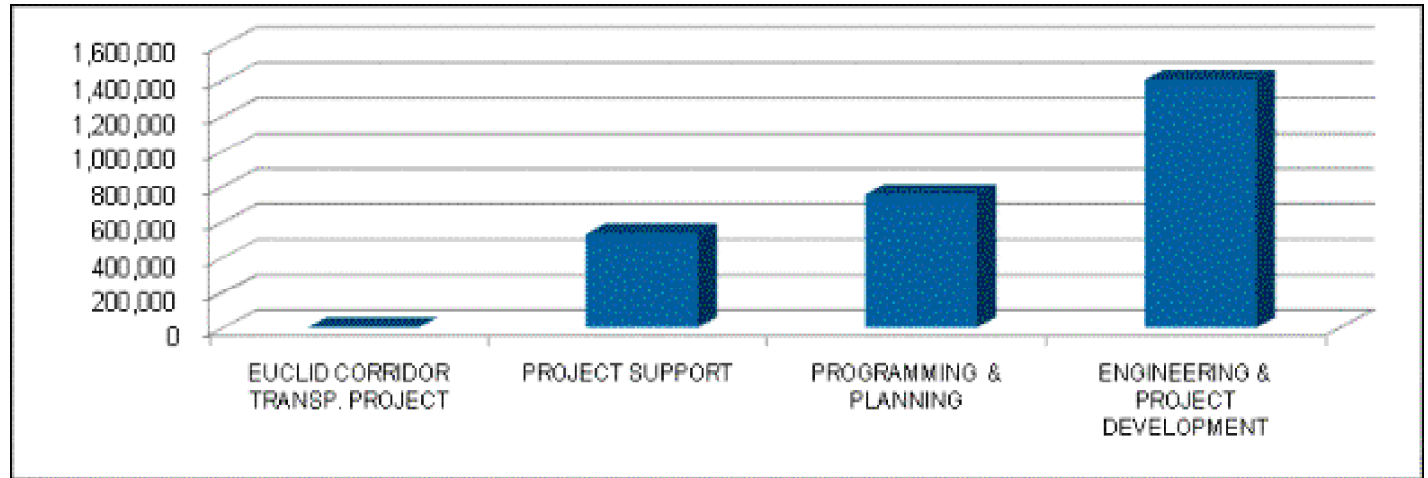
2011 Priorities

- Complete the construction of the Paratransit Rehabilitation project.
- Complete the construction of the Puritas Rapid Station ADA Rehabilitation and East 55th Street Rapid Station ADA Rehabilitations.
- Begin construction of the Buckeye/Woodhill, Lee Van/Aken and University Circle Station ADA Rehabilitations
- Complete construction of the Westlake Park and Ride Lot Expansion.
- Complete the construction of the Holyoke Retaining Wall Repairs on the Red line.
- Complete the design and construction of four at-grade rail crossing upgrades on the Light Rail System (Phase 2 of 3).
- Complete design of the Airport Tunnel Rehabilitation.
- Complete construction of the Lighting Fixture and Controls project in the TIGGER grant.
- Complete the Strategic Planning Study for the Authority.
- Complete the land acquisition for the University Circle and Lee Van/Aken Station projects.
- Complete the design and begin construction of the Bus State of Good Repair program projects.
- Complete the design of the Clifton Boulevard Transit Enhancement project.
- Continue design of the Brookpark Station ADA Rehabilitation.
- Complete the design and begin construction of the Shaker/Van Aken Rail Grade Crossing.
- Complete the Alternative Analysis and adoption of the Locally Preferred Alternative for the Blue Line Extension.
- Begin the design and implementation of the Red Line Paging System Upgrade.
- Begin the design of the East 81st and East 83rd Street Track Bridge Rehabilitations.
- Begin the implementation of the Sustainability Program for the agency.
- Obtain competitive grants from FTA, ODOT and NOACA.
- Complete the transit element of the 2012-2015 TIP/STIP update.

2011 OPERATING BUDGET SUMMARY

Division 3 – Engineering & Project Management

Total Budgets
by Department



DIV: 3 - ENGINEERING & PROJECT MANAGEMENT							
DEPT #	DESCRIPTION	2008 Actual	2009 Actual	2010 Estimate	2011 Budget	2012 Budget	2013 Budget
09	EUCLID CORRIDOR TRANSP. PROJECT	940,584.64	307,199.90	0.00	0.00	0.00	0.00
55	PROJECT SUPPORT	0.00	321,541.25	552,070.88	534,351.00	536,853.26	537,629.37
57	PROGRAMMING & PLANNING	1,012,191.45	841,289.81	790,102.80	753,620.00	755,795.98	756,435.13
80	ENGINEERING & PROJECT DEVELOPMENT	1,649,024.64	1,345,565.48	1,258,346.56	1,402,575.00	1,404,592.88	1,406,620.84
DIVISION TOTALS		3,601,800.73	2,815,596.44	2,600,520.24	2,690,546.00	2,697,242.11	2,700,685.34

Total Staffing by Department

	2008	2009	2010	2011	Variance 2011 - 2010
ENGINEERING & PROJECT MANAGEMENT					
EUCLID CORRIDOR TRANSPORTATION PROJECT	11	2	0	0	0
PROJECT SUPPORT	0	0	7	6	(1)
PROGRAMMING & PLANNING	6	6	4	4	0
ENGINEERING & PROJECT DEVELOPMENT	18	16	13	13	0
TOTALS	35	24	24	23	(1)

2011 OPERATING BUDGET SUMMARY

Department 09 – Euclid Corridor Transportation Project

The Euclid Corridor Transportation Project (ECTP) was created to plan, design and construct a Bus-Rapid Transit (BRT) System along the Euclid Avenue Corridor that would increase service frequency, reduce travel times, and enhance passenger amenities for transit customers. This project was completed in September 2008. The new BRT System is called the HealthLine.

DEPARTMENT: 09 - EUCLID CORRIDOR TRANSPORTATION PROJECT					
JOB CLASS	JOB TITLE	APPROVED 2008	APPROVED 2009	APPROVED 2010	Approved 2011
23	ADMINISTRATIVE ASSISTANT	1	0	0	0
24	PROJECT ASSISTANT (ECTP)	1	0	0	0
26	PROJECT CONTROL ADMINISTRATOR	1	0	0	0
27	CONSTRUCTION ENGINEER	1	0	0	0
27	PROJECT OFFICER (ECTP)	1	0	0	0
28	MANAGER - CIVIL & ARCHITECTURAL DESIGN	1	0	0	0
28	RESIDENT ENGINEER	2	0	0	0
28	STATION ENGINEER/CONSTRUCTION SUPERINTENDENT	1	1	0	0
29	DEPUTY PROJECT MANAGER OF CONSTRUCTION	1	1	0	0
29	ENGINEERING PROJECT MANAGER	1	0	0	0
DEPARTMENT TOTALS		11	2	0	0

OBJECT CLASS	DESCRIPTION	2008 Actual	2009 Actual	2010 Actual	2011 Budget
501300	LABOR - SALARIED EMPLOYEES	694,634.85	223,445.93	0.00	0.00
501310	OVERTIME - SALARIED EMPLOYEES	0.00	0.00	0.00	0.00
502000	FRINGE BENEFITS	223,516.95	83,655.66	0.00	0.00
503111	SERVICES	0.00	0.00	0.00	0.00
504111	MATERIAL & SUPPLIES	3,085.82	(116.74)	0.00	0.00
509111	MISCELLANEOUS EXPENSES	19,347.02	215.05	0.00	0.00
DEPT TOTAL		940,584.64	307,199.90	0.00	0.00

2011 OPERATING BUDGET SUMMARY

Department 55 – Project Support

Larry Di Loreto, Manager

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

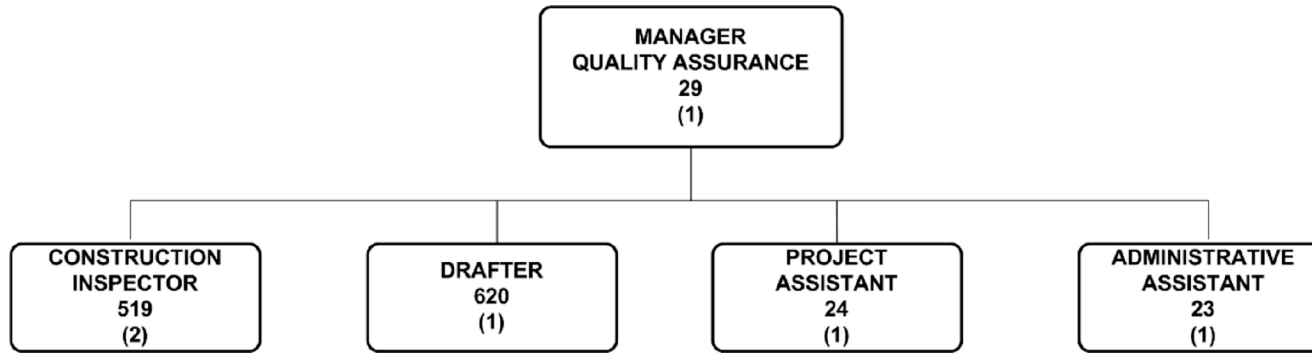
OBJECT CLASS	DESCRIPTION	2008 Actual	2009 Actual	2010 Actual	2011 Budget
501300	LABOR - SALARIED EMPLOYEES	0.00	228,247.01	356,464.10	346,000.00
501310	OVERTIME - SALARIED EMPLOYEES	0.00	9,034.49	32,709.78	28,000.00
502000	FRINGE BENEFITS	0.00	84,259.75	156,597.00	154,451.00
503111	SERVICES	0.00	0.00	5,000.00	5,000.00
504111	MATERIAL & SUPPLIES	0.00	0.00	200.00	100.00
509111	MISCELLANEOUS EXPENSES	0.00	0.00	1,100.00	800.00
	DEPT TOTAL	0.00	321,541.25	552,070.88	534,351.00

STAFFING LEVEL COMPARISONS

- Develop and update design and construction procedures.
- Conduct quality assurance audits.
- Review plans and specifications for construction projects.
- Provide engineering assistance as needed.
- Develop procedures to track on-call service contracts.
- Coordinate work of construction inspectors and support staff.

	2008 Actual	2009 Actual	2010 Estimate	2011 Budget
Quality Assurance Audits Completed	N/A	20	10	25
Plans, Specifications, QC Plans and Reports Reviewed	N/A	35	50	40
Daily Field Reports Completed	N/A	400	400	250
Bridges Inspected	N/A	130	152	130
Project Meetings	N/A	20	50	50

STAFFING LEVEL COMPARISONS



DEPARTMENT: 55 - PROJECT SUPPORT				APPROVED	APPROVED	APPROVED	Approved
JOB CLASS	JOB TITLE	2008	2009	2010	2011		
519	CONSTRUCTION INSPECTOR	0	0	2	2		
620	DRAFTER	0	0	1	1		
23	ADMINISTRATIVE ASSISTANT	0	0	1	1		
24	PROJECT ASSISTANT	0	0	1	1		
28	MANAGER-CIVIL AND ARCHITECTURAL DESIGN	0	0	1	0		
29	MANAGER QUALITY ASSURANCE	0	0	1	1		
DEPARTMENT TOTALS		0	0	7	6		

2011 OPERATING BUDGET SUMMARY

Department 57 – Programming & Planning

MariBeth Feke, Director

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 design, and land use planning. This Department is also responsible for the oversight of the Authority's real estate property holdings.

OBJECT CLASS	DESCRIPTION	2008 Actual	2009 Actual	2010 Actual	2011 Budget
501300	LABOR - SALARIED EMPLOYEES	393,173.84	324,679.32	309,018.48	308,000.00
501310	OVERTIME - SALARIED EMPLOYEES	0.00	0.00	0.00	0.00
502000	FRINGE BENEFITS	137,351.67	116,975.01	124,321.00	127,195.00
503111	SERVICES	8,150.62	3,156.76	12,000.00	12,000.00
504111	MATERIAL & SUPPLIES	453.90	557.09	400.00	400.00
507030	PROPERTY TAXES	288,422.72	299,753.39	114,825.68	111,700.00
509111	MISCELLANEOUS EXPENSES	12,440.17	1,409.91	55,200.00	56,700.00
512111	LEASES & RENTALS	172,198.53	94,758.33	174,337.64	137,625.00
	DEPT TOTAL	1,012,191.45	841,289.81	790,102.80	753,620.00

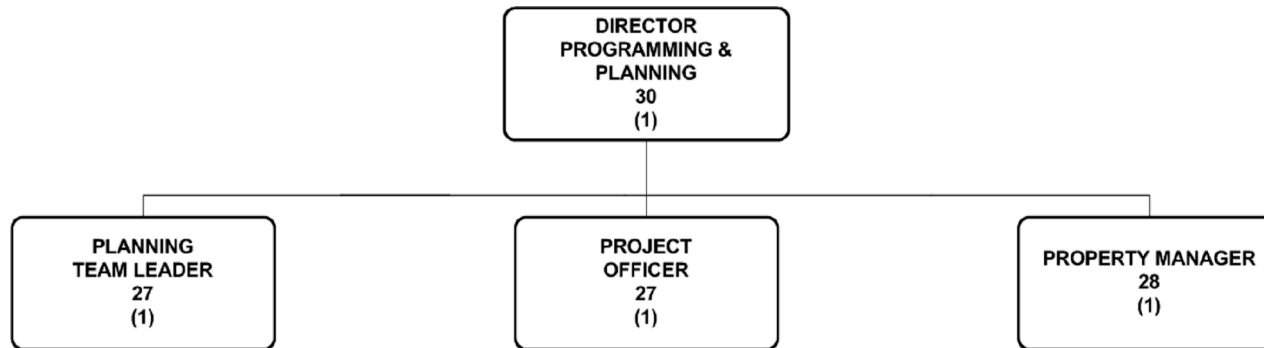
2011 BUDGET IMPLEMENTATION

Department 57 – Programming & Planning

- Continue marketing RTA real estate assets for lease, sale and Joint development activities.
- Complete Planning Studies for the West Side Center, Woodhill Station Area, and Blue Line Extension Phase II.
- Execute Strategic Plan Update recommendations.
- Complete designs of the Lee/Van Aken, University Circle, Mayfield and Brookpark Rapid Station projects.
- Complete land acquisition of proposed construction projects.
- Continue Transit Waiting Environment Program.
- Continue implementation of the Arts in Transit Program.
- Continue Sustainability program implementation.

	2008 Actual	2009 Actual	2010 Estimate	2011 Budget
Number of Rapid Transit Stations Under Design	6	5	4	3
Number of Transit Centers Under Design	1	1	0	1
Number of Park-n-Ride Lots Under Design	1	1	1	0
Number of Planning Studies Underway	2	2	3	2
Number of Planning Studies Completed	2	1	1	2
Number of TWE Projects Completed	2	4	5	2
Number of Joint Developments Underway	1	1	0	0
Number of Public Art Awards	2	2	3	3
Number of New Leased RTA Properties	4	3	3	3
Number of RTA Properties Sold	0	0	0	1
Number of RTA Properties Marketed	4	6	6	8

STAFFING LEVEL COMPARISONS



DEPARTMENT: 57 - PROGRAMMING AND PLANNING					
JOB CLASS	JOB TITLE	APPROVED 2008	APPROVED 2009	APPROVED 2010	Approved 2011
301	ADMINISTRATIVE ASSISTANT	1	1	0	0
25	PLANNER II	1	1	0	0
27	PLANNING TEAM LEADER	1	1	1	1
27	PROJECT OFFICER	0	0	1	1
28	PROPERTY MANAGER	1	1	1	1
29	PROJECT MANAGER - DESIGN & LAND USE	1	1	0	0
30	DIRECTOR - PROGRAMMING AND PLANNING	1	1	1	1
DEPARTMENT TOTALS		6	6	4	4

2011 OPERATING BUDGET SUMMARY

Department 80 – Engineering & Project Development

Joseph Shaffer, Director

The mission of the Engineering & Project Development Department is to design and manage construction of the Authority's capital improvement and rehabilitation programs, to provide quality assurance oversight, and program review services.

OBJECT CLASS	DESCRIPTION	2008 Actual	2009 Actual	2010 Actual	2011 Budget
501300	LABOR - SALARIED EMPLOYEES	1,217,847.55	975,536.73	885,153.56	977,000.00
501310	OVERTIME - SALARIED EMPLOYEES	19,595.70	11,161.92	0.00	250.00
502000	FRINGE BENEFITS	399,982.35	350,422.98	355,717.00	403,575.00
503111	SERVICES	5,319.00	529.26	7,500.00	7,500.00
504111	MATERIAL & SUPPLIES	3,659.99	1,519.18	3,300.00	3,400.00
509111	MISCELLANEOUS EXPENSES	2,620.05	6,395.41	6,676.00	10,850.00
DEPT TOTAL		1,649,024.64	1,345,565.48	1,258,346.56	1,402,575.00

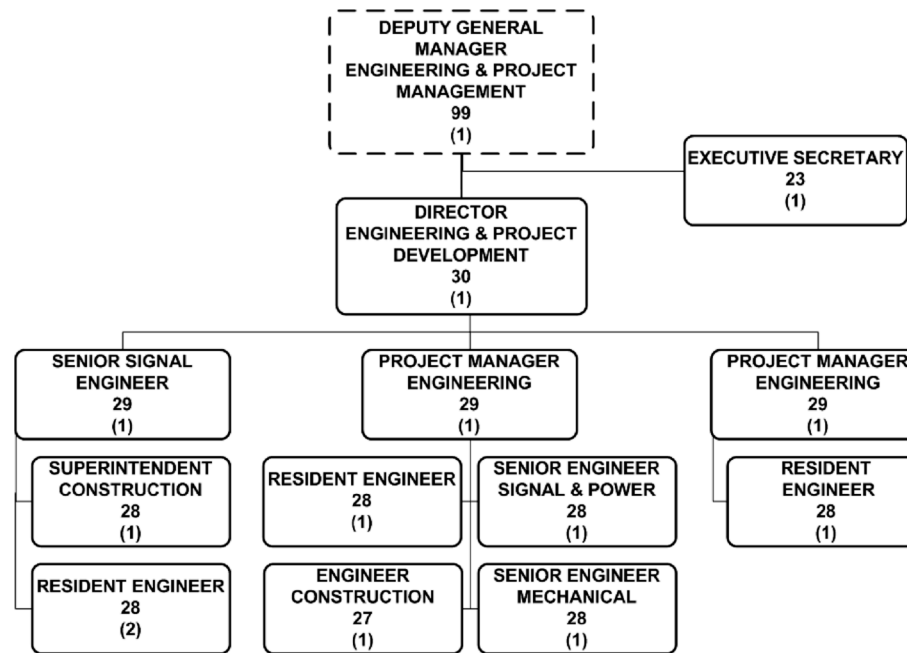
2011 BUDGET IMPLEMENTATION

Department 80 – Engineering & Project Development

- Manage design and construction of capital projects.
- Provide project support, quality assurance and program review services in support of the Authority's capital projects and development activities.
- Estimated percentage completion of some, but not all, of the Authority's Capital projects are shown below:

	2008 Actual	2009 Actual	2010 Estimate	2011 Budget
Paratransit Rehabilitation Design	30%	100%	N/A	N/A
Light Rail Trunkline Turnouts	10%	100%	N/A	N/A
Waterfront Line Chute Track Repairs	N/A	100%	N/A	N/A
Shaker Line Truss Bridge Timber Replacement Design	N/A	100%	N/A	N/A
ADA Key Station Corrections	N/A	80%	100%	N/A
Tower City ADA Emergency Egress	N/A	80%	100%	N/A
S-Curve Reconstruction Design	N/A	60%	100%	N/A
Rail Grade Crossing Construction –Phase I	N/A	0%	100%	N/A
Woodhill Roof Replacement Construction	N/A	N/A	100%	N/A
Stephanie Tubbs Jones Transit Center Construction	N/A	20%	98%	100%
Shaker Line Truss Bridge Timber Replacement Construction	N/A	N/A	95%	100%
Fairhill Substation Design	N/A	80%	90%	100%
Puritas Station Rehabilitation Construction	N/A	25%	80%	100%
East 55th Street Station Rehabilitation Construction	N/A	10%	70%	100%
Airport Tunnel Rehabilitation Final Design	N/A	10%	50%	100%
Lighting Controls and Fixture Replacements	N/A	N/A	30%	100%
Rockefeller Bridge Demolition	N/A	N/A	95%	100%
Paratransit Rehabilitation Construction	N/A	N/A	85%	100%
Clifton Transit Enhancement Design	N/A	N/A	30%	100%
Holyoke Retaining Wall Replacement	N/A	N/A	N/A	100%
Transit Police/Rail Headquarters Roof Replacement	N/A	N/A	N/A	100%
Westlake Park-N-Ride Expansion Construction	N/A	0%	0%	95%
Airport Tunnel Fan Replacement	N/A	N/A	N/A	75%
Woodhill Station Reconstruction	N/A	N/A	N/A	65%
Bus State of Good Repair Grant Program	N/A	N/A	N/A	50%
Lee/Van Aken Station Reconstruction	N/A	N/A	N/A	30%
Rail Grade Crossing Construction – Phase II	N/A	N/A	N/A	25%

STAFFING LEVEL COMPARISONS



DEPARTMENT: 80 - ENGINEERING AND PROJECT DEVELOPMENT						
JOB CLASS	JOB TITLE	APPROVED 2008	APPROVED 2009	APPROVED 2010	Approved 2011	
404	ADMINISTRATIVE ASSISTANT	1	1	1	0	
519	CONSTRUCTION INSPECTOR	2	2	0	0	
620	DRAFTER	1	1	0	0	
23	EXECUTIVE SECRETARY	1	1	1	1	
27	ENGINEER - CIVIL	2	1	0	0	
27	ENGINEER - CONSTRUCTION	0	1	1	1	
28	SUPERINTENDENT - CONSTRUCTION	1	1	1	1	
28	SENIOR ENGINEER OF SIGNAL AND POWER	1	1	1	1	
28	RESIDENT ENGINEER	2	2	4	4	
28	SENIOR MECHANICAL ENGINEER	1	0	0	1	
28	QUALITY ASSURANCE ENGINEER / ARCHITECT	1	0	0	0	
29	MANAGER - ENGINEERING PROJECT	2	2	2	2	
29	SENIOR SIGNAL ENGINEER	1	1	1	1	
29	QUALITY ASSURANCE MANAGER	1	1	0	0	
30	DIRECTOR - ENGINEERING & PROJECT DEVELOPMENT	1	1	1	1	
DEPARTMENT TOTALS		18	16	13	13	

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2011 Department Budgets

Legal Affairs Division

Division Summary

DB - 91

Safety

DB - 94

Legal

DB - 97

Risk Management

DB - 100

DIVISION SUMMARY

Legal Affairs

Sheryl King Benford, Deputy General Manager

Mission Statement

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

General Description

The Legal 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, in 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.

2010 Achievements

- Supported ARRA Projects and Close Out Activities for ECTP.

- Provided efficient and cost-effective legal representation in all GCRTA litigation, transactional and administrative matters.
- Conducted labor relations, diversity training and other legal information programs on public sector legal issues that affect the Authority.
- Managed the Authority's ADA/EEO Programs to ensure compliance with federal, state and local laws regarding employment practices, facilities and services.
- Assisted in the development and monitoring of the Authority's Affirmative Action Plan.
- Continued a proactive approach to reducing collisions and incidents.
- Continued adherence with Environmental regulations.
- Enhanced safety culture through discussion points at the Quarterly Management Meetings and other sessions.
- Successfully represented GCRTA in fact finding with the ATU.
- Quarterly presentations made at TransitStat on Workers' Compensation/On The Job Injuries; results presented October 2010.
- Set up electronic account structure regarding Medicare Section 111 reporting requirements; analyzed options for Registered Reporting Agents and retained ISO as most cost effective.

DIVISION SUMMARY

Legal Affairs

Sheryl King Benford, Deputy General Manager

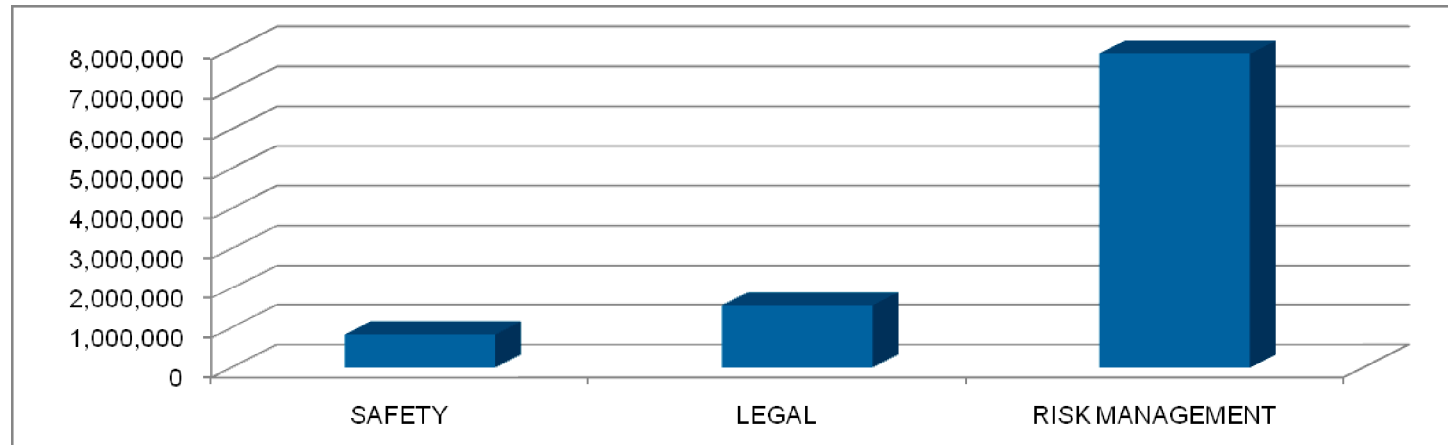
2011 Priorities

- 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 and University/Cedar Rapid Stations.
- Continue closeout activities for remaining ARRA projects.
- 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 the equal opportunity policies and procedures, or state and federal laws.
- 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 Return to 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 with the Workers Compensation Action Plan.
- Continue to monitor data entry and reporting requirements.

2011 OPERATING BUDGET SUMMARY

Division 4 – Legal Affairs

Total Budgets by Departments



DIV: 4 - LEGAL AFFAIRS							
DEPT #	DESCRIPTION	2008 Actual	2009 Actual	2010 Estimate	2011 Budget	2012 Budget	2013 Budget
15	SAFETY	728,281.41	794,059.59	673,463.41	830,669.00	841,202.35	846,294.37
21	LEGAL	1,483,289.25	1,336,796.79	1,484,849.92	1,564,192.00	1,571,132.96	1,584,434.29
22	RISK MANAGEMENT	7,456,843.99	7,508,627.84	7,554,096.33	7,897,522.00	7,617,237.99	7,623,790.57
DIVISION TOTALS		9,668,414.65	9,639,484.22	9,712,409.66	10,292,383.00	10,029,573.29	10,054,519.23

Total Staffing by Departments

	2008	2009	2010	2011	Variance 2011 - 2010
LEGAL AFFAIRS					
SAFETY	6	6	6	6	0
LEGAL	15	15	15	14	(1)
RISK MANAGEMENT	19	18	17	16	(1)
TOTALS	40	39	38	36	(2)

2011 OPERATING BUDGET SUMMARY

Department 15 – Safety

PAMELA MCCOMBE, DIRECTOR

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.

OBJECT					
CLASS	DESCRIPTION	2008 Actual	2009 Actual	2010 Actual	2011 Budget
501300	LABOR - SALARIED EMPLOYEES	345,030.98	348,122.13	334,809.59	358,000.00
501310	OVERTIME - SALARIED EMPLOYEES	4,695.41	2,722.30	3,606.90	2,000.00
502000	FRINGE BENEFITS	112,164.94	125,145.64	59,184.81	148,669.00
503111	SERVICES	226,133.20	242,992.21	239,949.45	282,000.00
504111	MATERIAL & SUPPLIES	7,372.23	15,332.54	7,867.59	14,500.00
509111	MISCELLANEOUS EXPENSES	32,884.65	59,744.77	28,045.07	25,500.00
	DEPT TOTAL	728,281.41	794,059.59	673,463.41	830,669.00

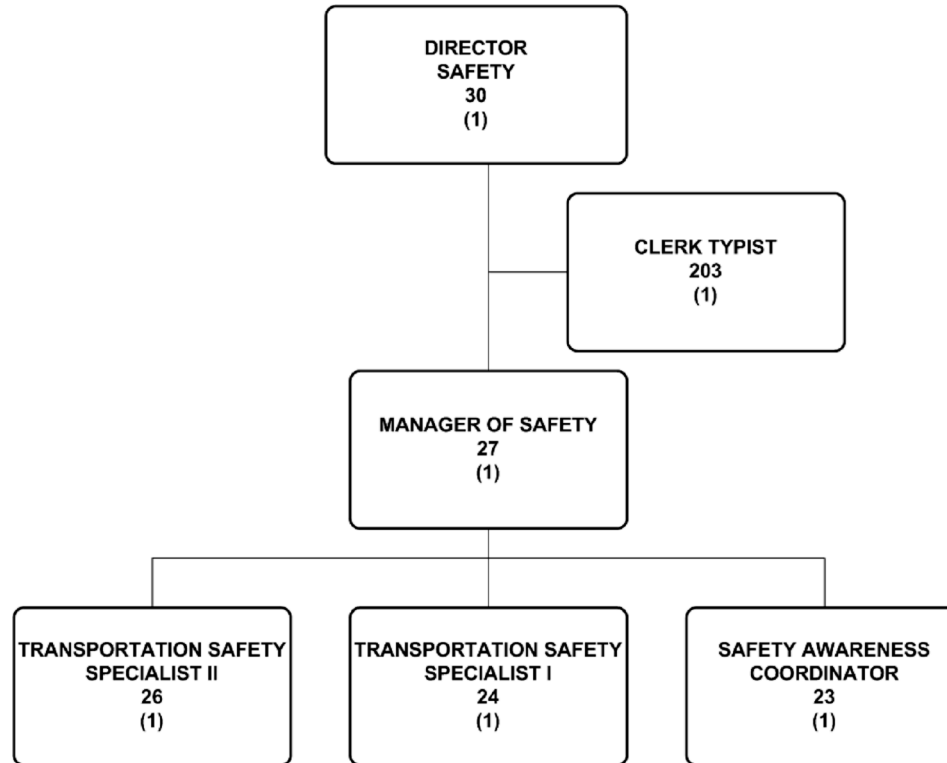
2011 BUDGET IMPLEMENTATION

Department 15 – Safety

- Continue a proactive approach to reducing bus and rail incidents.
- Review APTA standards and update standard operating procedures.
- Develop safety performance measures for managers and supervisors. Continue with implementation of observation programs.
- Work with Operations to install an enhanced safety culture.

	2008 Actual	2009 Actual	2010 Estimate	2011 Budget
Total Collisions	3.20	3.00	3.09	3.18
Total Preventable Collisions	1.0	0.95	0.93	0.93
Internal Rail Audits	9	8	6	6
Bus/Rail Car Safety Inspections	30	25	120	115
Facility Inspections	65	70	77	70
Radar Audits	21	35	23	25
Ride Checks	55	100	56	40
Fire Drills/Train Evacuation	40	40	39	45
BMV Checks				
-Authoritywide	2 runs	2 runs	2 runs	2 runs
-CDLs	12 runs	12 runs	12 runs	12 runs
Environmental Waste Disposal (lbs)	114,224	110,000	100,000	100,000
Material Safety Data				
Sheet Evaluation	32	48	57	40
Bus Incident Investigations	33	30	23	25
Rail Incident Investigations	41	30	35	30
Total Investigations	74	60	58	55
Grade Crossings	-	-	150	150
Work Zones	-	-	37	40

STAFFING LEVEL COMPARISONS



DEPARTMENT: 15 - SAFETY		APPROVED	APPROVED	APPROVED	Budgeted
JOB CLASS	JOB TITLE	2008	2009	2010	2011
203	CLERK / TYPIST	1	1	1	1
23	SAFETY AWARENESS COORDINATOR	1	1	1	1
24	TRANSPORTATION SAFETY SPECIALIST I	1	1	1	1
26	TRANSPORTATION SAFETY SPECIALIST II	1	1	1	1
27	MANAGER - SAFETY	1	1	1	1
30	DIRECTOR - SAFETY	1	1	1	1
DEPARTMENT TOTALS		6	6	6	6

2011 OPERATING BUDGET SUMMARY

Department 21 – Legal

SHERYL KING BENFORD
DEPUTY GENERAL MANAGER, LEGAL AFFAIRS

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 grievance hearings, preparing legal opinions and documents, and providing advice in all labor negotiations.

OBJECT					
CLASS	DESCRIPTION	2008 Actual	2009 Actual	2010 Actual	2011 Budget
501200	HOURLY EMPLOYEES PAYROLL	13,252.80	0.00	0.00	
501210	OVERTIME - HOURLY EMPLOYEES	0.00	0.00	0.00	0.00
501300	LABOR - SALARIED EMPLOYEES	902,521.39	898,807.52	907,121.80	940,000.00
501310	OVERTIME - SALARIED EMPLOYEES	897.27	287.16	12.28	0.00
502000	FRINGE BENEFITS	296,506.66	321,854.26	364,896.00	388,192.00
503111	SERVICES	220,617.05	89,192.14	182,967.85	195,000.00
503049	TEMPORARY HELP	29,700.00	7,607.40	(2,783.14)	0.00
504111	MATERIAL & SUPPLIES	2,953.85	436.02	1,145.95	5,000.00
509111	MISCELLANEOUS EXPENSES	6,840.23	5,612.29	16,821.71	21,000.00
512111	LEASES & RENTALS	10,000.00	13,000.00	14,667.47	15,000.00
	DEPT TOTAL	1,483,289.25	1,336,796.79	1,484,849.92	1,564,192.00

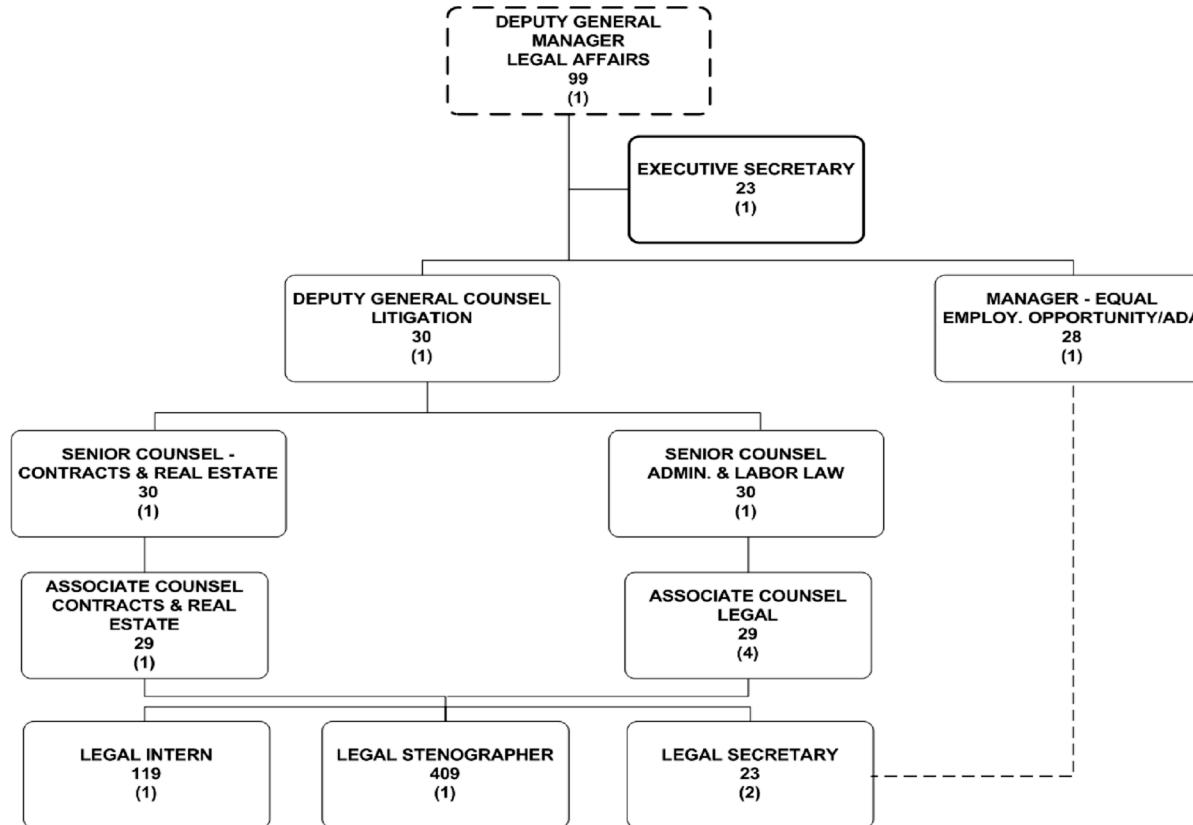
2011 BUDGET IMPLEMENTATION

Department 21 - Legal

- Provide legal service to the Authority including representing the Authority in tort claims, contract claims, workers' compensation cases and associated lawsuits; federal, state and local administrative proceedings/hearings; grievance hearings; and labor negotiations.
- Conduct training sessions on significant legal topics affecting the Authority.
- Prepare legal opinions and responses to Board of Trustee inquiries, provide client consultation and participate on Procurement, Engineering and Project Management, Human Resource, System Security, Americans with Disability Act, and Labor Relations panels and committees.
- 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 fiscal responsibility including damage claims, subrogation, location and pursuit of unclaimed funds, management and cost control of outside counsel, and contract, environmental and other risk and insurance evaluations.
- Provide legal support for the development, drafting and revision of policies and procedures, including those for Procurement, and drafting and revision of contract forms and personnel forms.
- Conduct harassment and ADA training.

	2008 Actual	2009 Actual	2010 Estimate	2011 Budget
Depositions Scheduled	100	140	137	125
Court Hearings	160	241	223	220
Court Arbitration Cases	8	3	2	5
Scheduled Trials	28	22	4	3
Bureau Of Workers' Compensation Hearings	647	600	550	599
Labor Arbitration Cases	23	27	34	28
Bureau of Employment Service Hearings	8	9	23	13
Public Records Requests	120	140	104	121
Contract Reviews & Property Issues	223	269	138	140
Contracts Negotiated and Drafted	107	96	195	190
Legal Opinions	60	70	35	68
Subpoenas Processed	1505	676	1092	1091
Resolutions Reviewed	186	107	100	100
New Lawsuits Filed	98	120	128	115
ADA Paratransit Appeals	87	105	56	83
Number of Lawsuits Closed	115	122	132	120
ADA/OEO Complaints Received	56	45	32	44
Appellate Cases	-	6	5	3

STAFFING LEVEL COMPARISONS



DEPARTMENT: 21 - LEGAL				APPROVED	APPROVED	APPROVED	Budgeted
JOB CLASS	JOB TITLE	APPROVED	APPROVED	APPROVED			
		2008	2009	2010			
9944	LEGAL INTERN	1	1	1	1		
409	LEGAL STENOGRAPHER	1	1	1	1		
509	LEGAL STENOGRAPHER	1	1	1	0		
23	LEGAL SECRETARY	1	1	1	2		
23	EXECUTIVE SECRETARY	1	1	1	1		
28	MANAGER - EQUAL EMPLOYMENT OPPORTUNITY & ADA	1	1	1	1		
29	ASSOCIATE COUNSEL - CONTRACTS & REAL ESTATE	2	2	0	1		
29	ASSOCIATE COUNSEL - LEGAL	4	4	6	4		
30	SENIOR COUNSEL - ADMINISTRATION & LABOR LAW	1	1	1	1		
30	SENIOR COUNSEL - CONTRACTS & REAL ESTATE	1	1	1	1		
30	DEPUTY GENERAL COUNSEL/LITIGATION	1	1	1	1		
DEPARTMENT TOTALS		15	15	15	14		

2011 OPERATING BUDGET SUMMARY

Department 22 – Risk Management

JUDY LINCOLN, DIRECTOR

The mission of the Risk Management Department is to protect the assets of the Authority from catastrophic loss 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 of the Department.

OBJECT		2008 Actual	2009 Actual	2010 Actual	2011 Budget
CLASS	DESCRIPTION				
501300	LABOR - SALARIED EMPLOYEES	946,606.11	913,870.63	860,219.15	922,000.00
501310	OVERTIME - SALARIED EMPLOYEES	2,375.00	3,793.98	2,744.48	3,000.00
502000	FRINGE BENEFITS	324,336.33	330,914.94	347,019.00	381,997.00
502071	W. C. - INJURIES & DAMAGES	1,628,549.19	1,573,647.91	1,568,035.68	1,624,575.00
502082	W. C. - MEDICAL PAYMENTS	1,142,936.94	998,930.54	987,010.22	1,247,336.00
503111	SERVICES	333,204.51	115,543.95	230,260.47	297,000.00
503030	WORKERS COMP ADMINISTRATION FEE	436,950.36	461,066.74	541,057.81	532,135.00
503049	TEMPORARY HELP	6,166.67	28,000.00	40,046.78	40,000.00
504111	MATERIAL & SUPPLIES	344,450.50	3,482.30	3,878.35	7,210.00
506111	CASUALTY & LIABILITY COSTS	574,098.00	252,106.50	309,143.43	342,558.00
506010	PHYSICAL DAMAGE INSURANCE	1,365,116.23	751,967.00	786,015.00	684,211.00
506040	LIABILITY & PROPERTY DAMAGE CLAIMS	335,199.99	1,890,754.68	1,620,873.44	1,628,500.00
506200	W. C. - SETTLEMENT & LAWSUIT EXPENSE	16,854.16	171,600.00	249,200.00	175,000.00
509111	MISCELLANEOUS EXPENSES	0.00	12,948.67	8,592.52	12,000.00
DEPT TOTAL		7,456,843.99	7,508,627.84	7,554,096.33	7,897,522.00

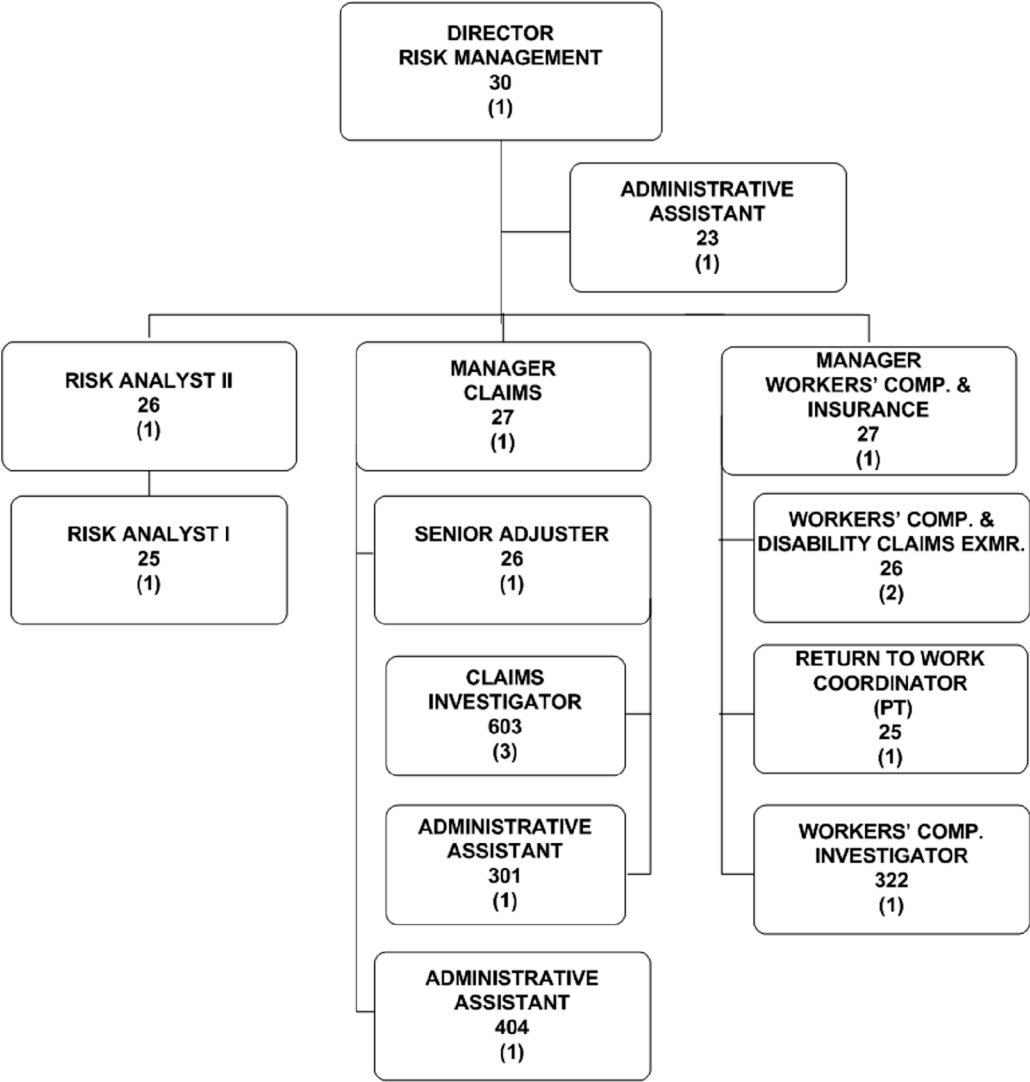
2011 BUDGET IMPLEMENTATION

Department 22 – Risk Management

- Continue the Workers Compensation Action Plan. Quarterly tracking results and reporting out to Executive Management, including measuring costs 2 ways: cash out the door in any given year vs. ultimate costs of all injuries sustained in that year.
- Medicare Section 111 Reporting Requirements: Continue to monitor data entry and reporting requirements, in conjunction with Legal Department and consultant. Ensure that GCRTA stays in compliance and re-activate task force.
- Leverage value of part-time Return to Work Coordinator through participation in Transitional Work process and also continue to work with WC staff and HR and Labor Relations to explore the implementation of the Stay at Work concept/program. Take draft program document and review with Labor Relations prior to setting up meeting with Union to discuss implementation of this concept.
- Coordinate with Service Management and data management implementation involving accident tracking to integrate the current RMIS system and improve communications among departments and districts.
- Negotiate the best terms and conditions available in the marketplace and most cost-effective renewal of GCRTA insurance programs including casualty, property and public officials' liability.
- Continue to provide monthly electronic NTD data for the Safety and Security Reporting on a timely basis in 2011.

	2008 Actual	2009 Actual	2010 Estimate	2011 Budget
<u>THIRD PARTY LIABILITY CLAIMS</u>				
Total Events Resulting in Claims in Calendar Year	1,073	949	772	953
Total # Claims in Calendar Year	1,320	1,254	1,114	1,189
Average Cost per Claim (excluding large losses)	\$2,905	\$3,353	\$3,461	\$2,729
	2008 Actual	2009 Actual	2010 Estimate	2011 Budget
<u>WORKERS' COMPENSATION</u>				
Total # of Claims in Calendar Year	360	254	235	313
Average Cost per Employee (excluding large losses)	\$1,123	\$1,039	\$1,386	\$994
Average Cost per Claim (excluding large losses)	\$8,300	\$11,736	\$12,600	\$9,351

STAFFING LEVEL COMPARISONS



STAFFING LEVEL COMPARISONS

DEPARTMENT: 22 - RISK MANAGEMENT					
JOB CLASS	JOB TITLE	APPROVED 2008	APPROVED 2009	APPROVED 2010	Budgeted 2011
301	ADMINISTRATIVE ASSISTANT	2	2	2	1
303	CLAIMS CLERK	1	1	0	0
322	WORKERS' COMPENSATION INVESTIGATOR	1	1	1	1
404	ADMINISTRATIVE ASSISTANT	1	1	1	1
603	CLAIMS INVESTIGATOR	3	3	3	3
23	ADMINISTRATIVE ASSISTANT	1	1	1	1
25	RISK ANALYST I	1	1	1	1
26	RISK ANALYST II	1	1	1	1
26	ASSISTANT CLAIMS MANAGER ADVISOR	1	0	0	0
26	SENIOR LITIGATION ANALYST	1	1	1	0
26	SENIOR ADJUSTER	0	1	0	1
26	WORKERS' COMP & DISABILITY CLAIMS EXAMINER	3	3	2	2
27	MANAGER - CLAIMS	1	0	1	1
27	MANAGER - WORKERS' COMPENSATION & INSURANCE	1	1	1	1
30	DIRECTOR - RISK MANAGEMENT	1	1	1	1
25	PART-TIME RETURN TO WORK COORDINATOR	0	0	1	1
DEPARTMENT TOTALS		19	18	17	16

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2011 Department Budgets

Human Resources Division

Division Summary

DB - 105

Human Resources

DB - 108

Labor & Employee Relations

DB - 111

Training & Employee Development

DB - 114

DIVISION SUMMARY

HUMAN RESOURCES

Bruce E. Hampton, Deputy General Manager

Mission Statement

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

General Description

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.

2010 Achievements

- Continued Positive Discipline and Labor Relations training for supervisors and new employees.
- Continued to enhance Wellness Initiatives for all GCRTA employees to improve employee's health and reduce health care costs and purchased blood pressure machines for all locations to assist with monitoring blood pressure issues.
- Implemented Oracle Standard Benefits, a benefit management system that allows web-based employee self-service for benefits. The application was created to follow the RTA business rules, which will decrease time spent on manual processing such as removing ineligible dependents, COBRA notifications, and manual tracking. The online enrollment has reduced paper required for open enrollments; eliminated hours spent processing, filing, and organizing paper forms, and reduced errors. The Oracle Standard benefits system will allow us a stronger validation system and the ability to invoice employees who are on the plan and have missed payroll deductions.
- Continued Positive Discipline and Labor Relations training for supervisors and new employees.
- Continued to enhance Wellness Initiatives for all GCRTA employees to improve employee's health and reduce health care costs and purchased blood pressure machines for all locations to assist with monitoring blood pressure issues.
- Expanded the Diversity Awareness Training Program to the Operating Districts. Program Instructors provided monthly training schedules to accommodate Operations Division Diversity Training Program needs.

DIVISION SUMMARY

HUMAN RESOURCES

Bruce E. Hampton, Deputy General Manager

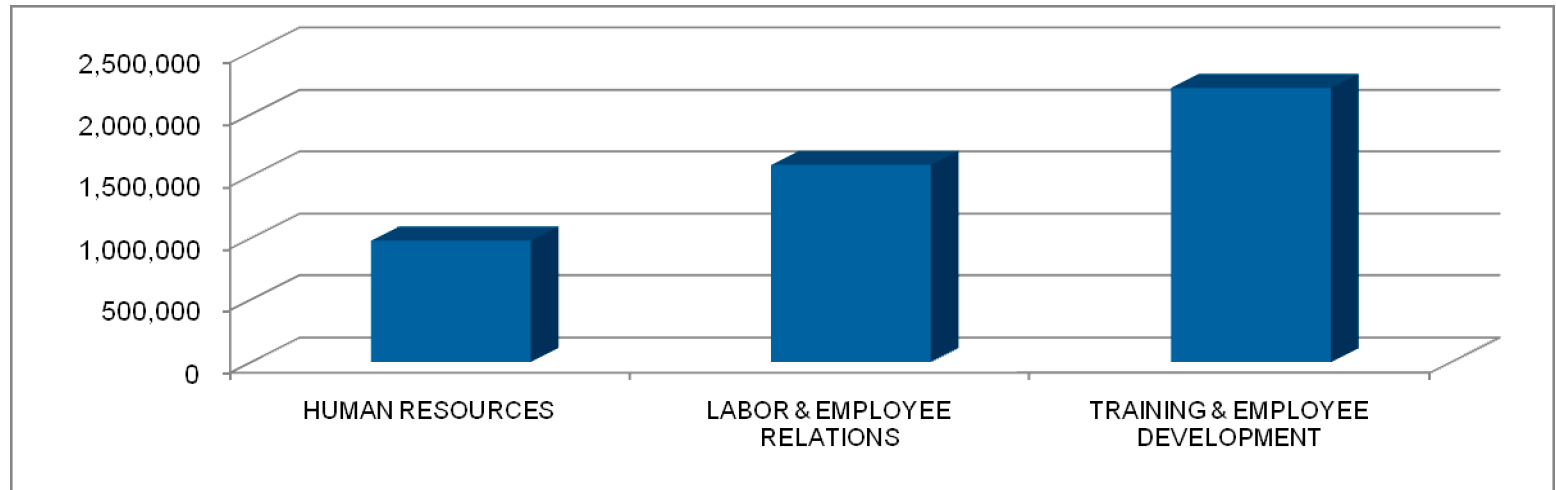
2011 Priorities

- Continue the development of long-term strategic planning to continue to lower healthcare costs, and optimize benefits design and wellness activities.
- Continue negotiations of fair, but cost effective labor agreements with the Fraternal Order of Police (FOP).
- Continue negotiations of a new collective bargaining agreement with the ATU Local 268.
- Continue to track, monitor attendance trends, and comply with revised Family Medical Leave Act; thereby reducing absence duration and lowering employer cost.
- Continue with 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.
- Continue Positive Discipline and Labor Relations supervisory training.
- 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 expand the Diversity Awareness Training Program. Program Instructors will provide monthly training schedules to accommodate Diversity Training Program needs.
- Continue to develop and implement a comprehensive Training Plan/Design to address the training needs of the Rail Operating District (Rail Equipment, Power & Way, Facilities, Transportation).

2011 OPERATING BUDGET SUMMARY

Division 5 – Human Resources

Total Budgets by Department



DIV: 5 - HUMAN RESOURCES							
DEPT #	DESCRIPTION	2008 Actual	2009 Actual	2010 Estimate	2011 Budget	2012 Budget	2013 Budget
14	HUMAN RESOURCES	1,052,601.66	938,471.37	1,048,296.87	981,426.00	1,089,445.88	1,097,525.84
18	LABOR & EMPLOYEE RELATIONS	849,927.45	1,061,317.42	2,285,668.42	1,588,025.00	1,607,685.75	1,612,213.86
30	TRAINING & EMPLOYEE DEVELOPMENT	2,054,053.72	2,117,260.49	2,080,988.30	2,213,450.00	2,233,337.00	2,253,422.87
DIVISION TOTALS		3,956,582.83	4,117,049.28	5,414,953.59	4,782,901.00	4,930,468.63	4,963,162.57

Total Staffing by Department

	2008	2009	2010	2011	Variance 2011 - 2010
HUMAN RESOURCES					
HUMAN RESOURCES	10	13	15	11	(4)
LABOR & EMPLOYEE RELATIONS	6	5	6	6	0
TRAINING & EMPLOYEE DEVELOPMENT	25	23	24	24	0
TOTALS	41	41	45	41	(4)

2011 OPERATING BUDGET SUMMARY

Department 14 – Human Resources

BRUCE E. HAMPTON
DEPUTY GENERAL MANAGER, HUMAN RESOURCES

The Human Resources Department is responsible for providing management for the Authority's employee recruitment and staffing functions, benefits administration, human resources information systems, and Employee Service Center.

OBJECT					
CLASS	DESCRIPTION	2008 Actual	2009 Actual	2010 Actual	2011 Budget
501200	HOURLY EMPLOYEES	145,116.78	68,648.43	65,749.82	65,000.00
501210	OVERTIME - HOURLY EMPLOYEES	0.00	0.00	0.00	0.00
501300	LABOR - SALARIED EMPLOYEES	553,457.47	564,211.87	565,696.61	550,000.00
501310	OVERTIME - SALARIED EMPLOYEES	(2.63)	0.00	0.00	0.00
502000	FRINGE BENEFITS	235,746.41	225,725.55	247,547.00	253,976.00
502071	W. C. - INJURIES & DAMAGES	0.00	0.00	0.00	0.00
503111	SERVICES	44,500.00	34,500.00	110,612.50	51,000.00
503020	ADVERTISING FEES	44,408.35	31,865.43	31,343.87	35,000.00
503049	TEMPORARY HELP	13,587.75	0.00	0.00	0.00
504111	MATERIAL & SUPPLIES	13,207.53	7,976.56	22,469.74	20,200.00
509111	MISCELLANEOUS EXPENSES	2,580.00	5,543.53	4,877.33	6,250.00
DEPT TOTAL		1,052,601.66	938,471.37	1,048,296.87	981,426.00

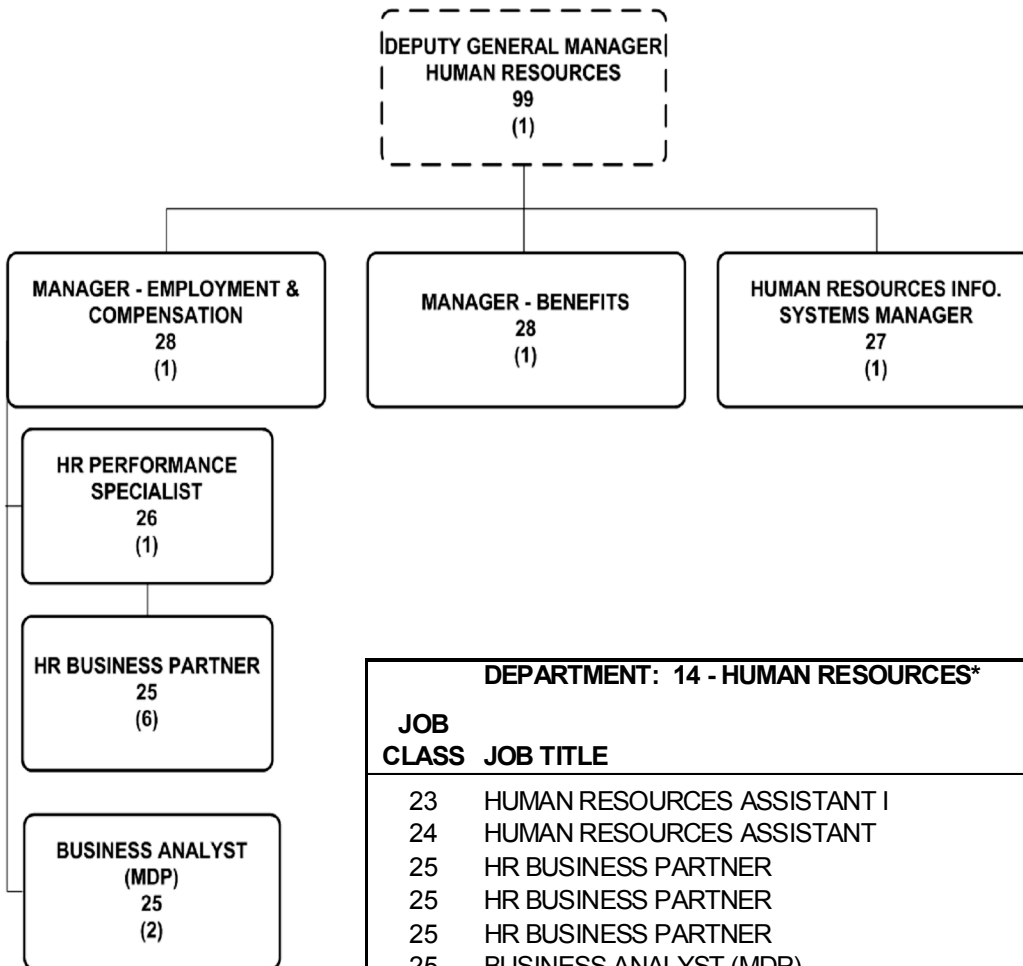
2011 BUDGET IMPLEMENTATION

Department 14 – Human Resources

- Continued development of a long-term strategic plan to continue to lower healthcare costs, and optimize benefits design and wellness activities.
- Continued 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).
- Continued 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.
- Continue to enhance recruitment initiatives within positions that are identified as underutilized and/or non-traditional positions for minorities.
- Implementation of a Talent Management Strategy to effectively recruit, retain, and engage employees.

	2008 Actual	2009 Actual	2010 Estimate	2011 Budget
Total Number of Requested Positions	160	140	67	100
Total Number of Filled Positions	200	108	82	90

STAFFING LEVEL COMPARISONS



DEPARTMENT: 14 - HUMAN RESOURCES*					
JOB CLASS	JOB TITLE	APPROVED 2008	APPROVED 2009	APPROVED 2010	Budgeted 2011
23	HUMAN RESOURCES ASSISTANT I	4	0	0	0
24	HUMAN RESOURCES ASSISTANT	0	2	0	0
25	HR BUSINESS PARTNER	1	1	2	2
25	HR BUSINESS PARTNER	1	1	1	1
25	HR BUSINESS PARTNER	0	1	1	1
25	BUSINESS ANALYST (MDP)	0	4	6	2
26	HR PERFORMANCE SPECIALIST	0	0	1	1
27	HRIS MANAGER	1	1	1	1
27	SENIOR COMPENSATION ANALYST	1	1	1	1
28	MANAGER - EMPLOYMENT & RECRUITMENT	1	1	1	1
28	MANAGER - BENEFITS	1	1	1	1
DEPARTMENT TOTALS		10	13	15	11

2011 OPERATING BUDGET SUMMARY

Department 18 – Labor & Employee Relations

SCOTT FERRARO, DIRECTOR

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.

OBJECT					
CLASS	DESCRIPTION	2008 Actual	2009 Actual	2010 Actual	2011 Budget
501300	LABOR - SALARIED EMPLOYEES	332,840.76	315,744.12	333,533.55	320,000.00
502000	FRINGE BENEFITS	81,330.06	86,942.47	134,183.00	132,150.00
502070	UNEMPLOYMENT COMPENSATION	160,460.55	443,529.19	1,584,798.94	900,000.00
503111	SERVICES	273,151.01	204,455.94	229,284.51	231,000.00
504111	MATERIAL & SUPPLIES	641.18	864.64	621.54	600.00
509111	MISCELLANEOUS EXPENSES	1,503.89	9,781.06	3,246.88	4,275.00
DEPT TOTAL		849,927.45	1,061,317.42	2,285,668.42	1,588,025.00

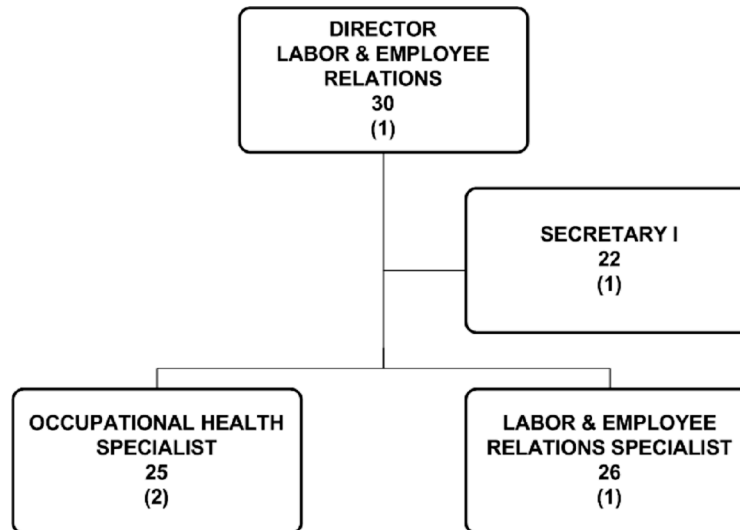
2011 BUDGET IMPLEMENTATION

Department 18 – Labor & Employee Relations

- Provide advice, training, and counsel to managers, supervisors and employees on discipline, grievances, policies, contracts and labor laws.
- Implementation of the ATU contract in 2011.
- Implementation of the FOP contract in 2011.
- Serve as Fourth Step Grievance Hearing Officer.
- Administer unemployment compensation benefit process and monitor funds budgeted for this purpose.
- Process all biennial exams that have expired for operators.
- Perform drug tests on at least 25% of safety sensitive pool.
- Perform alcohol tests on at least 10% of safety sensitive pool and drug tests for at least 25% 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.
- Assist departments in tracking employee attendance through HR business partners to ensure compliance with policies.

	2008 Actual	2009 Actual	2010 Estimate	2011 Budget
Number of Fourth Step Grievance Hearings Held	47	70	50	60
Number of Labor Management Committees	9	9	9	8
Number of Discipline Actions Approved	114	79	70	80
Total Number of Drug & Alcohol Tests	2,200	2,173	2,090	2,100
FMLA Requests Processed	1,100	908	892	900
Separations subject to unemployment claims	153	165	229	160
Biennials / Follow-ups (started tracking August 2009)	-	366	675	450

STAFFING LEVEL COMPARISONS



DEPARTMENT: 18 - LABOR AND EMPLOYEE RELATIONS*					
JOB CLASS	JOB TITLE	APPROVED 2008	APPROVED 2009	APPROVED 2010	Budgeted 2011
22	SECRETARY I	1	1	1	1
22	HUMAN RESOURCES CLERK	1	0	0	0
25	OCCUPATIONAL HEALTH SPECIALIST	1	1	2	2
24	HUMAN RESOURCES ASSISTANT I	0	0	1	1
26	LABOR & EMPLOYEE RELATIONS SPECIALIST	1	1	1	1
28	MANAGER - OCCUPATIONAL HEALTH	1	1	0	0
30	DIRECTOR - LABOR AND EMPLOYEE RELATIONS	1	1	1	1
DEPARTMENT TOTALS		6	5	6	6

2011 OPERATING BUDGET SUMMARY

Department 30 – Training & Employee Development

ROBERT BAGGS, DIRECTOR

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.

OBJECT					
CLASS	DESCRIPTION	2008 Actual	2009 Actual	2010 Actual	2011 Budget
501300	LABOR - SALARIED EMPLOYEES	1,434,963.65	1,437,192.49	1,334,493.08	1,406,000.00
501310	OVERTIME - SALARIED EMPLOYEES	4,466.50	14,211.09	31,187.35	5,000.00
502000	FRINGE BENEFITS	473,347.38	523,942.44	549,219.00	582,700.00
502148	TUITION REIMBURSEMENT	54,065.02	37,977.36	47,157.05	50,000.00
503111	SERVICES	10,184.70	6,375.00	38,785.00	31,700.00
503049	TEMPORARY HELP	0.00	0.00	0.00	0.00
504111	MATERIAL & SUPPLIES	9,846.08	5,457.75	10,792.97	17,300.00
509111	MISCELLANEOUS EXPENSES	67,180.39	92,104.36	69,353.85	120,750.00
DEPT TOTAL		2,054,053.72	2,117,260.49	2,080,988.30	2,213,450.00

2011 BUDGET IMPLEMENTATION

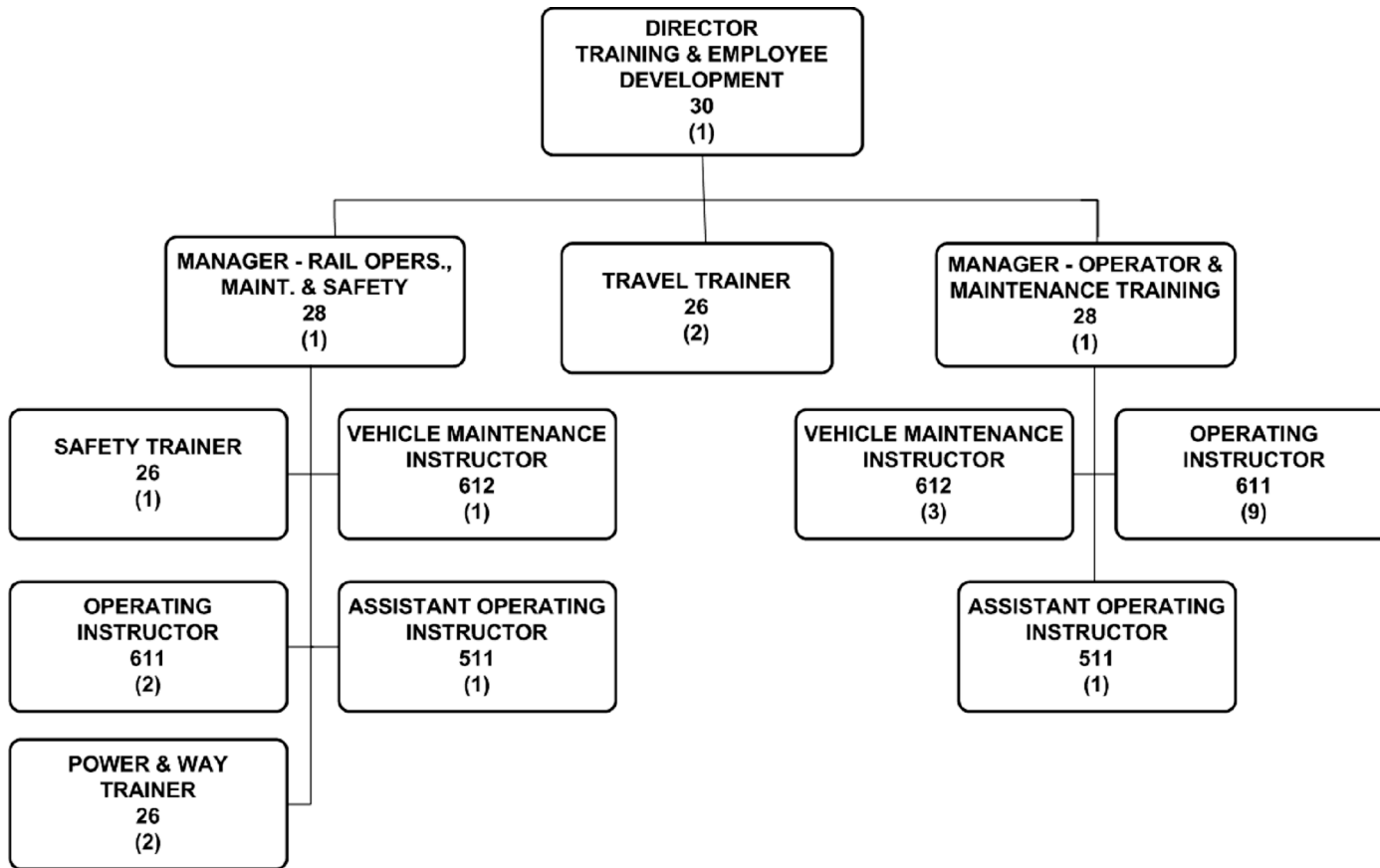
Department 30 – Training & Employee Development

- É Audit and enhance the Training database, and make recommendations for improvements.
- Develop metrics, measurements, and return on investment on training programs and initiatives, (i.e. Training Stat).
- Ensure every bus/rail operator is in compliance with the Biennial Recertification process.
- Develop and initiate Hospitality Management programming to help improve the RTA customer experience.

	2010 Estimate
*Operators Trained	3,149
*Maintenance Employees Trained	1,140
*Safety Training	1,659
(*denotes the number of instances employees participated in any training activity.)	

	2011 Budget
Biennial Bus Operator Recertification	741
Biennial Rail Operator Recertification	43
*Safety Training	1,659
(*denotes number of instances employees participate in any safety training activity)	

STAFFING LEVEL COMPARISONS



STAFFING LEVEL COMPARISONS

DEPARTMENT: 30 - TRAINING & EMPLOYEE DEVELOPMENT					
JOB CLASS	JOB TITLE	APPROVED 2008	APPROVED 2009	APPROVED 2010	Budgeted 2011
404	ADMINISTRATIVE ASSISTANT	1	1	0	0
511	ASSISTANT OPERATING INSTRUCTOR	5	4	4	2
512	ASSISTANT VEHICLE MAINTENANCE INSTRUCTOR	1	0	0	0
611	OPERATING INSTRUCTOR	9	9	9	11
612	VEHICLE MAINTENANCE INSTRUCTOR	3	4	4	4
25	BUSINESS PARTNER	0	0	1	0
26	EMPLOYEE DEVELOPMENT & TRAINING SPECIALIST	1	0	0	0
26	TRAVEL TRAINER	0	0	1	2
26	SAFETY TRAINER	2	2	1	1
26	POWER & WAY/RAIL TRAINER	0	0	1	2
27	MANAGER - RAIL OPS., MAINTENANCE, & SAFETY	1	1	1	0
28	MANAGER - OPERATOR & MAINTENANCE TRAINING	1	1	1	1
30	DIRECTOR - TRAINING & EMPLOYEE DEVELOPMENT	1	1	1	1
DEPARTMENT TOTALS		25	23	24	24

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2011 Department Budgets

Executive Division

Division Summary	DB - 119
Executive	DB - 123
Secretary/Treasurer - Board of Trustees	DB - 126
Internal Audit	DB - 129
Marketing & Communications	DB - 132
Office of Management & Budget	DB - 136
Fund Transfers	DB - 139

DIVISION SUMMARY

EXECUTIVE

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

Mission Statement

To plan, execute and manage the efficient, effective and safe delivery of quality public transportation services to the residents of Greater Cleveland.

General Description

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.

2010 Achievements

The focus of RTA's business plan was to enhance customer service, improve our image, strengthen financial resources and to develop a 2011 Budget that would result in a balance budget with no service reductions, fare increases or employee layoffs.

Enhance Customer Service

- Opened Stephanie Tubbs Jones Transit Center on October 19th. This is the first downtown transit center in Cleveland, which is a partnership between GCRTA and Cleveland State University (CSU), and will serve hundreds of RTA customers daily. A majority of the funding came from the American Reinvestment and Recovery Act of 2009 (ARRA).
- Construction continued on the ARRA funded Puritas Red Line Station with an anticipated spring 2011 opening.
- Construction continued on the ARRA funded East 55th Street Station that serves the Red, Blue and Green Lines, with an anticipated summer 2011 opening.
- RTA was awarded a \$10.5 million TIGER II grant for construction of the new University Circle Station serving the Red Line. Station design is underway and construction should start in Fall 2011.
- Awarded \$5.4 million from the Ohio Department of Transportation. The funding allowed GCRTA to stabilize the budget for 2011 preserving services, and allowed RTA to initiate two new routes and expand six existing routes in December.
- GCRTA now has three new Explosive Detection Canine Teams, bringing the total to seven teams. These units not only serve our system but also are routinely requested throughout the region and the state.
- GCRTA launched use of Twitter and Facebook accounts, to reach out to customers and riders quickly. Also launched the use of 'Commuter Alerts', a sign-up service that gives rail passengers information about delays for their specific routes. Between the three services, GCRTA is in communication with nearly 5,000 people at a moment's notice.

DIVISION SUMMARY

EXECUTIVE

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

- Debuted the new weekly shopper service for customers who depended on Community Circulators for their needs.

Improve Our Image

- Every RTA bus and train is now designated as a 'Safe Place' for youths in distress. Operators and transit police work together to transport youths to one of two full service youth facilities, 24 hours a day, seven days a week.
- Hosted the American Public Transit Association's International Bus and Paratransit conference, putting Cleveland in the national spotlight. This gave the local economy a \$2 million boost.
- The HealthLine (RTA's Bus Rapid Transit system) continues to receive international recognition for ridership increases, economic development impact and design. The project received the 2010 Grand Award from ACEC of Ohio for Engineering Excellence.

Strengthen Financial Resources

- Continued work on an updated five to ten-year strategic plan for the agency, which will be adopted in 2011.
- Ended fiscal year 2010 with a balanced budget, despite the depressed economy. Salaried staff continued the 3 percent wage reduction. Reduced our workforce by 245 positions.

- Continued an Energy Price Risk Management program to help to significantly reduce fuel costs. Ninety percent (90%) of RTA's diesel fuel needs have been hedged for 2011 and 60% hedged for 2012 at estimated net fuels costs of \$10.9M and \$12.4M.
- Met agency goal for industrial safety – .93 preventable accidents per 100,000 revenue miles.
- Continued use of "TransitStat" – an operational efficiency tool – helped RTA save more than \$12 million in the areas of Workers' Compensation, electricity usage, energy retrofits, revenue collection, fuel hedging, safety, and customer service.
- Met agency goal for industrial safety -- 11.6 on-the-job injuries per 200,000 hours.
- Consolidated bus operations by closing Harvard District, saving over \$40 million annually with no impact on customers.

Increase Ridership

- For the third straight year, RTA's Paratransit service for the disabled had zero denials.
- Increased the number of companies in Commuter Advantage from 500 to 560 – a 560 percent increase since 2003. Participants increased from 11,261 to 12,296 – up more than 245 percent since 2003. This generated \$9.8 million in annual program revenue, up from \$6.4 million in 2007.

DIVISION SUMMARY

EXECUTIVE

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

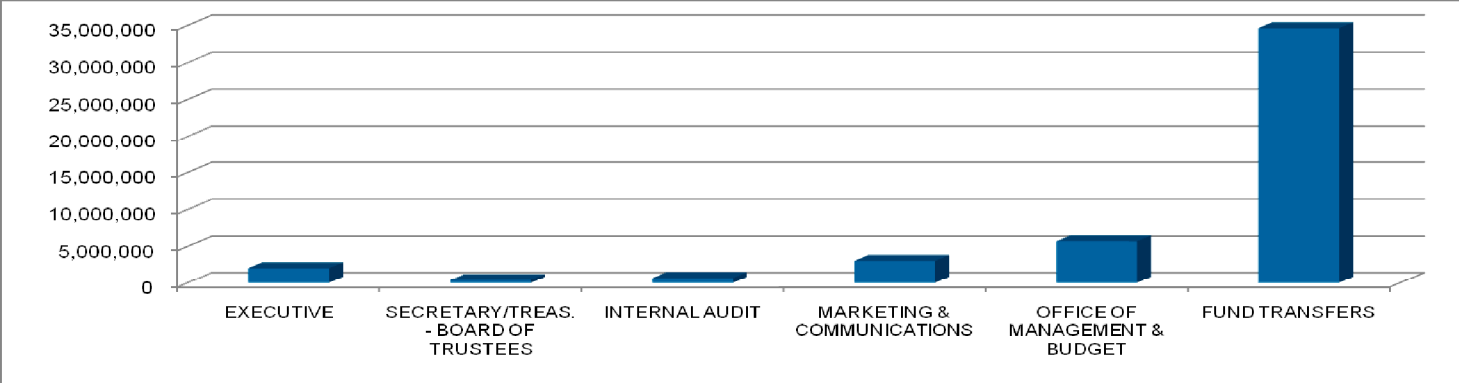
2011 Priorities

- 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.
- Successfully move forward several important capital projects, such as Rapid Station upgrades, and Westlake Park-N-Ride expansion.
- 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.
- Special focus on increasing the cleanliness of RTA facilities and vehicles.
- Work to maximize value of RTA in leveraging economic development potential of the Medical Mart, Casino and Flats East Back developments.

2011 OPERATING BUDGET SUMMARY

Division 6 – Executive

Total Budgets by Department



DIV: 6 - EXECUTIVE		2008 Actual	2009 Actual	2010 Estimate	2011 Budget	2012 Budget	2013 Budget
DEPT #	DESCRIPTION						
12	EXECUTIVE	2,047,611.54	1,925,824.38	2,073,951.92	2,012,242.00	2,042,043.71	2,060,173.15
16	SECRETARY/TREAS. - BOARD OF TRUSTEES	291,047.73	276,546.92	339,682.37	380,893.00	381,082.97	382,603.39
19	INTERNAL AUDIT	588,892.84	613,141.61	639,560.42	665,946.00	672,860.73	679,129.34
53	MARKETING & COMMUNICATIONS	3,133,286.95	3,158,400.20	3,047,592.03	3,025,675.00	3,056,975.88	3,067,328.25
67	OFFICE OF MANAGEMENT & BUDGET	908,885.61	907,772.68	1,001,864.64	5,705,518.00	5,715,664.59	5,722,308.12
99	FUND TRANSFERS	27,819,832.00	31,497,161.50	46,409,133.00	34,633,073.00	35,422,657.00	35,310,056.00
DIVISION TOTALS		34,789,556.67	38,378,847.29	53,511,784.38	46,423,347.00	47,291,284.87	47,221,598.25

(Starting in 2011, Office of Management and Budget assumed the responsibility for managing the utilities, transferred from Service Management Department in the Operating Division)

Total Staffing by Department

	2008	2009	2010	2011	Variance 2011 - 2010
EXECUTIVE					
EXECUTIVE	13	13	12	13	1
SECRETARY/TREASURER - BOARD OF TRUSTEES	11	11	11	11	0
INTERNAL AUDIT	7	7	7	7	0
MARKETING & COMMUNICATIONS	33	30	29	28	(1)
OFFICE OF MANAGEMENT & BUDGET	10	9	10	10	0
TOTALS	74	70	69	69	0

2011 OPERATING BUDGET SUMMARY

Department 12 – Executive

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

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.

OBJECT CLASS	DESCRIPTION	2008 Actual	2009 Actual	2010 Actual	2011 Budget
501300	LABOR - SALARIED EMPLOYEES	1,390,520.70	1,282,198.42	1,312,845.73	1,260,000.00
501300	MERIT POOL - LABOR SALARIED EMP'S.	0.00	0.00	0.00	0.00
501310	OVERTIME - SALARIED EMPLOYEES	0.00	0.00	710.89	0.00
502000	FRINGE BENEFITS	467,133.28	478,562.95	528,287.00	520,342.00
502000	MERIT POOL FRINGES	0.00	0.00	0.00	0.00
503111	SERVICES	10,175.43	3,003.00	7,537.50	6,400.00
503049	TEMPORARY HELP	3,333.09	12,663.07	14,275.08	0.00
504111	MATERIAL & SUPPLIES	176,449.04	1,989.87	31,434.41	2,700.00
509111	MISCELLANEOUS EXPENSES	0.00	147,407.07	178,861.31	222,800.00
DEPT TOTAL		2,047,611.54	1,925,824.38	2,073,951.92	2,012,242.00

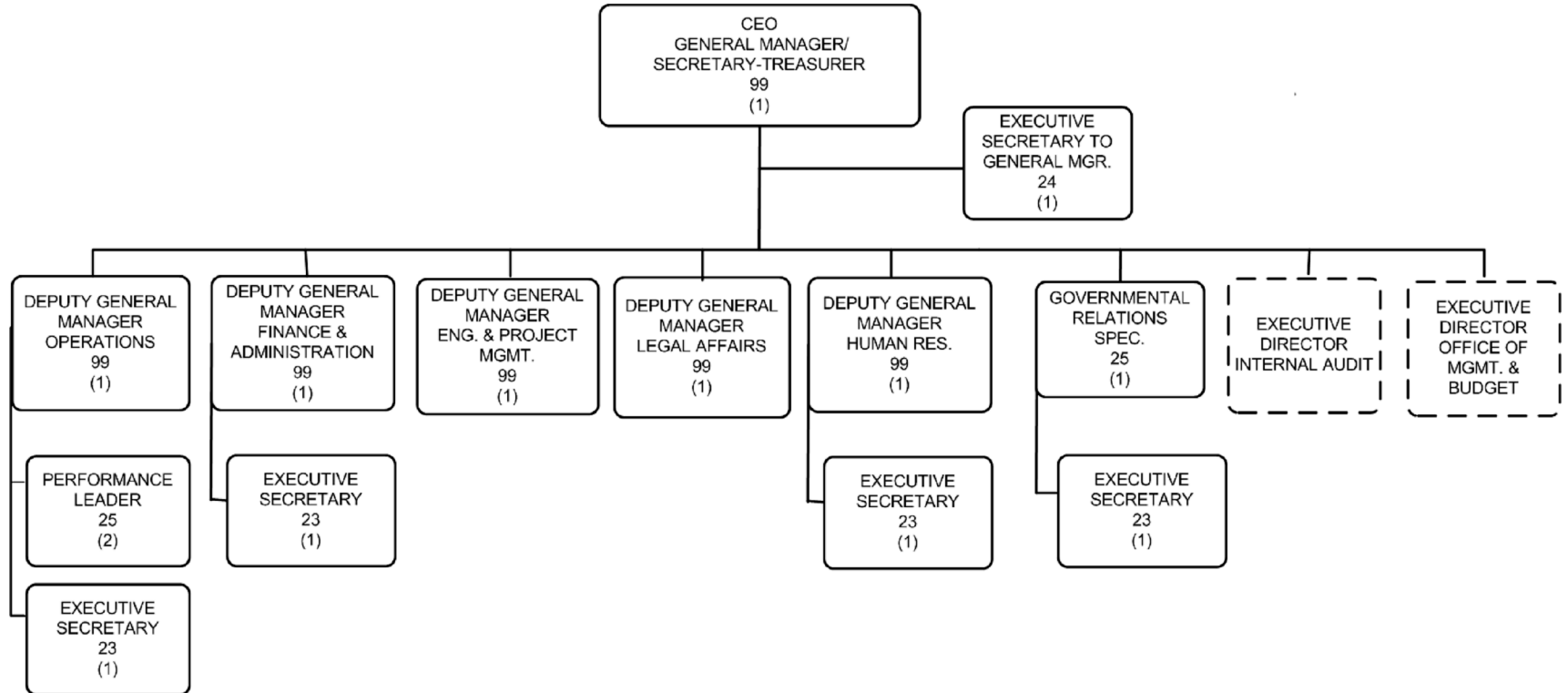
2011 BUDGET IMPLEMENTATION

Department 12 – Executive

- Implement policies and procedures to maintain critical services while addressing significant decreases in funding.
- 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 improvements in the efficiency and quality of our existing
- 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.

	2008 Actual	2009 Actual	2010 Estimate	2011 Budget
Ridership	57,977,574	49,872,964	44,682,977	46,717,800
Percent Change Prior Year	1.14%	-14%	-10.4%	4.55%
Pass Revenue	48,173,966	49,757,085	47,153,709	49,127,933
% Change	10.83%	3.29%	-5.23%	4.19%

STAFFING LEVEL COMPARISONS



DEPARTMENT: 12 - EXECUTIVE					
JOB CLASS	JOB TITLE	APPROVED 2008	APPROVED 2009	APPROVED 2010	Budgeted 2011
23	EXECUTIVE SECRETARY	4	4	4	4
23	SECRETARY TO GENERAL MANAGER	1	1	1	1
25	GOVERNMENTAL RELATIONS SPECIALIST (PT)	1	1	1	0
31	EXECUTIVE DIRECTOR - EXTERNAL AFFAIRS	1	1	0	0
999	DEPUTY GENERAL MANAGER	5	5	5	5
999	CEO/GENERAL MANAGER AND SECRETARY-TREASURER	1	1	1	1
1625	PERFORMANCE LEADER - OPS	0	0	0	2
DEPARTMENT TOTALS		13	13	12	13

2011 OPERATING BUDGET SUMMARY

Department 16 – Secretary/Treasurer – Board of Trustees

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

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.

OBJECT CLASS	DESCRIPTION	2008 Actual	2009 Actual	2010 Actual	2011 Budget
501300	LABOR - SALARIED EMPLOYEES	86,821.27	86,248.70	88,436.97	92,000.00
501310	OVERTIME - SALARIED EMPLOYEES	0.00	0.00	0.00	
502000	FRINGE BENEFITS	28,135.02	30,428.50	35,565.00	37,993.00
503111	SERVICES	152,200.00	146,130.59	199,152.48	218,600.00
504111	MATERIAL & SUPPLIES	134.59	0.00	1,500.00	1,500.00
509111	MISCELLANEOUS EXPENSES	23,756.85	13,739.13	15,027.92	30,800.00
	DEPT TOTAL	291,047.73	276,546.92	339,682.37	380,893.00

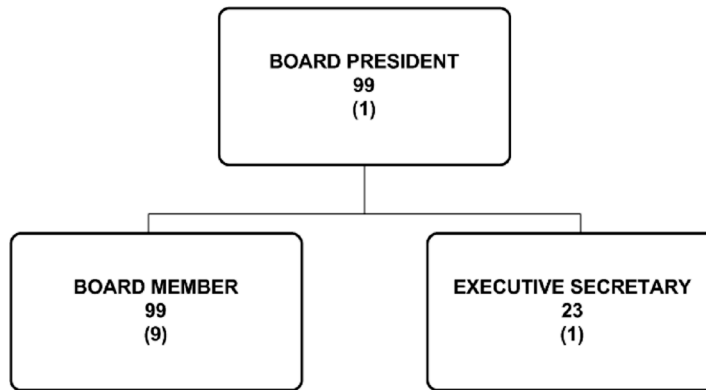
2011 BUDGET IMPLEMENTATION

Department 16 – Secretary/Treasurer – Board of Trustees

- 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.
- 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.

	2008 Actual	2009 Actual	2010 Estimate	2011 Budget
RTA Annual Yield on Investments	2.93%	1.06%	.50%	.55%

STAFFING LEVEL COMPARISONS



DEPARTMENT: 16 - SECRETARY/TREASURER - BOARD OF TRUSTEES					
JOB CLASS	JOB TITLE	APPROVED 2008	APPROVED 2009	APPROVED 2010	Budgeted 2011
23	EXECUTIVE SECRETARY	1	1	1	1
999	BOARD MEMBER	10	10	10	10
DEPARTMENT TOTALS		11	11	11	11

2011 OPERATING BUDGET SUMMARY

Department 19 – Internal Audit

ANTHONY GAROFOLI, EXECUTIVE DIRECTOR

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.

OBJECT CLASS	DESCRIPTION	2008 Actual	2009 Actual	2010 Actual	2011 Budget
501300	LABOR - SALARIED EMPLOYEES	418,970.57	429,624.80	441,676.72	443,000.00
502000	FRINGE BENEFITS	145,673.97	154,313.65	177,690.00	182,946.00
503111	SERVICES	9,000.00	21,330.00	8,992.78	13,500.00
504111	MATERIAL & SUPPLIES	1,215.16	263.89	1,493.40	1,500.00
509111	MISCELLANEOUS EXPENSES	14,033.14	7,609.27	9,707.52	25,000.00
	DEPT TOTAL	588,892.84	613,141.61	639,560.42	665,946.00

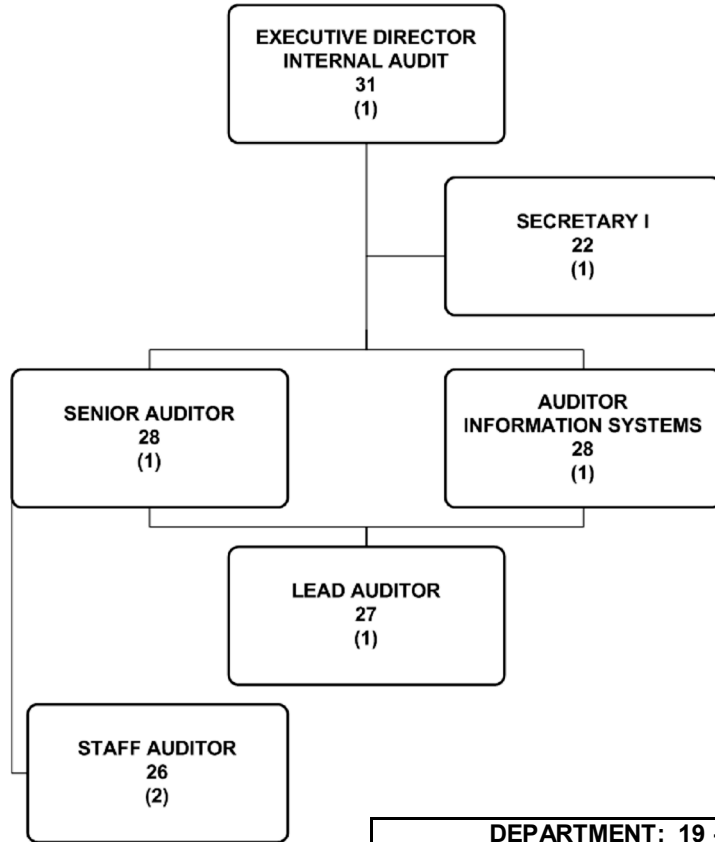
2011 Budget Implementation

Department 19 – Internal Audit

- Coordinate and assist with various external audits of the Authority.
- Provide resources to any special requests and/or emerging issues.
- Perform Health Care Benefits Audits.
- Perform contract and grant closeout audits.
- Perform Fare Collection and Operational Audits to appraise the operational effectiveness.
- Perform construction contract audits funded through the American Recovery and Reinvestment Act.
- Implement a Continuous Audit Program.
- Perform Information Systems audits.
- Perform Bus purchase contract audits and compliance with Buy America Program grants.
- Participate in Sustainability Program.
- Evaluate the Information Technology Governance Program.
- Participate in the GCRTA TransitStat Program.

	2008 Actual	2009 Actual	2010 Estimate	2011 Budget
Number of Audits Planned	50	51	51	53
Number of Audits Completed	45	46	44	47
Percentage of Time Budgeted for Audits	90%	90%	87%	89%

STAFFING LEVEL COMPARISONS



DEPARTMENT: 19 - INTERNAL AUDIT						
JOB CLASS	JOB TITLE	APPROVED 2008	APPROVED 2009	APPROVED 2010	Budgeted 2011	
22	SECRETARY I	1	1	1	1	
26	STAFF AUDITOR	3	2	2	2	
27	LEAD AUDITOR	0	1	1	1	
28	INFORMATION SYSTEMS AUDITOR	1	1	1	1	
28	SENIOR AUDITOR	1	1	1	1	
31	EXECUTIVE DIRECTOR of INTERNAL AUDIT	1	1	1	1	
DEPARTMENT TOTALS		7	7	7	7	

2011 OPERATING BUDGET SUMMARY

Department 53 – Marketing & Communications

STEVEN BITTO, DIRECTOR

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.

OBJECT CLASS	DESCRIPTION	2008 Actual	2009 Actual	2010 Actual	2011 Budget
501300	LABOR - SALARIED EMPLOYEES	1,487,740.34	1,436,283.55	1,353,864.10	1,456,000.00
501310	OVERTIME - SALARIED EMPLOYEES	28,704.67	13,876.19	17,436.47	7,000.00
502000	FRINGE BENEFITS	498,906.46	528,919.63	551,705.00	604,175.00
503111	SERVICES	198,759.69	408,988.61	389,977.63	196,900.00
503020	ADVERTISING FEES	877,589.75	699,947.99	681,013.96	729,500.00
503049	TEMPORARY HELP	0.00	0.00	0.00	0.00
504111	MATERIAL & SUPPLIES	17,387.47	18,747.13	16,085.26	23,500.00
509111	MISCELLANEOUS EXPENSES	24,198.57	53,397.78	31,509.75	8,600.00
509080	DISTRICT COUNCIL	0.00	(1,760.68)	0.00	0.00
512111	LEASES & RENTALS	0.00	0.00	5,999.86	0.00
DEPT TOTAL		3,133,286.95	3,158,400.20	3,047,592.03	3,025,675.00

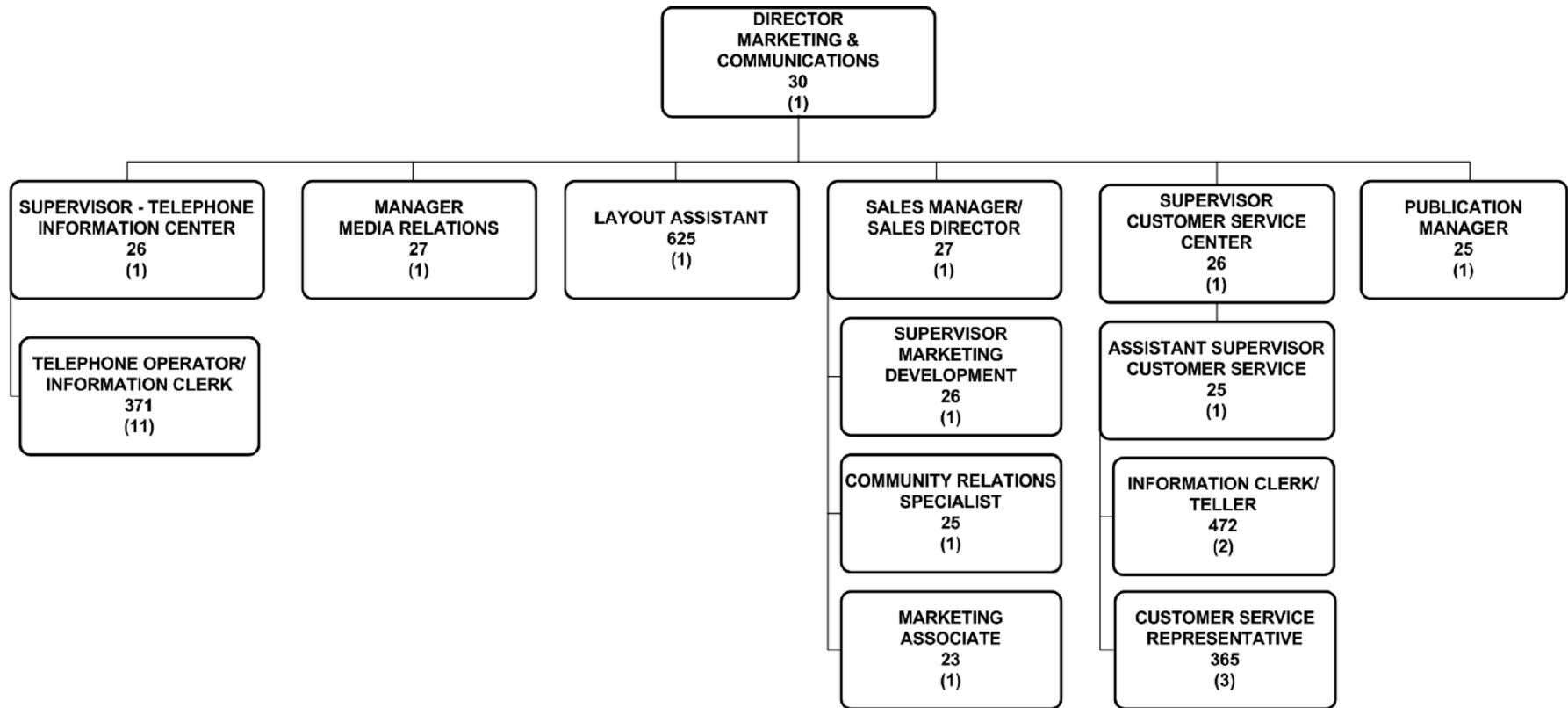
2011 Budget Implementation

Department 53 – Marketing & Communications

- Develop a 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 – HealthLine, Rapid Transit, Park-N-Ride and 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.

	2008 Actual	2009 Actual	2010 Estimate	2011 Budget
Calls Answered by TIC	450,000	489,000	585,000	625,000
New Commuter Advantage Clients	66	63	60	40
Ridership Solicitation Programs	20	15	15	20
ADA / Senior Presentations	30	24	24	24
Neighborhood / Community Outreach Activities	30	30	30	30
New U-Pass Relationships	0	2	1	2
Newsletters Produced	36	36	40	48

STAFFING LEVEL COMPARISONS



STAFFING LEVEL COMPARISONS

DEPARTMENT: 53 - MARKETING AND COMMUNICATIONS					
JOB CLASS	JOB TITLE	APPROVED 2008	APPROVED 2009	APPROVED 2010	Budgeted 2011
301	ADMINISTRATIVE ASSISTANT	1	0	0	0
365	CUSTOMER SERVICE REPRESENTATIVE	4	4	3	3
371	TELEPHONE OPERATOR / INFORMATION CLERK	12	12	12	11
472	INFORMATION CLERK / TELLER	3	2	2	2
625	LAYOUT ASSISTANT	1	1	1	1
23	ADA TRAVEL TRAINER	0	1	0	0
23	MARKETING ASSOCIATE	0	1	1	1
25	PUBLICATION MANAGER	1	1	1	1
25	COMMUNITY RELATIONS SPECIALIST	2	1	1	1
25	ASSISTANT SUPERVISOR - TELEPHONE INFO. CENTER	1	1	1	0
25	ASSISTANT SUPERVISOR - CUSTOMER SERVICE CENTER	1	1	1	1
26	SUPERVISOR - MARKETING DEVELOPMENT	1	1	1	1
26	SUPERVISOR - TELEPHONE INFORMATION CENTER	1	1	1	1
26	SUPERVISOR - CUSTOMER SERVICE CENTER	1	1	1	1
26	MARKETING RESEARCH MDP	0	0	1	0
26	LONG RANGE PLANNER	1	0	0	0
27	SALES MANAGER / SALES DIRECTOR	1	1	1	1
27	MANAGER - MEDIA RELATIONS	1	0	0	1
30	DIRECTOR - MARKETING & COMMUNICATIONS	1	1	1	1
DEPARTMENT TOTALS		33	30	29	27

2011 OPERATING BUDGET SUMMARY

Department 67 – Office of Management & Budget

GALE W. FISK, EXECUTIVE DIRECTOR

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.

OBJECT					
CLASS	DESCRIPTION	2008 Actual	2009 Actual	2010 Actual	2011 Budget
501300	LABOR - SALARIED EMPLOYEES	612,037.99	627,486.53	674,022.07	703,000.00
502000	FRINGE BENEFITS	202,654.78	225,495.88	270,719.00	290,318.00
503111	SERVICES	84,000.00	50,987.00	46,453.92	19,000.00
503020	ADVERTISING FEES	299.40	164.67	309.38	600.00
504111	MATERIAL & SUPPLIES	1,181.85	549.42	859.21	900.00
505111	UTILITIES	0.00	0.00	0.00	4,680,000.00
509111	MISCELLANEOUS EXPENSES	8,711.59	3,089.18	9,501.06	11,700.00
	DEPT TOTAL	908,885.61	907,772.68	1,001,864.64	5,705,518.00

Beginning 2011, the majority of the Utilities budget in Department 35, Service Management, has been transferred to Department 67, Office of Management and Budget

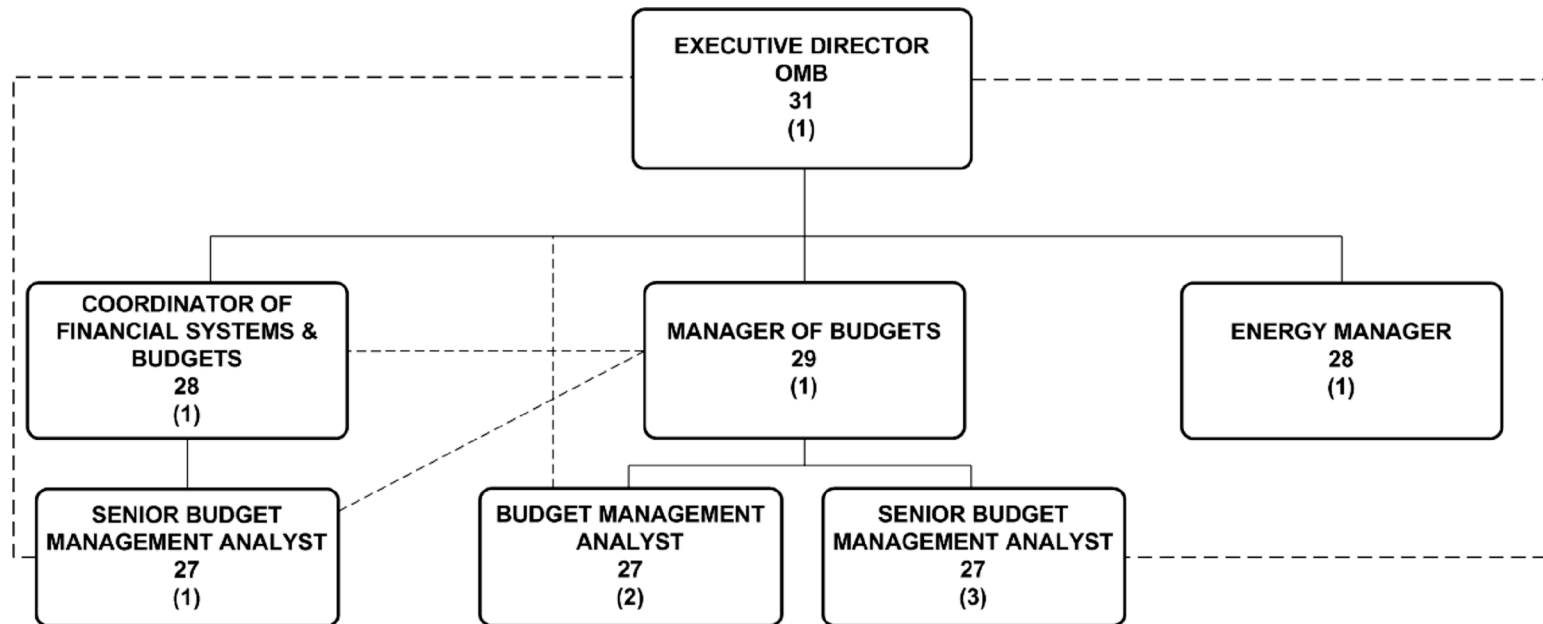
2011 BUDGET IMPLEMENTATION

Department 67 – Office of Management & Budget

- Implement Authority-wide management initiatives as directed by the CEO.
- Continue to develop Authority-wide Management Consulting Plan.
- Coordinate 2010 budget development process and produce an Adopted Budget Plan in a particularly difficult recession.
- Continue development of mechanisms to better monitor and control spending against the budget.
- Continue to implement new Budget Development System which is compatible with our Financial Management System and utilizes the most current technology and financial practices.
- Continue to re-prioritize the capital program and coordinate the funding/system implications.
- 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 TransitStat program to improve processes, enhance service and further reduce costs.
- Execute the Energy Price Risk Management Program to control and stabilize Diesel Fuel Costs.
- Continue to develop methodology for ridership counts.
- Develop plans and methodologies to reduce cost of utilities over next two years.
- Investigate and develop proposal for a more regional approach to transit in northeast Ohio.

	2008 Actual	2009 Actual	2010 Estimate	2011 Budget
Quarterly Management Reports Produced	4	4	4	4
FTA Financial Status Reports Prepared	4	4	4	4
Cost Allocation Plans Produced	1	1	1	1
National Transit Database Reports Prepared	1	1	1	1
# of Management Consulting Products Completed	3	3	3	3
Operating Budget Variances:				
Revenues over/(under)	(1.15%)	(3.55%)	2.06%	3.22%
Expenditures over/(under)	(1.13%)	(2.89%)	(8.79%)	3.82%

STAFFING LEVEL COMPARISONS



DEPARTMENT: 67 - OFFICE OF MANAGEMENT & BUDGET					
JOB CLASS	JOB TITLE	APPROVED 2008	APPROVED 2009	APPROVED 2010	Budgeted 2011
27	BUDGET MANAGEMENT ANALYST	3	3	4	3
27	SENIOR BUDGET MANAGEMENT ANALYST	3	2	2	3
28	ENERGY MANAGER	0	0	1	1
28	COORDINATOR OF FINANCIAL SYSTEMS & BUDGETS	1	1	1	1
29	MANAGER OF BUDGETS	2	2	1	1
31	EXECUTIVE DIRECTOR - OFFICE OF MGMT. AND BUDGET	1	1	1	1
DEPARTMENT TOTALS		10	9	10	10

2011 OPERATING BUDGET SUMMARY

Department 99 – Fund Transfers

OBJECT CLASS	DESCRIPTION	2008 Actual	2009 Actual	2010 Actual	2011 Budget
509091	MISC FINANCE COSTS			8,048,493.00	0
510065	TRANSFERS TO/FROM PENSION FUND	100,000.00	100,000.00	100,000.00	100,000.00
510075	TRANSFERS TO / FROM RTA CAPITAL	10,100,882.00	10,550,000.00	17,703,853.00	12,101,441.00
510085	TRANSFERS TO / FROM BOND RETIREMENT	14,718,950.00	17,327,161.50	17,353,787.00	19,181,632.00
510090	TRANSFERS TO / FROM INSURANCE FUND	2,900,000.00	3,520,000.00	3,203,000.00	3,250,000.00
	DEPT TOTAL	27,819,832.00	31,497,161.50	46,409,133.00	34,633,073.00

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2011 Capital Improvement Plan

Introduction	CIP - 1
Organization of the Capital Improvement Plan	CIP - 1
Capital Assets	CIP - 2
Capital Improvement Planning Cycle	CIP - 8
Budget Calendar of Events	CIP - 9
Transportation Improvement Program	CIP - 10
Appropriations	CIP - 10
Capital Improvement Financial Policies	CIP - 11
Capital Improvement Criteria	CIP - 11
Priority Areas	CIP - 12
Financial Capacity	CIP - 14
Debt Management	CIP - 17
Operating Impacts	CIP - 19
Project Categories	CIP - 20
RTA Capital Fund	CIP - 21
RTA Development Fund	CIP - 28

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 2011 activity. The detailed list of proposed capital improvement projects is provided, in addition to a discussion of the impact of the 2011 Capital Improvement Plan on the Operating Budget and the Authority's current outstanding debt obligations.

2011 - 2015 Capital Improvement Plan

Introduction

The GCRTA Capital Improvement Plan (CIP) relates to the implementation of an Authority-wide process to maintain, upgrade, or replace, its capital assets. 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 needs though must be weighed against the financial resources required to support the Operating and Other Budgets of the Authority.

Since the 2008-12 CIP, the goal of the CIP process has been to better align and schedule the Authority's on-going capital program with available Local and non-Local funding resources. This led to the effective programming of capital projects closely timed with upcoming and future Federal Fiscal Year (FFY) grants, to a reduction in 100 percent locally funded small capital projects, and 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 funded, budgeted projects in a given year and, in essence, moved the CIP from a five to an eight year plan. The 2011-15 CIP includes the first five programmed years of the Authority's Capital Program, while three additional years of out-year projects, covering 2016 – 2018, are in preliminary development.

Organization of the Capital Improvement Plan

This chapter contains the 2011-2015 Capital Improvement Plan. The first year of the plan reflects the 2011 Capital Improvement Budget Appropriation that is the guide for approved 2011 capital projects. The following four years of the CIP outlines planned long-term capital plans of the Authority. Projects and budget amounts included in these four 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 such as the on-going Bus Improvement Program and the two Rail Vehicle overhaul projects for the light and heavy rail fleets. Similarly, the age, purpose, and maintenance history of the RTA's facilities provide a basis for reconstruction and rehabilitation decisions.

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.

2011 - 2015 Capital Improvement Plan

Organization of the Capital Improvement Plan (continued)

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 2011 Capital Improvement Budget and the four out-years of the overall 2011 - 2015 Capital Improvement Plan. RTA Capital Fund projects are listed in Department order, while RTA Development Fund projects are organized by project category and reflect specific funding sources, which support those projects.

Capital Assets

The principal share of expenditures planned within the 2011 – 15 CIP are either invested in achieving a state of good repair for the Authority's capital assets or for the reimbursement of preventive maintenance activities within the Operating Budget. It also continues the process of addressing a backlog of needed capital improvements. 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-5.

Age Distribution of Primary Facilities

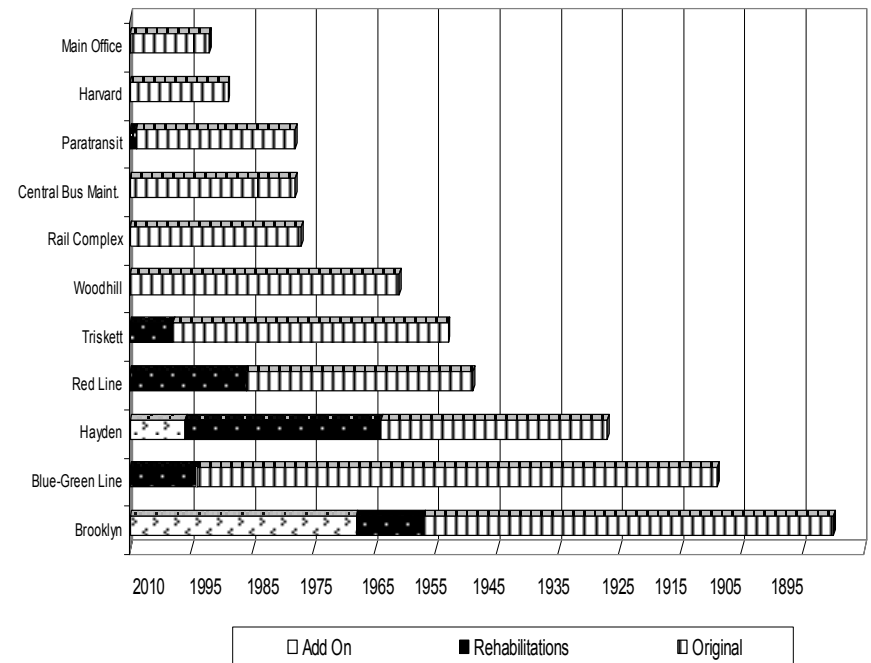


Figure CIP-1: Age Distribution of GCRTA Primary Facilities

2011 - 2015 Capital Improvement Plan

Capital Assets (continued)

Facilities

Brooklyn Garage Facility

The Brooklyn Garage, built in 1895 with building additions in both 1955 and 1969, remained in service as a bus facility until 2003. At present, its use is limited to Transit Police and K-9 training exercises.

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 total rehabilitation of this garage was completed in 1998. Replacement of six hydraulic lifts; the fire suppression and HVAC systems, and 16 overhead doors are included in the 2011 CIP.

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. Replacement of seven hydraulic lifts and an extension of the paint booth are scheduled for 2011.

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 FY2010. It is currently mothballed 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. It is undergoing an 18-month rehabilitation project scheduled for completion in mid-2011. Additional work scheduled for 2011, funded from an anticipated Federal State of Good Repair grant, includes various facilities improvements and replacement of equipment.

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 approximately 8,350 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 combined. An expansion project, adding 250 additional parking spaces at the Westlake Park-N-Ride Lot, delayed in 2010, will be under construction in early 2011.

2011 - 2015 Capital Improvement Plan

Capital Assets (continued)

Passenger Shelters

There are approximately 1,275 bus shelters located throughout the Authority's bus system's 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. It is scheduled for a complete roof replacement over the next two years.

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 one near Cleveland State University (Stephanie Tubbs Jones/East Side 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 and Green Lines comprise the RTA's Light Rail (LR) system. The lines run on shared track from the downtown Tower City station 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 34th/Campus and East 55th Street Stations. The entire light rail system, including tracks, infrastructure, and stations was reconstructed between 1980 and 1984.

Budgeted projects in 2011 are reconstruction of the Lee Road/Van Aken Blue Line Station, engineering and design work for replacement of the Fairhill Propulsion Power Substation, and remaining budget appropriation needed for the reconstruction of the Woodhill Light Rail Station.

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

2011 - 2015 Capital Improvement Plan

Capital Assets (continued)

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, 15 track bridges and 6 street bridges, including the shared Light Rail Trunk Line Bridge, have been rehabilitated or completely replaced and a project to demolish the Rockefeller Bridge is nearing completion. The 2011-15 CIP provides for engineering & design services and/or rehabilitation work on four track bridges, including engineering and design services in 2011 for the rehabilitation of the E. 81st/E. 83rd Streets Track Bridges.

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 seven of its Red Line stations since 2000 and work at the Puritas and East 55th Street Red/Blue/Green Lines Stations will be completed in 2011. Scheduled projects for 2011 include the reconstruction of the University Circle Station and the on-going state of good repair project to maintain the rail infrastructure. Two current projects, the Airport

Tunnel rehabilitation and reconstruction of the West Side S-Curve track section located between the West Boulevard & West 117th Street Stations, remain partially funded and commencement of most budgeted work remains dependent upon identifying additional, non-traditional funding sources.

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. Twenty-seven miles are light rail and thirty-eight miles are heavy rail. The right-of-way includes bridges, 52 passenger stations, 17 propulsion power substations, overhead catenary wires, signals, and associated rail infrastructure.

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 Lines) systems. It was originally constructed and opened in 1930 for passenger rail service. Modified in 1955 to accommodate heavy rail service on the Red Line, the station was completely reconstructed in the late eighties, reopening in 1990 as a part of the multi-use Tower City Center complex.

2011 - 2015 Capital Improvement Plan

Capital Assets (continued)

Revenue Vehicle Fleets

Conventional Buses

There were 516 vehicles in the GCRTA bus fleet at the end of 2010. The Authority's fleet includes 394 40-foot transit buses; 23 40-foot commuter buses; 20 60-foot articulated hybrid rapid transit vehicles (RTVs); 18 29-foot circulator buses; 17 60-foot articulated diesel buses, 15 45-foot commuter buses; 15 30-foot low-floor diesel buses; 11 30-foot Trolley buses; and 3 60-foot articulated diesel RTVs. The average bus vehicle age was 7.1 years at the end of 2010. All buses fifteen years old or older have been retired (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 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 replacement program will:

1. Lower maintenance costs
2. Improve fleet reliability
3. Distribute maintenance efforts more evenly
4. Reduce the Authority's vulnerability to large groups of bus defects
5. Prevent one-time large purchases

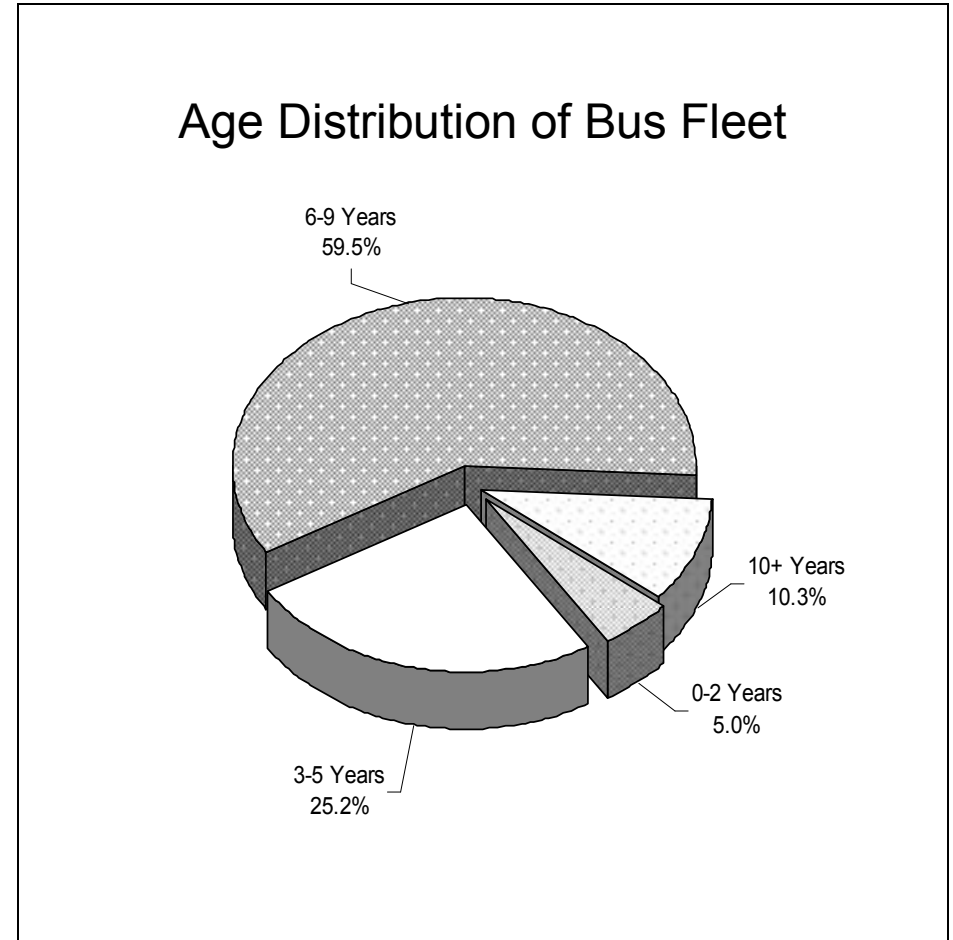


Figure CIP-2: Age Distribution of Bus Fleet

2011 - 2015 Capital Improvement Plan

Capital Assets (continued)

In 2010, the Authority put six 40-foot commuter coaches into service that were ordered in 2009. Due to service reductions implemented in 2010, no large buses are programmed in the 2011-15 CIP until FY 2013. All current GCRTA buses are compliant with the Americans with Disabilities Act (ADA) and, with the exception of the trolleys and RTVs, all are equipped with bicycle racks.

Paratransit Buses

The GCRTA's Paratransit Program transports senior citizens and disabled persons on an advanced-reservation basis. Currently, there are 80 ADA compliant, wheelchair-equipped buses in the Paratransit fleet. In 2010, the Authority accepted the remaining ten (10) of the fifty-seven (57) Paratransit replacement vehicles on order, including seven vehicles with longer wheelbases to address our jitney service.

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 that available to the general public. This policy is designed to attain 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 2010 was 28 years. The mid-life overhaul of the Authority's Light Rail (LR) Vehicle fleet neared completion at the end of 2010 and the Heavy Rail (HR) Vehicle fleet mid-life overhaul remains underway, through at a slower completion rate than anticipated. 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. The cost of a new heavy or light rail vehicle is between \$1.5 and \$3.0 million, while a mid-life rehabilitation of the vehicle, costs much less.

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.

2011 - 2015 Capital Improvement Plan

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 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 upcoming 2012-16 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). Now scheduled to begin in March of this year, when the Office of Management and Budget will review the budgeting policies and set the parameters for the Capital Budget, they will conclude in September with the Board Adoption of the recommended 2012-16 CIP.

Simultaneously with the start of the process, a complete review will be done to assess the status of the current year's (2011) Capital Improvement Budget. This will involve notification to various departments regarding data requirements and resource projects for the upcoming budget. A more detailed set of instructions will be provided to the departments at this time and include a review of the information required for the budget process to capture Capital Budget requests.

In May and June, OMB staff and two capital committees will review capital budget requests for consistency with capital improvement criteria, funding availability, the Long Range Plan, the Transportation

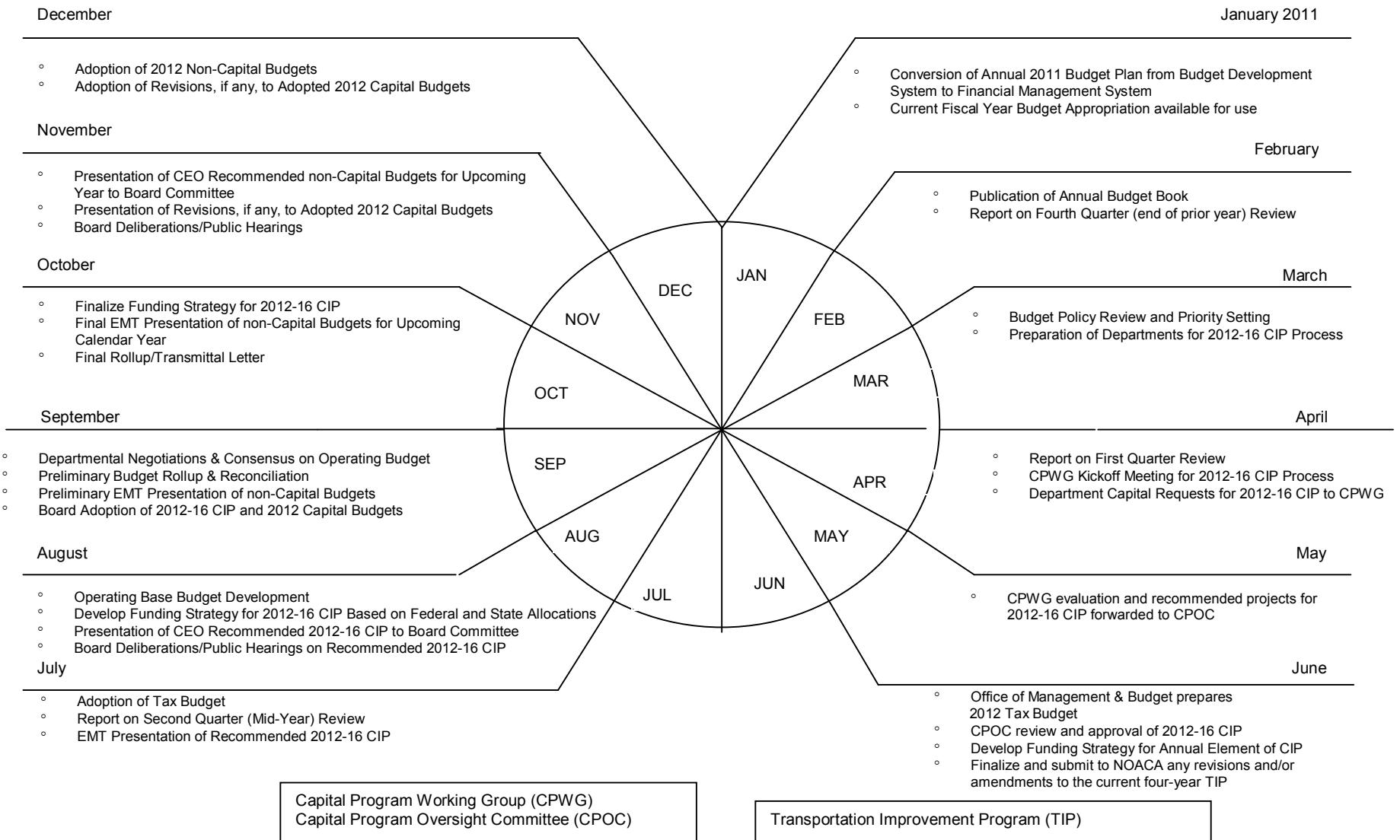
Improvement Plan (TIP), and the annual strategic planning process. Furthermore, projects are ranked in accordance to RTA's priority areas (see page CIP-12 & 13) to help refine the list.

The Capital Program Oversight Committee (CPOC), formed to develop and monitor the Capital program, will meet to review budget parameters and requests and align with projected 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 2012-16 CIP will be finalized.

By the end of June, the final revisions or amendments to the current four-year TIP will be forwarded to NOACA. This will be followed, in July, by a comprehensive mid-year review that will assess the status of the current year's Capital Improvement Budget and the Office of Management and Budget (OMB) presents the Board of Trustees with resource estimates and economic assumptions for the coming fiscal year in the Tax Budget.

The proposed 2012-16 CIP will initially be presented to the Board of Trustees' Finance Committee in August for discussion and review. Outstanding issues are normally resolved in anticipation of the public hearings at the Board of Trustees meeting in September at which time approval is expected. Any revisions to the original Capital Budgets will be included with the year-end Board approval of all non-Capital Budgets in December.

2011 - 2015 Capital Improvement Plan



2011 - 2015 Capital Improvement Plan

Transportation Improvement Program

The planning cycle for grant-funded projects begins with the development of 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. The GCRTA is responsible for preparing the transit component of the plan.

The GCRTA Long-Range Plan and its related five-year Strategic Plan guides the TIP and the Capital Improvement Plan (CIP). These plans, the latter of which is under development, will articulate the types of services and markets the Authority expects to serve.

The preparation of projects for the TIP will now begin in April when departments will request revisions to the previous year's CIP. The Budget Calendar of Events, on the prior page, 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.

In September, the Board will be asked to approve the Capital Budgets for the upcoming calendar year in tandem with their incorporation through NOACA into the current four-year TIP prior to new Federal Fiscal Year. The list of projects is 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.

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, and are routine in nature. Both Routine Capital and Asset Maintenance projects are funded through this account. Routine Capital projects are for the acquisition of non-revenue vehicles and other equipment. Asset Maintenance projects include rehabilitation and construction projects that are smaller in scope to repair and maintain the Authority's existing facilities.

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, debt service and 100 percent local funds.

2011 - 2015 Capital Improvement Plan

Capital Budget Appropriations (cont.)

Budget appropriation authority for both RTA Capital and RTA Development Fund projects are then 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 is not sustainable and will be 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.

Capital Improvement Criteria

Similar to what occurred during development of the operating budget, capital budget requests for the 2011 – 2015 period 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.

2011 - 2015 Capital Improvement Plan

Capital Improvement Criteria (cont.)

- **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
- **Health and Safety** – Ensuring the physical well-being of the Authority's customers, employees, and the general public
- **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
- **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

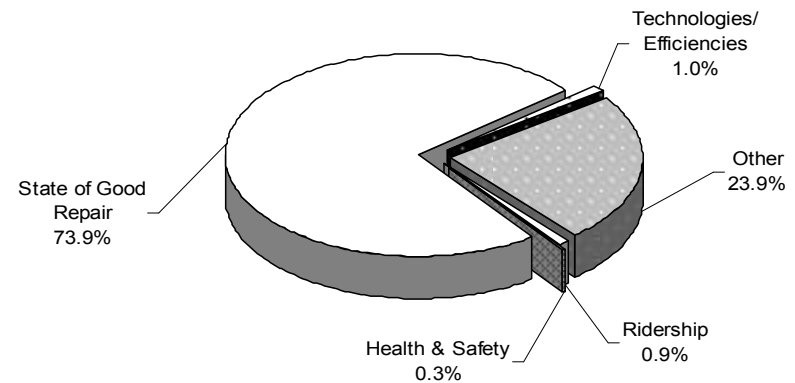
2011 - 2015 Capital Improvement Plan

Priority Areas (continued)

- **Mandates** – Ensuring compliance with Federal and State mandates such as the Clean Air Act and Americans with Disabilities Act
- **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 2011 Capital Improvement projects. The largest portion of the 2011 Capital Budget, \$70.25 million or 74.9 percent, is for the State of Good Repair category. 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 \$22.70 million, or 23.9 percent. The remaining categories make up the balance of the budgeted capital projects.

2011 Capital Projects by Priority Area (Millions)



Priority Area	2011	2012	2013	2014	2015	2011-15
Ridership	\$0.82	\$10.38	\$7.57	\$4.51	\$41.66	\$64.94
Health & Safety	\$0.31	\$0.32	\$0.20	\$0.23	\$0.23	\$1.28
State of Good Repair	\$70.25	\$47.37	\$59.32	\$81.29	\$73.41	\$331.63
Technologies/Efficiencies	\$0.97	\$1.21	\$1.64	\$0.74	\$1.21	\$5.76
Other	\$22.70	\$16.29	\$16.30	\$16.30	\$16.31	\$87.91
Total	\$95.05	\$75.56	\$85.02	\$103.07	\$132.81	\$491.52

Figure CIP-3: Capital Projects by Priority Area

2011 - 2015 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 though, the use of debt significantly increased to meet the financial needs of an extremely aggressive Capital Improvement Program. This decision led to a dramatic increase in the overall debt service of the Authority – one that now requires principal and interest payments that will exceed \$19.2 million in FY2011 and then increase to \$21.4 million in FY2012.

At the end of 2010, the Authority will have a combined \$152.8 million in outstanding debt among six debt issues. They are, along with their original amounts, \$20.9 million issued in 2001, \$17.5 million in refunded bonds from 2002, \$67.2 million in 2004, \$38.5 million issued in 2006, and \$35.0 million of bonds and \$27.4 million of refunded bonds issued in 2008. In addition, at the end of 2010, the Authority has a \$2.5 million outstanding balance on a loan from the State Infrastructure Bank.

In addition to determining the method of financing, capital investment decisions should 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 provide approximately \$74.28 million, or 64.3 percent of total capital improvement revenue during FY2011 and over the five-year CIP will provide close to 70 percent of funding for the Authority's programmed capital projects. The three major Federal grant programs require a local match, though Federal stimulus funds, awarded to the Authority through the American Recovery & Reinvestment Act (ARRA) program in 2009, do not require a local match. Federal grant programs were 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.

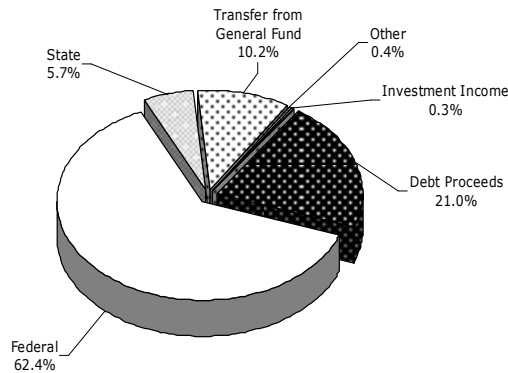
Section 5307 Capital Grants

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. The State may contribute up to one-half of the local match.

Including the local match, Section 5307 grant awards totaled \$31.7 million in FFY 2008 and \$35.26 million in FFY 2009. The FFY 2010 allocation of \$31.20 million has been partially awarded by the FTA at this point in time, with full approval not expected before mid-year and the FFY 2011 allocation of a projected \$31.83 million for preventive maintenance expenses, payment of the fare collection lease, and other capital projects is expected before the end of FY 2011.

2011 - 2015 Capital Improvement Plan

Capital Improvement Revenue By Source (Millions)



	2008 Actual	2009 Actual	2010 Estimate	2011 Budget	2012 Estimate	2013 Estimate
Transfer from General Fund	\$10.07	\$10.55	\$17.70	\$12.10	\$10.92	\$10.58
Investment Income	\$1.74	\$0.27	\$0.26	\$0.35	\$0.38	\$0.40
Federal (Including ARRA)	\$86.11	\$73.65	\$93.93	\$74.28	\$70.70	\$63.98
State	\$9.37	\$9.16	\$1.81	\$6.78	\$6.78	\$6.78
Debt Proceeds	\$35.50	\$0.00	\$0.00	\$25.00	\$0.00	\$0.00
Capital Lease	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Other	\$1.84	\$0.00	\$0.50	\$0.50	\$0.50	\$0.50
Total	\$144.63	\$93.63	\$114.20	\$119.01	\$89.28	\$82.25

Financial Capacity (continued)

Section 5309 (Formerly Section 3)

Section 5309 assistance has historically been distributed at the Federal Transit Administration's (FTA) discretion on a 75 percent Federal, 25 percent local basis. The ISTEA increased the Federal participation to 80 percent and instituted a four-tier formula to allocate Section 5309 Rail Modernization grants. This process has remained the same in the recent SAFETEA-LU legislation. Section 5309 bus grants continue to be awarded at the discretion of the FTA.

With the 20 percent local match included, FFY 2010 Section 5309 grants totaled \$17.5 million for various rail projects throughout the Authority. Though partially awarded at this point in time and awaiting final FTA approval, these funds and those expected from the FFY 2011 awards, will fund work on various rail infrastructure and support preventive maintenance reimbursements.

Section 5309 grants totaled \$36.0 million in 2009 including \$17.2 million for various rail projects and \$18.8 million of discretionary earmarks for buses, three Intermodal stations along Euclid Avenue, and fare collection equipment. This amount compares with \$36.0 million in 2008, \$23.8 million in 2007, \$52.4 million in 2006, and \$52.7 million in 2005.

The Authority's expected apportionment of \$18.0 million of rail modernization funds in 2011 is in final submission. Recent Congressional discussions on the Federal Budget have led to only five-twelfths of anticipated funding levels for FFY 2011 programs being authorized at this time. These funds are programmed for the reimbursement of preventive maintenance costs, to fund the Heavy Rail Vehicle Overhaul Project, and various rail infrastructure projects.

Figure CIP-4: Capital Improvement Revenue by Source

2011 - 2015 Capital Improvement Plan

Financial Capacity (continued)

Non-Traditional Federal Sources

A non-traditional Federal grant received in FY2010 was \$2.26 million of 100% Federal funds from the Transit Investment for Greenhouse Gas and Energy Reduction (TIGGER) program to improve the energy efficiency of three bus & rail facilities owned by the Authority. This was proceeded, in 2009, with \$45.7 million of Federal Grant funding on a 100% Federal and 0% local basis made available to the GCRTA 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.

The Authority has also submitted a request for \$5.0 of Congestion Mitigation Air Quality (CMAQ) funds on a bi-annual basis and two grants for the reconstruction of the Red Line University Circle Station, one an earmark of \$2.50 million and a \$13.13 million TIGER II state of good repair grant are expected by mid-2011.

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 grants 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.

Recent awards from the State include \$1.8 million in 2008 towards the purchase of up to three articulated Rapid Transit Vehicles, and \$4.8 million in 2003 for the reconstruction of the Triskett Bus Garage.

In FY2011, a previously programmed \$5.09 million is expected from the State for preventive maintenance and operating expense reimbursements. These funds were initially programmed for a three-year period under former Governor Strickland, but funding is now assured for only the first year of the 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 2011, local support for the capital program is comprised of \$12.1 million transferred from the General Fund (first component of the Sales Tax Contribution to Capital) and \$350,000 from interest earnings. Furthermore, a transfer of \$19.2 million from the General Fund to the Bond Retirement Fund is planned to cover the debt service payments from previous debt issues and a planned \$25.0 million debt issuance in 2011 all of which are used to support the local portion of capital projects.

2011 - 2015 Capital Improvement Plan

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. General Obligation (G.O.) bonds were last issued in 2008 for \$35.0 million in new debt and \$27.4 million in refunding bonds. All of the Authority's current outstanding debt will mature by December 2027. The nearly \$152.8 million balance of outstanding bonds at the end of 2010, along with a loan from the State Infrastructure Bank (SIB) with a remaining balance of \$2.5 million, will require principal and interest payments of \$19.3 million in 2011.

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.

Outstanding G.O. Debt Service & SIB Loan & Annual Debt Service Payments (Millions)

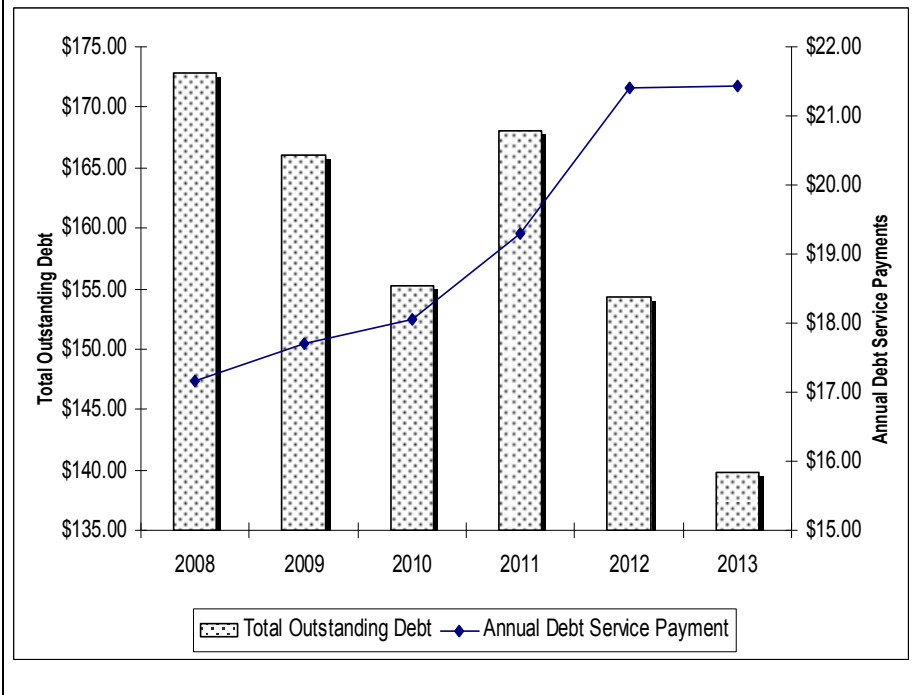


Figure CIP-5: Outstanding G.O. Debt Service & SIB Loan and Annual Debt Service Payments

2011 - 2015 Capital Improvement Plan

Debt Management (continued)

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 2010 slightly increased to from \$29.6 billion at the end of 2009 to \$29.8 billion. This limits the amount of available debt to \$1.49 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 nearly \$29.8 billion, annual debt servicing capacity would be close to \$29.8 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.
- 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.

With all the outstanding debt issued as of year-end 2010, 10.16 of the 10-mill limitation will be in use (based on the 2010 collection year), leaving 0.00 mills for additional debt issuances. 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-18, the Authority could issue approximately \$80 million of unvoted debt assuming a 20-year maturity and a 4.5 percent interest rate, but its ability to issue more general obligation debt is limited under the third constraint, in that the total outstanding debt issued as of year-end 2010 by various public entities within the County is over the unvoted ten-mill limit.

2011 - 2015 Capital Improvement Plan

Operating Impacts

One of the benefits of considering the Operating and Capital Budgets concurrently is the ability to gauge the impact of Capital Improvement decisions on the Operating Budget. The 2011 Capital Improvement Budget will affect the 2011 Operating Budget in the following ways:

- 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 FY2011, this amount is estimated at \$12.1 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, deferred from FY2010, for capital projects will result in debt service payments of nearly \$19.3 million in 2011 and require a General Fund transfer to the Bond Retirement Fund of nearly \$19.2 million.
- Some expenditures, 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 2011, this activity will result

in a projected \$3.58 million in reimbursements, mostly grant funded, to the General Fund.

- In the five fiscal years covering 2006 thru 2010, \$141.2 million of 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 2011 Capital Budget includes an additional \$30.2 million of budget authority for this purpose, again reducing the availability of funding for the Capital Program and continuing the process of deferring planned projects.
- The completion of the Light Rail Vehicle Overhaul project, in tandem with the on-going Heavy Rail Vehicle Overhaul project and other projects to maintain and improve the rail infrastructure, will continue to improve rail fleet and service delivery reliability and, in turn, reduce maintenance costs incurred in the operating budget.
- Daily activities within the Operating Budget in 2011 are supported by the \$2.3 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.

2011 - 2015 Capital Improvement Plan

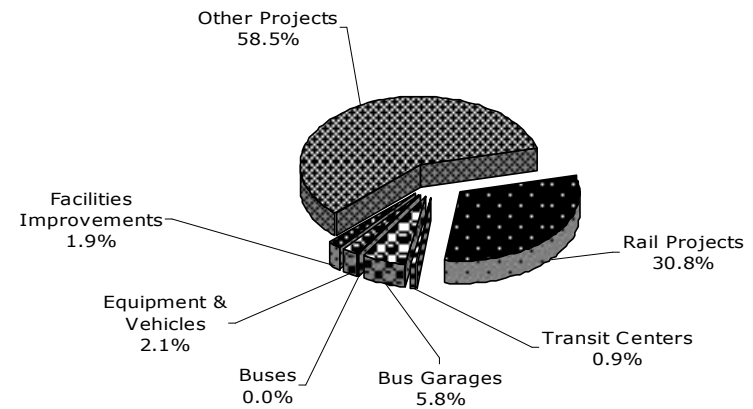
Capital Project Categories

The combined 2011–2015 Capital Improvement Plan (CIP) totals \$491.5 million. Projects included in the CIP are sorted into seven project categories – Bus Garages, Buses, Equipment & Vehicles, Facilities Improvements, Other, Rail Projects, and Transit Centers.

As reflected in Figure CIP-6, the Other Projects category totals \$55.58 million or well over half, 58.5 percent, of the 2011 Capital Budget. This includes \$30.2 million for Capitalized Operating Expenses - the single largest capital project not only in 2011, but also in every year within the 2011-2015 CIP. This is followed by the Rail projects category, with \$29.27 million, or 30.8 percent of the total, and various improvements at three Bus Garages with \$5.6 million, or 5.8 percent. The remaining 2011 CIP budget authority is for projects within Equipment & Vehicles category with \$1.99 million, or 2.1%, Facilities Improvements projects with \$1.80 million, or 1.9 percent, and Transit Centers with \$850,000, or 0.9 percent.

The largest budgeted category over the five-year period remains Other Projects, due to programmed reimbursements for preventive maintenance and other operating expenses at \$238.56 million, or 48.54% percent of the 2011-15 CIP. The Rail Projects category, which includes a partial budget of \$33.77 million for a proposed extension of the Blue Line, is the second largest category within the total five-year CIP of \$140.77 million, or 28.64 percent. The Bus Improvement Program with \$40.00 million, or 8.14 percent, Transit Centers with \$31.87 million, or 6.48 percent, Facilities Improvements at \$22.22 million, or 4.52 percent, Equipment & Vehicle purchases at \$12.53 million, or 2.55 percent, and Bus Garages with \$5.56 million, or 1.13%, makes up the difference.

2011 Capital Projects by Category (Millions)



	2011	2012	2013	2014	2015	2011 - 15
Bus Garages	\$5.56	\$0.00	\$0.00	\$0.00	\$0.00	\$5.56
Buses	\$0.00	\$0.10	\$13.71	\$13.71	\$12.50	\$40.01
Equipment & Vehicles	\$1.99	\$2.95	\$4.11	\$1.56	\$1.91	\$12.53
Facilities Improvements	\$1.80	\$3.75	\$3.99	\$7.99	\$4.70	\$22.22
Other	\$55.58	\$45.24	\$45.87	\$45.93	\$45.93	\$238.56
Rail Projects	\$29.27	\$13.25	\$14.65	\$29.39	\$54.22	\$140.77
Transit Centers	\$0.85	\$10.28	\$2.69	\$4.51	\$13.54	\$31.87
Total	\$95.05	\$75.56	\$85.02	\$103.07	\$132.81	\$491.52

Figure CIP-6: Capital Projects by Category

2011 - 2015 Capital Improvement Plan

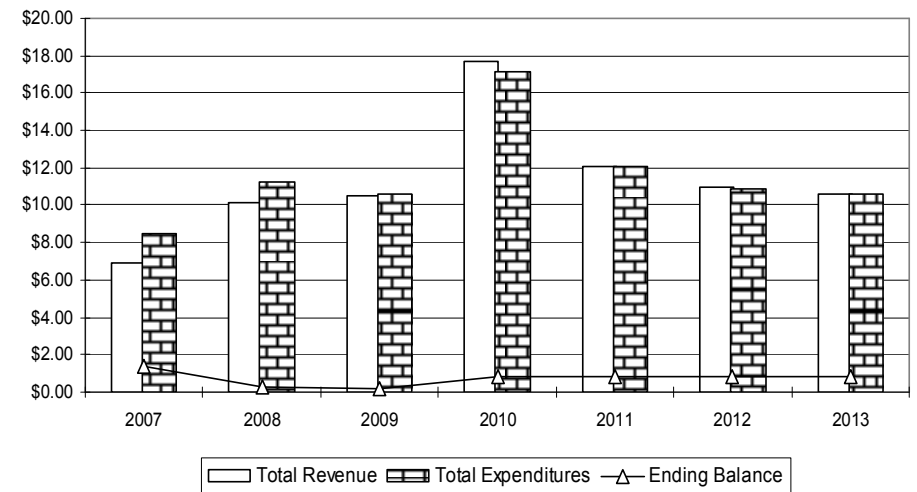
RTA Capital Fund

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 corresponding transfer from the General Fund to RTA Capital began in 1989, is the only source of revenue into this fund other than investment income. In 2011, transfers from the General Fund are estimated at \$12.1 million, or 7.4 percent of expected sales tax revenues along with anticipated investment income of \$2,500. The transfer amount, in combination with a planned \$19.2 million transfer from the Operating Budget to the Bond Retirement Fund, bring the total commitment to Capital to nearly \$31.3 million or 19.1 percent of the projected 2011 sales tax revenue.

Total 2011 budgeted expenditures or cash flows of over \$12.1 million include \$1.45 million for Asset Maintenance projects, \$1.05 million for Routine Capital purchases and a \$9.6 million transfer into the RTA Development Fund. The estimated 2011 ending balance of \$800 thousand, has stabilized prior year's draw downs in this fund balance, but remains well below the \$1.4 million fund balance at the end of 2007 and in earlier years.

RTA Capital Fund Balance Analysis (Millions)



	2007 Actual	2008 Actual	2009 Actual	2010 Estimate	2011 Budget	2012 Estimate	2013 Estimate
Beginning Balance	\$2.90	\$1.37	\$0.27	\$0.20	\$0.80	\$0.80	\$0.80
Total Revenue	\$6.92	\$10.13	\$10.55	\$17.70	\$12.10	\$10.92	\$10.59
Total Resources	\$9.82	\$11.51	\$10.82	\$17.90	\$12.90	\$11.73	\$11.39
Total Expenditures	\$8.45	\$11.24	\$10.62	\$17.10	\$12.10	\$10.92	\$10.58
Ending Balance	\$1.37	\$0.27	\$0.20	\$0.80	\$0.80	\$0.80	\$0.81

Figure CIP-7: RTA Capital Fund Balance Analysis

RTA Capital Fund Balance Analysis

	2007 Actual	2008 Actual	2009 Actual	2010 Estimate	2011 Budget	2012 Budget	2013 Budget
Beginning Balance	2,899,226	1,374,346	270,264	197,782	797,915	800,415	804,915
Revenue							
Transfer from General Fund	6,825,687	10,065,882	10,550,000	17,703,853	12,101,441	10,920,255	10,584,255
Investment Income	96,409	65,557	370	126	2,500	4,500	4,500
Other Revenue	0	0	0	8	0	0	0
Total Revenue	6,922,096	10,131,439	10,550,370	17,703,987	12,103,941	10,924,755	10,588,755
Total Resources	9,821,322	11,505,785	10,820,634	17,901,768	12,901,856	11,725,170	11,393,670
Expenditures							
Asset Maintenance	1,394,482	1,630,502	1,197,531	1,425,000	1,450,000	1,000,000	1,000,000
Routine Capital	2,052,494	2,004,137	1,079,267	1,025,000	1,050,000	750,000	750,000
Other Expenditures	0	0	0	0	0	0	0
Transfer to RTA Development Fund	5,000,000	7,600,882	8,346,054	14,653,853	9,601,441	9,170,255	8,834,255
Total Expenditures	8,446,976	11,235,521	10,622,852	17,103,853	12,101,441	10,920,255	10,584,255
Ending Balance	1,374,346	270,264	197,782	797,915	800,415	804,915	809,415

2011 - 2015 Capital Improvement Plan

RTA Capital Fund (continued)

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 appropriation for routine capital projects are approved annually.

As indicated in Figure CIP-8 on the following page and the charts on pages CIP-26 & CIP-27, the budget appropriation for Routine Capital projects accounts for \$1.00 million, or 1.05 percent, of the 2011 Capital Improvement Budget. This is a decrease in budget appropriation, relative to years prior to 2010, for both Routine Capital and Asset Maintenance projects remains a direct result of the historic downturn in Sales & Use Tax Revenue and the need to cover increasing debt service costs.

The greatest portion of Routine Capital projects in FY2011 is within the Operations Division, which has \$604,000, or 60.3 percent of the total budget appropriated for this purpose. The Fleet Management Department, which includes the non-revenue vehicle program, has the largest single department appropriation for Routine Capital purchases in 2011 with \$375,000, or 37.4%.

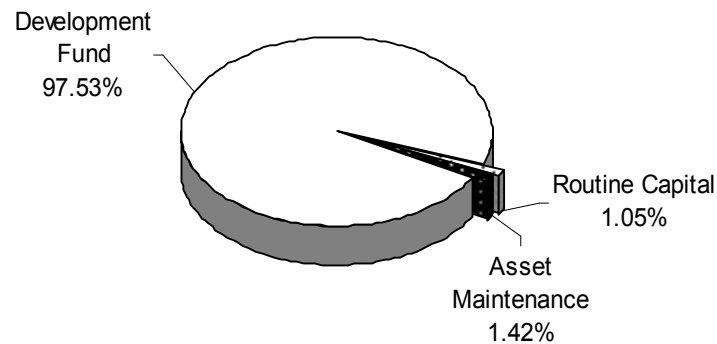
Asset Maintenance Projects

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 2011 budget appropriation for Asset Maintenance projects is \$1.35 million, representing 1.42 percent of the overall 2011 Capital Improvement Budget (see Figure CIP-8). Again, this is a decrease in this amount, relative to past year's budgets, as a result of declining revenue from the Sales & Use Tax. The largest portion of these projects, \$920,000, or 68.4 percent, is within the Engineering and Project Development Department, which coordinates larger construction-related routine improvements. This is followed by the Service Management Department with \$250,000, or 18.6 percent, of all Asset Maintenance projects. The remaining amount of \$175,000 is budgeted in the Fleet Management Department for the rehabilitation of bus lifts (\$100,000) and in an emergency contingency project for asset maintenance projects (\$75,000).

2011 - 2015 Capital Improvement Plan

2011 Capital Improvement Projects by Funding Type (Millions)



	2011	2012	2013	2014	2015	2011-2015
Routine Capital	\$1.00	\$0.83	\$0.80	\$0.79	\$0.74	\$4.16
Asset Maintenance	\$1.35	\$0.95	\$0.97	\$1.00	\$1.05	\$5.31
Development Fund	\$92.71	\$73.78	\$83.25	\$101.28	\$131.02	\$482.04
Total	\$95.05	\$75.56	\$85.02	\$103.07	\$132.81	\$491.52

Figure CIP-8: Capital Improvement Projects by Funding Type

**GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY
2011-2015 CAPITAL IMPROVEMENT PLAN
RTA CAPITAL FUND**

ROUTINE CAPITAL							
DEPARTMENT / PROJECT NAME	PROJECT NUMBER	2011 Budget	2012 Plan	2013 Plan	2014 Plan	2015 Plan	2011-15 Total
<u>12 EXECUTIVE</u>							
NOACA Dues	49120199	54,834	56,250	57,700	59,250	60,750	288,784
Build-up Greater Cleveland Dues	49120299	42,000	44,100	46,300	48,600	51,000	232,000
Outside Legal Services - Legislative Review	49120399	86,000	86,000	86,000	86,000	86,000	430,000
		182,834	186,350	190,000	193,850	197,750	950,784
<u>31 PARATRANSIT DISTRICT</u>							
Paratransit District Equipment Pool	47310109	12,500	12,500	15,000	15,000	17,500	72,500
		12,500	12,500	15,000	15,000	17,500	72,500
<u>32 RAIL DISTRICT</u>							
Rail District Equipment Pool	47320199	31,500	72,000	20,000	17,500	20,000	161,000
		31,500	72,000	20,000	17,500	20,000	161,000
<u>34 TRANSIT POLICE</u>							
Security Improvements Pool	44340199	185,000	200,000	200,000	225,000	225,000	1,035,000
		185,000	200,000	200,000	225,000	225,000	1,035,000
<u>39 FLEET MANAGEMENT</u>							
NRVIP - Transit Police Vehicles	46390199	50,000	0	0	0	0	50,000
NRVIP - Support Vehicles	46390299	250,000	0	0	0	0	250,000
Fleet Management District Equipment Pool	47390199	75,000	80,000	50,000	20,000	20,000	245,000
		375,000	80,000	50,000	20,000	20,000	545,000
<u>46 HAYDEN DISTRICT</u>							
Hayden District Equipment Pool	45460179	0	60,000	90,000	60,000	0	210,000
		0	60,000	90,000	60,000	0	210,000

**GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY
2011-2015 CAPITAL IMPROVEMENT PLAN
RTA CAPITAL FUND**

ROUTINE CAPITAL

DEPARTMENT / PROJECT NAME	PROJECT NUMBER	2011 Budget	2012 Plan	2013 Plan	2014 Plan	2015 Plan	2011-15 Total
<u>61 INFORMATION SYSTEMS</u>							
Systems Development Pool	42610199	120,000	120,000	140,000	140,000	140,000	660,000
		120,000	120,000	140,000	140,000	140,000	660,000
<u>62 SUPPORT SERVICES</u>							
Office Equipment/Furniture Replacement Pool	43620199	20,000	20,000	20,000	22,500	22,500	105,000
		20,000	20,000	20,000	22,500	22,500	105,000
<u>67 OFFICE OF MANAGEMENT & BUDGET</u>							
Routine Capital Contingency	49990159	75,000	75,000	75,000	100,000	100,000	425,000
		75,000	75,000	75,000	100,000	100,000	425,000
TOTAL ROUTINE CAPITAL		1,001,834	825,850	800,000	793,850	742,750	4,164,284

**GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY
2011-2015 CAPITAL IMPROVEMENT PLAN
RTA CAPITAL FUND**

ASSET MAINTENANCE							
DEPARTMENT / PROJECT NAME	PROJECT NUMBER	2011 Budget	2012 Plan	2013 Plan	2014 Plan	2015 Plan	2011-15 Total
<u>35 SERVICE MANAGEMENT</u>							
Passenger Facilities Maintenance Pool	32355099	110,000	110,000	110,000	110,000	110,000	550,000
Administration Facilities Maintenance Pool	32355199	30,000	30,000	30,000	30,000	30,000	150,000
Operating Facilities Maintenance Pool	32355299	110,000	110,000	110,000	110,000	110,000	550,000
		250,000	250,000	250,000	250,000	250,000	1,250,000
<u>39 FLEET MANAGEMENT</u>							
Woodhill Garage Overhead Door Replacements	32390119	0	58,000	0	0	0	58,000
Bus Lift Rebuilds/Rehabilitations - All Districts	47395099	100,000	100,000	125,000	125,000	125,000	575,000
		100,000	158,000	125,000	125,000	125,000	633,000
<u>80 ENGINEERING & PROJECT DEV.</u>							
Bridge Maintenance Pool	20805099	50,000	50,000	50,000	50,000	50,000	250,000
Track Maintenance Pool	23805099	40,000	40,000	40,000	40,000	40,000	200,000
Facilities - ADA Projects	32805099	120,000	100,000	100,000	100,000	100,000	520,000
Passenger Facilities Maintenance Pool	32805199	300,000	120,000	120,000	120,000	120,000	780,000
Operating Facilities Maintenance Pool	32805299	350,000	100,000	150,000	150,000	200,000	950,000
Bus Pad Replacement Pool	33805099	40,000	40,000	40,000	40,000	40,000	200,000
Authority-Wide Sign Replacement	47805099	20,000	20,000	20,000	20,000	20,000	100,000
		920,000	470,000	520,000	520,000	570,000	3,000,000
<u>99 OFFICE OF MANAGEMENT & BUDGET</u>							
Asset Maintenance Contingency	49995059	75,000	75,000	75,000	100,000	100,000	425,000
		75,000	75,000	75,000	100,000	100,000	425,000
TOTAL ASSET MAINTENANCE		1,345,000	953,000	970,000	995,000	1,045,000	5,308,000
RTA CAPITAL FUND TOTAL		2,346,834	1,778,850	1,770,000	1,788,850	1,787,750	9,472,284

2011 - 2015 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 supported through grants.

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 2005, 2006, and 2007 \$5.0 million was transferred from the RTA Capital Fund to the RTA Development Fund to cover the local match for the Capitalized Operating Expenses (C.O.E.) project and to cover other expenses within the fund not covered by other revenue sources. This increased to \$7.6 million in 2008 and again in 2009 to \$8.4 million. It grew to an estimated \$14.7 million in 2010 and then is projected to decrease to \$9.6 million in 2011, and further decrease to \$9.2 million and then to \$8.8 million respectively in 2012 and 2013. Recent debt services include a \$25.0 million bond issue in 2006, followed by a \$35.0 million bond issue in 2008. A planned debt sale in FY2010 of \$25.0 million was deferred until FY 2011. Interest income has varied over the years due to fluctuations in the fund balance with \$350,000 expected in 2011, followed by a small increase in the following years.

Figure CIP-9, on the following page, presents the fund balance analysis for the RTA Development Fund. In 2007, the balance had increased to \$22.8 million due to proceeds from a \$25.0 million capital lease that offset an increase in capital activities. It again increased to \$33.5 million in 2008, primarily due to proceeds from a \$35.0 million bond issuance, but again was drawn down to \$30.5 million in 2009 as proceeds began to be drawn down by capital activities. A planned debt issuance of \$25.0 million in 2011 will, in part, increase the fund balance to \$51.7 million in 2011, followed by a downturn in the fund balance in both 2012 and 2013 due to anticipated capital activities.

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-32, 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 \$102.62 million in 2011. Please note that the Fund Balance Analysis is presented on a cash basis and attempts to estimate the actual flow of revenue and expenditures. Thus, expenditure estimates differ from the levels presented in the 2011-15 Capital Improvement Plan, which are based on the establishment of budget appropriation authority for the projects.

2011 - 2015 Capital Improvement Plan

RTA Development Fund (continued)

RTA Development Fund Projects

In 2011, the combined budget appropriation for RTA Development Fund projects accounts for most, 97.5 percent, or \$92.7 million, of the entire Capital Improvement Budget for the year. 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 2011 local funds, or projects without an identified funding source. The following highlights some of the larger programmed RTA Development Fund Capital Improvement Projects in 2011. Please refer to pages CIP-33 through CIP-46 for a complete list of projects included within the RTA Development CIP.

Bus Garages - \$5.56 million

A Federal State of Good Repair grant will fund facility improvements and equipment replacement projects at three bus garages in FY2011. Work will commence upon execution and award of the grant at the Paratransit and Hayden Bus Garages and at the Central Bus Maintenance Facility and be completed in 18 months.

Bus/Paratransit Improvement Programs - \$0.0 million

No bus purchases are scheduled for the 2011 budget year. Any future programmed bus purchases, included in the out-years of the 2011-15 CIP, will be re-evaluated and/or revised to account for any changes in service levels that may occur before their scheduled year.

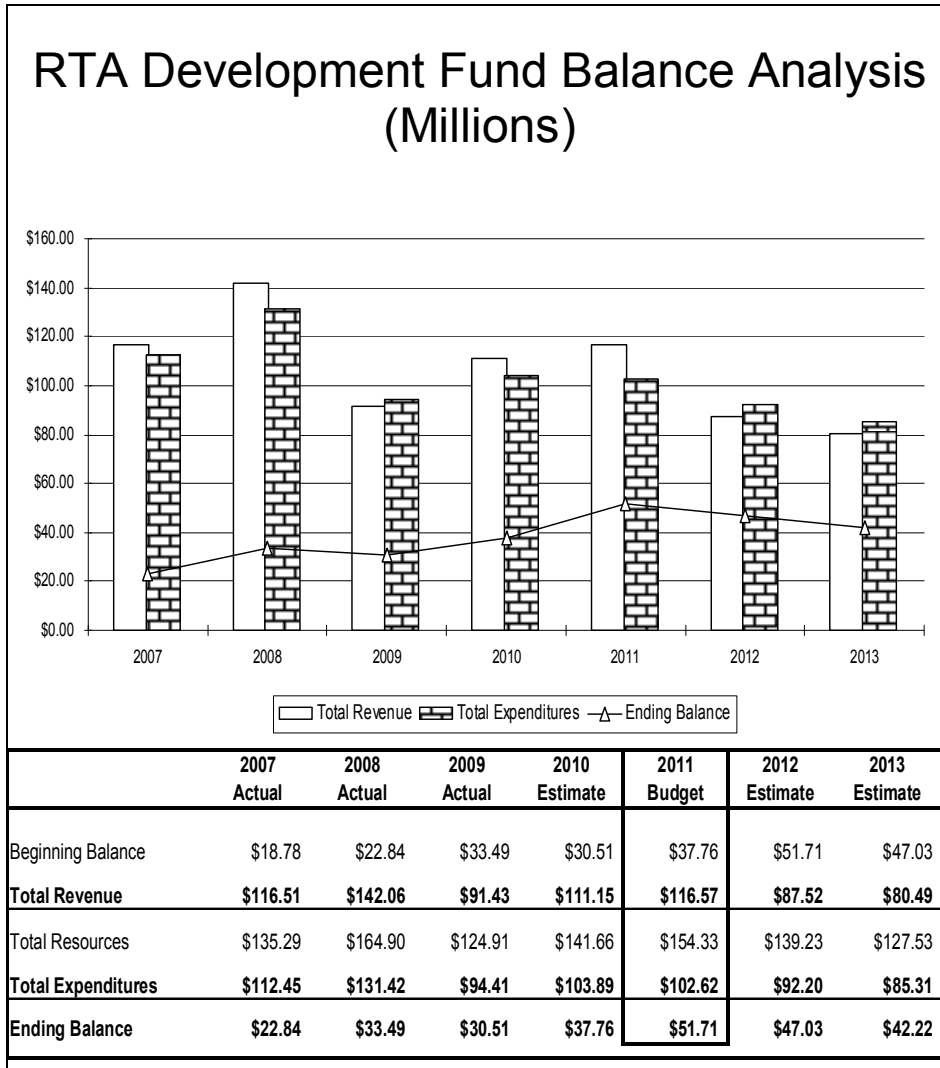


Figure CIP-9: RTA Development Fund Balance Analysis

2011 - 2015 Capital Improvement Plan

RTA Development Fund (continued)

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. At present, 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 contract will occur by mid-2011.

Equipment & Vehicles - \$1.25 million

FY2011 projects included within this category include an upgrade of the Authority's Fleetwatch System, the final scheduled payment for the Authority's Radio System, and remaining budget necessary for the planned upgrade of the Authority's Oracle, or Financial Management System.

Facilities Improvements - \$533 thousand

One project, engineering and design work for the West 81st & W. 83rd Street Track Bridges, is included for FY2011 within this category to the projects currently underway. Remaining budget is to address a needed change order to an on-going engineering and design project.

Other Projects - \$55.25 million

This category includes budget authority for preventive maintenance reimbursements to the Operating Budget, as well as various Operating expense reimbursement projects and contains the largest portion of budget authority, both within FY2011, as well as over the five years of the planned 2011-15 CIP. The largest, for preventive maintenance reimbursements with a budget appropriation of \$30.18

million, makes up nearly 32.6 percent of the entire RTA Development Fund appropriation for the upcoming Budget Year. Other large budgeted projects within this category in FY2011 include a combined \$14.2 million for the reimbursement of various Operating Budget expenses; \$4.07 million for JARC, or reverse commute services, and payment of a \$3.4 million fare collection equipment lease.

Rail Projects- \$29.27 million

The Rail Projects category continues to be the most diverse category within the RTA Development Fund. The FY2011 CIP includes rail station rehabilitation & construction projects, vehicle rehabilitations, signalization & electrical work, and on-going rail infrastructure & track rehabilitation projects.

Major budgeted 2011 projects within this category include the reconstruction of the University Circle and Lee/Van Aken Stations, programmed budget for the Heavy Rail Vehicle Overhaul project, and for an on-going rail infrastructure program.

Three Rail projects, reconstruction of the S-Curve on the Authority's Red Line between the West Boulevard and W. 117th Street Stations, a larger scale reconstruction project on the Airport Tunnel at the west end of the Red Line, and preliminary construction work on the Brookpark Station, that total a combined \$14.9 million were included in the 2010 CIP as "alternative" projects without an identified funding source. Still unfunded, they remain in the current budget, but will only be done if non-traditional funding sources can be identified.

Transit Centers / Bus Loops - \$845 thousand

There are two projects included for the 2011 Budget Year for various passenger enhancements and for preliminary work on the Clifton Enhancement project.

2011 - 2015 Capital Improvement Plan

Transit 2025 Long Range Plan

The purpose of the Long Range Plan of the Authority is to support its Mission and Policy goals. The plan accomplishes this by providing a guide for developing a balanced, multi-modal transit system that meets the mobility needs of Cuyahoga County residents and all visitors safely, efficiently, and cost-effectively.

The original plan was drafted in 1998. RTA updated the plan 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 will be completed in mid-2011.

The updated GCRTA Strategic Plan will provide focus on strategic initiatives from 2011 – 2015. 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.

The GCRTA Strategic Plan, now under final evaluation and acceptance, will review these goals and develop objectives that will support them.

RTA Development Fund Balance Analysis

	2007	2008	2009	2010	2011	2012	2013
	Actual	Actual	Actual	Estimate	Budget	Budget	Budget
Beginning Balance	18,784,966	22,837,466	33,485,254	30,508,300	37,768,392	51,657,933	46,979,983
Revenue							
General Obligation Debt Proceeds	0	35,472,559	0	0	25,000,000	0	0
Transfer from RTA Capital Fund	5,000,000	7,600,882	8,346,054	14,653,853	9,601,441	9,170,255	8,834,255
Investment Income	844,393	1,672,096	271,990	261,579	350,000	375,000	400,000
Federal Capital Grants	74,319,702	86,109,609	65,807,459	65,106,807	66,994,100	70,699,040	63,981,780
ARRA Federal Capital Grants	0	0	7,840,623	28,823,088	7,284,988	0	0
State Capital Grants	8,532,391	9,370,685	9,162,154	1,807,284	6,776,795	6,776,795	6,776,795
Capital Lease	25,000,000	0	0	0	0	0	0
Other Revenue	2,810,906	1,837,731	0	500,000	500,000	500,000	500,000
Total Revenue	116,507,392	142,063,562	91,428,280	111,152,611	116,507,324	87,521,090	80,492,830
Total Resources	135,292,358	164,901,028	124,913,534	141,660,911	154,275,715	139,179,022	127,472,812
Expenditures							
Capital Outlay	109,944,506	128,830,215	93,705,234	103,192,519	102,617,783	92,199,040	85,309,040
Other Expenditures	2,000,000	472,559	0	0	0	0	0
Transfer to Bond Retirement Fund	510,386	2,113,000	700,000	700,000	0	0	0
Total Expenditures	112,454,892	131,415,774	94,405,234	103,892,519	102,617,783	92,199,040	85,309,040
Ending Balance	22,837,466	33,485,254	30,508,300	37,768,392	51,657,933	46,979,983	42,163,773

**GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY
2011 - 2015 CAPITAL IMPROVEMENT PLAN
RTA DEVELOPMENT FUND**

ANTICIPATED FUNDING SOURCE							
CATEGORY / PROJECT NAME	PROJECT NUMBER	2011	2012	2013	2014	2015	TOTALS 2011-2015
<u>RAIL PROJECTS</u>							
<u>ELECTRICAL SYSTEM</u>							
Substation Replacement - West 117th Street FFY 2014 Federal Formula Grant	21800160	0	0	0	0	151,000	151,000
151,000							
Substation Replacement - West 65th Street FFY 2010 Federal Formula Grant FFY 2013 Federal Formula Grant	21800190	114,000	0	0	3,198,200	0	3,312,200
114,000 3,198,200							
Sectionalize Tower City Catenary System FFY 2012 Federal Formula Grant FFY 2014 Federal Formula Grant	21800260	0	0	34,000	660,000	0	694,000
34,000 660,000							
Substation Replacement - Fairhill Avenue FFY 2010 Federal Formula Grant FFY 2011 Federal Formula Grant	21800290	145,000	2,929,500	0	0	0	3,074,500
145,000 3,000,000							
Second Independent Feed for E. 55th Street Substation FFY 2014 Federal Formula Grant	21800360	0	0	0	0	66,000	66,000
66,000							
Substation Replacement - Puritas Avenue FFY 2013 Federal Formula Grant FFY 2015 Federal Formula Grant	21800390	0	0	0	142,000	3,717,600	3,859,600
142,000 3,717,600							
Sub-Total - Electrical System		259,000	2,929,500	34,000	4,000,200	3,934,600	11,157,300

**GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY
2011 - 2015 CAPITAL IMPROVEMENT PLAN
RTA DEVELOPMENT FUND**

ANTICIPATED FUNDING SOURCE							TOTALS
CATEGORY / PROJECT NAME	PROJECT NUMBER	2011	2012	2013	2014	2015	2011-2015
<u>RAIL PROJECTS - Cont.</u>							
<u>TRACK REHABILITATION</u>							
Rail Infrastructure Program	23320190	1,858,105	1,500,000	1,500,000	1,500,000	1,500,000	7,858,105
FFY 2010 Federal Formula Grant	1,500,000						
FFY 2011 Federal Formula Grant	1,500,000						
FFY 2012 Federal Formula Grant	1,500,000						
FFY 2013 Federal Formula Grant	1,500,000						
FFY 2014 Federal Formula Grant	1,500,000						
Light Rail Retaining Wall - Buckeye/Woodhill to Shaker Square	23800130	0	0	652,200	1,148,200	0	1,800,400
FFY 2012 Federal Formula Grant	652,200						
FFY 2013 Federal Formula Grant	1,148,200						
S-Curve Reconstruction on Heavy Rail Line	23800170	175,000	0	1,623,000	0	0	1,798,000
FFY 2010 Federal Formula Grant	175,000						
FFY 2012 Federal Formula Grant	2,380,080						
Airport Tunnel Rehabilitation	23800180	12,700	1,175,000	0	0		1,187,700
FFY 2010 Federal Formula Grant	2,029,914						
FFY 2011 Federal Formula Grant	1,825,000						
Light Rail Crossings Improvements	23800190	255,991	2,011,991	596,400	4,178,000	4,391,400	11,433,782
FFY 2010 Federal Formula Grant	2,345,000						
FFY 2011 Federal Formula Grant	2,485,605						
FFY 2012 Federal Formula Grant	596,400						
FFY 2013 Federal Formula Grant	4,178,000						
FFY 2015 Federal Formula Grant	4,391,400						

**GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY
2011 - 2015 CAPITAL IMPROVEMENT PLAN
RTA DEVELOPMENT FUND**

ANTICIPATED FUNDING SOURCE							TOTALS
CATEGORY / PROJECT NAME	PROJECT NUMBER	2011	2012	2013	2014	2015	2011-2015
<u>RAIL PROJECTS - Cont.</u>							
<u>TRACK REHABILITATION - Cont.</u>							
Replace Shaker Square Grade Crossing	23800270	0	815,000	1,600,000	0	0	2,415,000
FFY 2011 Federal Formula Grant	752,500						
FFY 2012 Federal Formula Grant	1,600,000						
Sub-Total - Track Rehabilitation		2,301,796	5,501,991	5,971,600	6,826,200	5,891,400	26,492,987
<u>RAIL STATION REHABILITATION</u>							
Mayfield Road HRV Station	24570140	272,000	2,500,000	0	9,595,000	0	12,367,000
FFY 2010 Federal Formula Grant	50,000						
FFY 2011 Federal Formula Grant	125,000						
FFY 2011 Section 5309 Earmark	2,500,000						
FFY 2014 Federal Formula Grant	9,595,000						
University Circle Station Rehabilitation	24570160	16,802,000	0	0	0	0	16,802,000
FFY 2010 Federal Formula Grant	175,000						
FFY 2010 Section 5309 Earmark	2,500,000						
FFY 2011 Federal Formula Grant	300,000						
FFY 2011 TIGER Grant Competitive Program	13,125,000						
FFY 2011 Trans. Enhancement Competitive Program	750,000						
Lee Road/Van Aken Blvd. LRV Station Rehabilitation	24570240	4,325,000	0	0	0	0	4,325,000
FFY 2010 Federal Formula Grant	4,375,000						
Light Rail Station Platform Reconstruction	24800120	0	297,050	290,460	316,350	345,850	1,249,710
FFY 2011 Federal Formula Grant	297,050						
FFY 2012 Federal Formula Grant	290,460						
FFY 2013 Federal Formula Grant	316,350						
FFY 2014 Federal Formula Grant	345,850						

**GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY
2011 - 2015 CAPITAL IMPROVEMENT PLAN
RTA DEVELOPMENT FUND**

ANTICIPATED FUNDING SOURCE							
CATEGORY / PROJECT NAME	PROJECT NUMBER	2011	2012	2013	2014	2015	TOTALS 2011-2015
<u>RAIL PROJECTS - Cont.</u>							
<u>RAIL STATION REHABILITATION - Cont.</u>							
Woodhill Road LRV Station Rehabilitation FFY 2010 Federal Formula Grant 100,000 FFY 2011 Federal Formula Grant 322,725	24800220	322,723	0	0	0	0	322,723
Brookpark Road HRV Station Rehabilitation FFY 2010 Federal Formula Grant 39,000 FFY 2011 Federal Formula Grant 122,000 FFY 2012 Alternate Funding Not Yet Identified 13,240,100	24800260	39,000	122,000	0	0	13,240,100	13,401,100
Replace Tower City Escalators FFY 2014 Federal Formula Grant 1,624,000	24800270	0	0	0	1,624,000	0	1,624,000
East 116th Street LRV Station Rehabilitation FFY 2012 Federal Formula Grant 846,200 FFY 2015 Federal Formula Grant 4,720,000	24800370	0	0	846,200	4,720,000	0	5,566,200
Sub-Total - Rail Station Rehabilitation		21,760,723	2,919,050	1,136,660	16,255,350	13,585,950	55,657,733
<u>TRAIN CONTROL / SIGNAL SYSTEM</u>							
HRV Microprocessor Replacement - Eng. Study FFY 2012 Federal Formula Grant 338,125	15320130	0	0	338,125	0	0	338,125
Cab Signal System Replacement Program FFY 2012 Federal Formula Grant 956,500 FFY 2013 Federal Formula Grant 938,500 FFY 2017 Federal Formula Grant 985,750	26320130	0	0	956,500	938,500	985,750	2,880,750
Signal System Replacement - Red Line FFY 2012 Federal Formula Grant 1,000,000	26800130	0	0	1,000,000	0	0	1,000,000
Sub-Total - Train Control / Signal System		0	0	2,294,625	938,500	985,750	4,218,875

**GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY
2011 - 2015 CAPITAL IMPROVEMENT PLAN
RTA DEVELOPMENT FUND**

ANTICIPATED FUNDING SOURCE							
CATEGORY / PROJECT NAME	PROJECT NUMBER	2011	2012	2013	2014	2015	TOTALS 2011-2015
<u>RAIL PROJECTS - Cont.</u>							
<u>RAIL EXPANSION</u>							
Blue Line Extension	34800190	0	100,000	5,210,000	0	28,460,500	33,770,500
FFY 2011 Federal Formula Grant	100,000						
FFY 2012 Federal New Starts Grant	5,210,000						
FFY 2014 Federal New Starts Grant	28,460,500						
FFY 2015 Federal New Starts Grant	29,880,000						
Sub-Total - Rail Expansion		0	100,000	5,210,000	0	28,460,500	33,770,500
<u>RAIL VEHICLE FLEET</u>							
State of Good Repair - LRV Fleet Reliability	15320140	0	0	0	1,365,500	1,365,500	2,731,000
FFY 2013 Federal Formula Grant	1,365,500						
FFY 2014 Federal Formula Grant	1,365,500						
Tokyu Car (HRV) Overhaul	47291550	4,945,000	1,800,000	0	0	0	6,745,000
FFY 2010 Federal Formula Grant	4,945,000						
FFY 2011 Federal Formula Grant	1,800,000						
Sub-Total - Rail Vehicle Fleet		4,945,000	1,800,000	0	1,365,500	1,365,500	9,476,000
TOTAL - RAIL PROJECTS		29,266,519	13,250,541	14,646,885	29,385,750	54,223,700	140,773,395
<u>TRANSIT CENTERS</u>							
<u>BUS SHELTERS</u>							
Passenger Shelters	28350190	25,000	0	332,000	0	345,000	702,000
FFY 2010 Federal Formula Grant	25,000						
FFY 2012 Federal Formula Grant	332,000						
FFY 2014 Federal Formula Grant	345,000						
Sub-Total - Bus Shelters		25,000	0	332,000	0	345,000	702,000

**GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY
2011 - 2015 CAPITAL IMPROVEMENT PLAN
RTA DEVELOPMENT FUND**

ANTICIPATED FUNDING SOURCE								
CATEGORY / PROJECT NAME	PROJECT NUMBER	2011	2012	2013	2014	2015	TOTALS 2011-2015	
<u>TRANSIT CENTERS - Cont.</u>								
<u>TRANSIT WAITING ENVIRONMENT</u>								
Transit Waiting Environment Program FFY 2013 Federal Formula Grant	338,000	30570160	0	0	0	338,000	0	338,000
Passenger Enhancements FFY 2010 Federal Formula Grant FFY 2011 Federal Formula Grant	100,000 243,286	30570180	100,000	243,286	0	0	0	343,286
Sub-Total - Transit Waiting Environment			100,000	243,286	0	338,000	0	681,286
<u>TRANSIT CENTERS</u>								
Intermodal Station - Natural History Museum FFY 2012 Section 5309 Earmark	550,000	30570130	0	0	550,000	0	0	550,000
Brecksville Transit Center FFY 2012 Federal Formula Grant FFY 2013 Alternate Funding Not Yet Identified FFY 2014 Alternate Funding Not Yet Identified	368,400 2,356,200 3,936,300	30570540	0	0	368,400	2,356,200	3,936,300	6,660,900
West Side Transit Center FFY 2012 Federal Formula Grant FFY 2013 Alternate Funding Not Yet Identified FFY 2014 Alternate Funding Not Yet Identified	1,443,100 1,819,400 9,261,900	30570640	0	0	1,443,100	1,819,400	9,261,900	12,524,400
Clifton Transit Enhancement Program FFY 2011 Section 5309 Enhancement Earmark FFY 2011 Trans. Enhancement Competitive Program FFY 2011 Federal New Starts Grant	937,500 750,000 8,900,000	61800190	720,000	10,035,000	0	0	0	10,755,000
Sub-Total - Transit Centers			720,000	10,035,000	2,361,500	4,175,600	13,198,200	30,490,300
TOTAL - TRANSIT CENTERS/SHELTERS			845,000	10,278,286	2,693,500	4,513,600	13,543,200	31,873,586

**GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY
2011 - 2015 CAPITAL IMPROVEMENT PLAN
RTA DEVELOPMENT FUND**

ANTICIPATED FUNDING SOURCE							TOTALS
CATEGORY / PROJECT NAME	PROJECT NUMBER	2011	2012	2013	2014	2015	2011-2015
<u>FACILITIES IMPROVEMENTS</u>							
<u>BRIDGE REHABILITATION</u>							
Track Bridge Rehabilitation - East Boulevard FFY 2010 Federal Formula Grant 35,000 FFY 2012 Federal Formula Grant 1,966,250	20800150	30,000	0	1,966,250	0	0	1,996,250
Track Bridges Rehabilitation - E. 81st & 83rd Streets FFY 2010 Federal Formula Grant 448,000 FFY 2011 Federal Formula Grant 55,000 FFY 2013 Federal Formula Grant 4,160,000	20800160	503,000	0	0	4,160,000	0	4,663,000
Track Bridge Rehabilitation - CSX & East 92nd Street FFY 2012 Federal Formula Grant 378,000 FFY 2015 Federal Formula Grant 3,000,000	20800170	0	0	378,000	0	3,000,000	3,378,000
Track Bridge Rehabilitation - Mayfield Road FFY 2014 Federal Formula Grant 2,180,100	20800340	0	0	0	2,180,100	0	2,180,100
Sub-Total - Bridge Rehabilitation		533,000	0	2,344,250	6,340,100	3,000,000	12,217,350
<u>System-Wide Facilities</u>							
Bus & Rail State of Good Repair FFY 2011 Federal Formula Grant 600,000 FFY 2012 Federal Formula Grant 750,000 FFY 2013 Federal Formula Grant 750,000 FFY 2014 Federal Formula Grant 750,000	32800120	0	600,000	750,000	750,000	750,000	2,850,000
Central Rail Roof Replacements FFY 2010 Federal Formula Grant 975,000 FFY 2011 Federal Formula Grant 2,267,900	32800210	0	2,267,900	0	0	0	2,267,900
Sub-Total - System-Wide Facilities		0	2,867,900	750,000	750,000	750,000	5,117,900
TOTAL - FACILITIES IMPROVEMENTS		533,000	2,867,900	3,094,250	7,090,100	3,750,000	17,335,250

**GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY
2011 - 2015 CAPITAL IMPROVEMENT PLAN
RTA DEVELOPMENT FUND**

ANTICIPATED FUNDING SOURCE							
CATEGORY / PROJECT NAME	PROJECT NUMBER	2011	2012	2013	2014	2015	TOTALS 2011-2015
<u>BUS GARAGES</u>							
<u>BUS STATE OF GOOD REPAIR PROGRAM</u>							
Bus State of Good Repair Program - Paratransit FFY 2011 Federal Formula Grant 100,000 FFY 2011 Competitive State of Good Repair Program 1,669,059	22800110	1,769,059	0	0	0	0	1,769,059
Bus State of Good Repair Program - Central Bus FFY 2011 Federal Formula Grant 100,000 FFY 2011 Competitive State of Good Repair Program 2,763,071	22800210	2,863,071	0	0	0	0	2,863,071
Bus State of Good Repair Program - Hayden FFY 2011 Federal Formula Grant 50,000 FFY 2011 Competitive State of Good Repair Program 876,910	22800310	926,910	0	0	0	0	926,910
Sub-Total - Bus State of Good Repair Program		5,559,040	0	0	0	0	5,559,040
TOTAL - BUS GARAGES		5,559,040	0	0	0	0	5,559,040
<u>BUSES</u>							
<u>BUS IMPROVEMENT PROGRAM</u>							
2010-14 Bus Improvement Program FFY 2012 CMAQ-ODOT Grant 6,250,000 FFY 2012 CMAQ-NOACA Grant 6,250,000 FFY 2013 CMAQ-ODOT Grant 6,250,000 FFY 2013 CMAQ-NOACA Grant 6,250,000 FFY 2014 CMAQ-ODOT Grant 6,250,000 FFY 2014 CMAQ-NOACA Grant 6,250,000	10390130	0	0	12,500,000	12,500,000	12,500,000	37,500,000
Sub-Total - Bus Improvement Program		0	0	12,500,000	12,500,000	12,500,000	37,500,000

**GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY
2011 - 2015 CAPITAL IMPROVEMENT PLAN
RTA DEVELOPMENT FUND**

ANTICIPATED FUNDING SOURCE							
CATEGORY / PROJECT NAME	PROJECT NUMBER	2011	2012	2013	2014	2015	TOTALS 2011-2015
<u>BUSES - Cont.</u>							
<u>PARATRANSIT IMPROVEMENT PROGRAM</u>							
2010-14 Paratransit Bus Improvement Program	12390120	0	95,000	1,205,000	1,205,000	0	2,505,000
FFY 2012 Federal Formula Grant	1,205,000						
FFY 2013 Federal Formula Grant	1,205,000						
Sub-Total - Paratransit Improvement Program		0	95,000	1,205,000	1,205,000	0	2,505,000
TOTAL - BUSES		0	95,000	13,705,000	13,705,000	12,500,000	40,005,000
<u>EQUIPMENT & VEHICLES</u>							
<u>Management Information System</u>							
Fleetwatch Upgrade to Version 3.0	42390110	650,000	0	0	0	0	650,000
FFY 2011 Federal Formula Grant	650,000						
Oracle Upgrade to Version 12	42610100	200,000	0	0	100,000	50,000	350,000
FFY 2010 Federal Formula Grant	350,000						
FFY 2011 Federal Formula Grant	200,000						
FFY 2013 Federal Formula Grant	100,000						
FFY 2014 Federal Formula Grant	50,000						
Network Infrastructure - Networks	42610120	0	205,000	445,000	98,000	58,000	806,000
FFY 2011 Federal Formula Grant	205,000						
FFY 2012 Federal Formula Grant	445,000						
FFY 2013 Federal Formula Grant	98,000						
FFY 2014 Federal Formula Grant	58,000						
Network Infrastructure - Data Center	42610220	0	200,000	110,000	145,000	65,000	520,000
FFY 2011 Federal Formula Grant	200,000						
FFY 2012 Federal Formula Grant	105,000						
FFY 2013 Federal Formula Grant	145,000						
FFY 2014 Federal Formula Grant	65,000						

**GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY
2011 - 2015 CAPITAL IMPROVEMENT PLAN
RTA DEVELOPMENT FUND**

ANTICIPATED FUNDING SOURCE							TOTALS
CATEGORY / PROJECT NAME	PROJECT NUMBER	2011	2012	2013	2014	2015	2011-2015
<u>EQUIPMENT & VEHICLES - Cont.</u>							
<u>Management Information System - Cont.</u>							
Network Infrastructure - Phone System	42610320	0	80,000	10,000	10,000	845,000	945,000
FFY 2011 Federal Formula Grant	80,000						
FFY 2012 Federal Formula Grant	10,000						
FFY 2013 Federal Formula Grant	10,000						
FFY 2014 Federal Formula Grant	845,000						
Microsoft Enterprise	42610420	0	300,000	0	200,000	0	500,000
FFY 2011 Federal Formula Grant	300,000						
FFY 2013 Federal Formula Grant	200,000						
Internet - Intranet Development	42610520	0	150,000	100,000	50,000	50,000	350,000
FFY 2011 Federal Formula Grant	150,000						
FFY 2012 Federal Formula Grant	100,000						
FFY 2013 Federal Formula Grant	50,000						
FFY 2014 Federal Formula Grant	50,000						
Absence Management (FMLA)	42610620	0	150,000	50,000	0	0	200,000
FFY 2011 Federal Formula Grant	150,000						
FFY 2012 Federal Formula Grant	50,000						
Oracle Procurement Modules	42610130	0	0	560,000	0	0	560,000
FFY 2012 Federal Formula Grant	560,000						
Reporting Tools	42610230	0	0	150,000	0	0	150,000
FFY 2012 Federal Formula Grant	150,000						
SBS to Oracle HR Integration	42610330	0	0	70,000	0	0	70,000
FFY 2012 Federal Formula Grant	70,000						
Sub-Total - Management Information System		850,000	1,085,000	1,495,000	603,000	1,068,000	5,101,000

**GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY
2011 - 2015 CAPITAL IMPROVEMENT PLAN
RTA DEVELOPMENT FUND**

ANTICIPATED FUNDING SOURCE							
CATEGORY / PROJECT NAME	PROJECT NUMBER	2011	2012	2013	2014	2015	TOTALS 2011-2015
<u>EQUIPMENT & VEHICLES - Cont.</u>							
<u>Equipment</u>							
Radio System FFY 2011 Federal Formula Grant	44081550	400,000	0	0	0	0	400,000
400,000							
Event Recorders - Rail FFY 2011 Federal Formula Grant FFY 2012 Federal Formula Grant	44150120	0	903,000	949,000	0	0	1,852,000
903,000 949,000							
Bus Camera System Retrofits Program FFY 2012 Federal Formula Grant	44390130	0	0	290,000	0	0	290,000
290,000							
Print Shop Equipment Replacement FFY 2012 Federal Formula Grant	45620130	0	0	442,400	0	0	442,400
442,400							
Sub-Total - Equipment		400,000	903,000	1,681,400	0	0	2,984,400
<u>Vehicles</u>							
Non-Revenue Vehicle Replacement Program FFY 2011 Federal Formula Grant FFY 2012 Federal Formula Grant FFY 2013 Federal Formula Grant FFY 2014 Federal Formula Grant	46390120	0	400,000	400,000	452,000	400,000	1,652,000
400,000 400,000 452,000 400,000							
Sub-Total - Vehicles		0	400,000	400,000	452,000	400,000	1,652,000
TOTAL - EQUIPMENT & VEHICLES		1,250,000	2,388,000	3,576,400	1,055,000	1,468,000	9,737,400

**GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY
2011 - 2015 CAPITAL IMPROVEMENT PLAN
RTA DEVELOPMENT FUND**

ANTICIPATED FUNDING SOURCE							
CATEGORY / PROJECT NAME	PROJECT NUMBER	2011	2012	2013	2014	2015	TOTALS 2011-2015
<u>OTHER PROJECTS</u>							
<u>Operating Assistance</u>							
2008 New Freedom Program (SNAPS - 11.7L.00)	49310180	2,077,985	2,080,000	2,080,000	2,080,000	2,080,000	10,397,985
FFY 2011 Section 5317 New Freedom Comp. Pro.	2,077,985						
FFY 2012 Section 5317 New Freedom Comp. Pro.	2,080,000						
FFY 2013 Section 5317 New Freedom Comp. Pro.	2,080,000						
FFY 2014 Section 5317 New Freedom Comp. Pro.	2,080,000						
FFY 2015 Section 5317 New Freedom Comp. Pro.	2,080,000						
Job Access Reverse Commute Program (JARC)	49350100	4,068,932	4,068,932	4,068,932	4,068,932	4,068,932	20,344,660
FFY 2011 Section 5316 JARC	4,068,932						
FFY 2012 Section 5316 JARC	4,068,932						
FFY 2013 Section 5316 JARC	4,068,932						
FFY 2014 Section 5316 JARC	4,068,932						
FFY 2015 Section 5316 JARC	4,068,932						
Senior Transportation Connection	49350160	1,100,000	0	0	0	0	1,100,000
FFY 2011 Section 5309 Earmark	1,100,000						
CMAQ Trolley Reimbursements	49370300	980,980	0	0	0	0	980,980
FFY 2011 CMAQ Grant	980,980						
Paratransit Operating Expenses Reimbursement	49670100	3,109,000	3,089,000	3,089,000	3,089,000	3,089,000	15,465,000
FFY 2011 STP Grant	3,109,000						
FFY 2012 STP Grant	3,089,000						
FFY 2013 STP Grant	3,089,000						
FFY 2014 STP Grant	3,089,000						
FFY 2015 STP Grant	3,089,000						

**GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY
2011 - 2015 CAPITAL IMPROVEMENT PLAN
RTA DEVELOPMENT FUND**

ANTICIPATED FUNDING SOURCE							
CATEGORY / PROJECT NAME	PROJECT NUMBER	2011	2012	2013	2014	2015	TOTALS 2011-2015
<u>OTHER PROJECTS - Cont.</u>							
<u>Operating Assistance - Cont.</u>							
ODOT Next Generation Operating Assistance	49670210	5,085,901	6,776,795	6,776,795	6,776,795	6,776,795	32,193,081
FFY 2011 STP Grant	5,085,901						
FFY 2012 STP Grant	6,776,795						
FFY 2013 STP Grant	6,776,795						
FFY 2014 STP Grant	6,776,795						
FFY 2015 STP Grant	6,776,795						
CMAQ HealthLine Reimbursements	49670300	6,005,000	0	0	0	0	6,005,000
FFY 2011 CMAQ Grant	6,005,000						
2011 Preventive Maintenance Expenses	51670110	30,184,000	26,250,000	27,000,000	27,000,000	27,000,000	137,434,000
FFY 2010 Federal Formula Grant	30,184,000						
FFY 2011 Federal Formula Grant	26,250,000						
FFY 2012 Federal Formula Grant	27,000,000						
FFY 2013 Federal Formula Grant	27,000,000						
FFY 2014 Federal Formula Grant	27,000,000						
Sub-Total - Operating Assistance		52,611,798	42,264,727	43,014,727	43,014,727	43,014,727	223,920,706
<u>Other</u>							
TSA - Canine Teams	49340290	120,000	120,000	0	0	0	240,000
FFY 2011 Transit Security Grant	120,000						
FFY 2012 Transit Security Grant	120,000						
Planning Studies (Transportation for Livable Communities Initiative)	49570170	93,750	93,750	93,750	93,750	93,750	468,750
FFY 2011 STP Grant	93,750						
FFY 2012 STP Grant	93,750						
FFY 2013 STP Grant	93,750						
FFY 2014 STP Grant	93,750						
FFY 2015 STP Grant	93,750						

**GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY
2011 - 2015 CAPITAL IMPROVEMENT PLAN
RTA DEVELOPMENT FUND**

ANTICIPATED FUNDING SOURCE							
CATEGORY / PROJECT NAME	PROJECT NUMBER	2011	2012	2013	2014	2015	TOTALS 2011-2015
<u>OTHER PROJECTS - Cont.</u>							
<u>Other - Cont.</u>							
Fare Collection Equipment Lease	49650180	2,426,110	2,426,110	2,426,110	2,426,110	2,426,110	12,130,550
FFY 2010 Federal Formula Grant	2,426,110						
FFY 2011 Federal Formula Grant	2,426,110						
FFY 2012 Federal Formula Grant	2,426,110						
FFY 2013 Federal Formula Grant	2,426,110						
FFY 2014 Federal Formula Grant	2,426,110						
Sub-Total - Other		2,639,860	2,639,860	2,519,860	2,519,860	2,519,860	12,839,300
TOTAL - OTHER PROJECTS		55,251,658	44,904,587	45,534,587	45,534,587	45,534,587	236,760,006
TOTAL RTA DEVELOPMENT FUND		92,705,217	73,784,314	83,250,622	101,284,037	131,019,487	482,043,677
TOTAL RTA CAPITAL FUND (Page CIP-30)		2,346,834	1,778,850	1,770,000	1,788,850	1,787,750	9,472,284
GRAND TOTAL CAPITAL IMPROVEMENT PLAN		95,052,051	75,563,164	85,020,622	103,072,887	132,807,237	491,515,961



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